



City of Carpinteria California

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2019



Cover: City of Carpinteria Coastline
Cover Photo: Daniel Gonzalez
Cover Design: Ashley Chaparro, Senior Financial Analyst

CITY OF CARPINTERIA CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

PREPARED BY THE ADMINISTRATIVE SERVICES DEPARTMENT
LICETTE MALDONADO, ADMINISTRATIVE SERVICES DIRECTOR



CITY OF CARPINTERIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
June 30, 2019

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City of Carpinteria

Administrative Services Department

5775 Carpinteria Avenue
Carpinteria, California 93013
805-684-5405

May 11, 2020

Honorable Mayor, Members of the City Council, and Citizens of the City of Carpinteria, California:

State law requires all general-purpose local governments, within six months of the close of each fiscal year, to publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the City of Carpinteria (City) is pleased to submit its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

While traditionally addressed to the City Council, this report is also intended to provide relevant financial information to the citizens of the City of Carpinteria, City staff, creditors, investors and other concerned readers. We encourage all readers to contact the Administrative Services Department with any questions or comments concerning this report.

Moss, Levy & Hartzheim, LLP, Certified Public Accountants, has issued an unmodified (“clean”) opinion on the City of Carpinteria’s financial statements for the year ended June 30, 2019. The independent auditor’s report is located at the front of the financial section of this report

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

PROFILE OF THE GOVERNMENT

The City of Carpinteria is a general law city incorporated in 1965. The City is located on the Central Coast of California about 100 miles north of Los Angeles. The City is within about ten minutes of driving time from the downtown area of the City of Santa Barbara and is a part of a coastal region visited annually by substantial numbers of tourists seeking to enjoy the area's moderate climate, beaches, active recreational opportunities, fine restaurants, and the relaxing atmosphere unique to coastal communities.

The City has a population of 13,622 individuals and most of the City is residential. The City's population has an estimated growth of 4.8 percent since 2010. New development occurs primarily through small infill projects as major commercial and industrial development is constrained by available land, and policies and regulations intended to preserve & protect coastal resources.

City of Carpinteria
Letter of Transmittal
For the Fiscal Year Ended June 30, 2019

The City operates under a council-manager form of government. Policy making and legislative authority are vested in the City Council consisting of the Mayor and four other elected Council members. The Council is elected to four year staggered terms. The Council is responsible, among other matters, for passing ordinances, adopting the City budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, appointing other employees and otherwise managing daily operations of the City.

The City provides a range of municipal services including law enforcement, land use and development review and permitting; construction and maintenance of City streets, storm drains, bridges and similar infrastructure type assets; park maintenance and recreation programs.

The City's annual budget serves as the foundation for the City of Carpinteria's financial planning and control system. All departments of the City submit requests for appropriations to the City Manager each year. The City Manager uses these requests as a starting point for developing a proposed budget and presents a proposed budget to the City Council each year. The Council considers and adopts the budget at public meetings in June. The budget is adopted by fund, function, department and object. The Council periodically reviews during the fiscal year the City's actual financial activity in relationship to the original budget, and as necessary amends the original budget to reflect changing conditions.

The General Fund, the Capital Improvements Fund, the Measure A Fund and the Revolving Fund, all deemed major funds under the reporting standards, are presented as Required Supplementary Information in a separate section of this report immediately following the notes to the financial statements. For the City's other governmental-type funds, a budget to actual comparison schedule is presented as optional information in the section of this report containing combining financial statements and individual fund schedules.

LOCAL ECONOMY

The City is located in a beautiful area of the Central Coast and the City limits encompass beaches on the Pacific Ocean. Several lodging establishments, fine restaurants, a downtown with shops reflecting an attractive and enjoyable small town environment, are within walking distance of the City's beaches. About 84 percent of the City's general fund revenues come from the local hotel bed tax, sales tax revenues, franchise fees and local property taxes. In fiscal year 2019, the City experienced a 14.4% increase, about \$1.4 million, in its general fund revenues. These increases included several major categories such as sales tax estimated at \$629 thousand largely due to Measure X, property tax estimated at \$318 thousand, transient occupancy taxes estimated at \$174 thousand and interest estimated at \$111 thousand. These were partially offset by declining revenue from intergovernmental (contributions from outside sources), estimated at \$132 thousand, and franchise taxes, estimated at \$97 thousand.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The City has identified some \$303 million in its Capital Improvement Program to be completed over the next 20 years. These include about \$33.5 million for alternative transportation, \$15.6 million for general facilities, \$208 million for Highway 101 interchanges and bridges, \$3.1 million for parking facilities, \$9.6 million for parks and recreation facilities, \$20.3 million for storm drain facilities, \$12.5 million for streets and thoroughfares, and \$525 thousand for traffic control facilities. In 2017 the City adopted a Five Year

City of Carpinteria
Letter of Transmittal
For the Fiscal Year Ended June 30, 2019

Financial Plan that quantified these revenue shortfalls in the context of service demands. In 2018, the City took several actions to address and input the plan including creating a Revenue Policy change, establishing a Pension Trust Fund and gaining voter approval of a revenue increase that has the potential to generate about 2 million annually. In addition to this revenue, the City also has about \$2.1 million in the Capital Improvements Fund and \$2.1 million in the Measure A Fund, which monies will specifically be used for future projects, mainly street infrastructure.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Carpinteria for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018. In order to receive this award, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a one year period only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

I wish to acknowledge the excellent participation and professional contribution of the finance staff in the preparation of this document, in particular Senior Financial Analyst, Ashley Chaparro and Accounting Clerk, Louisa Ornelas. I would also like to express my appreciation to all departments within the City who provided assistance and support.

Sincere appreciation is also expressed to the City Manager, Dave Durflinger and the members of the City Council for their support in planning and conducting the financial operations of the City of Carpinteria in a responsible and progressive manner.

Sincerely,

Licette Maldonado

Licette Maldonado
Administrative Services Director



Government Finance Officers Association

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

Presented to

**City of Carpinteria
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

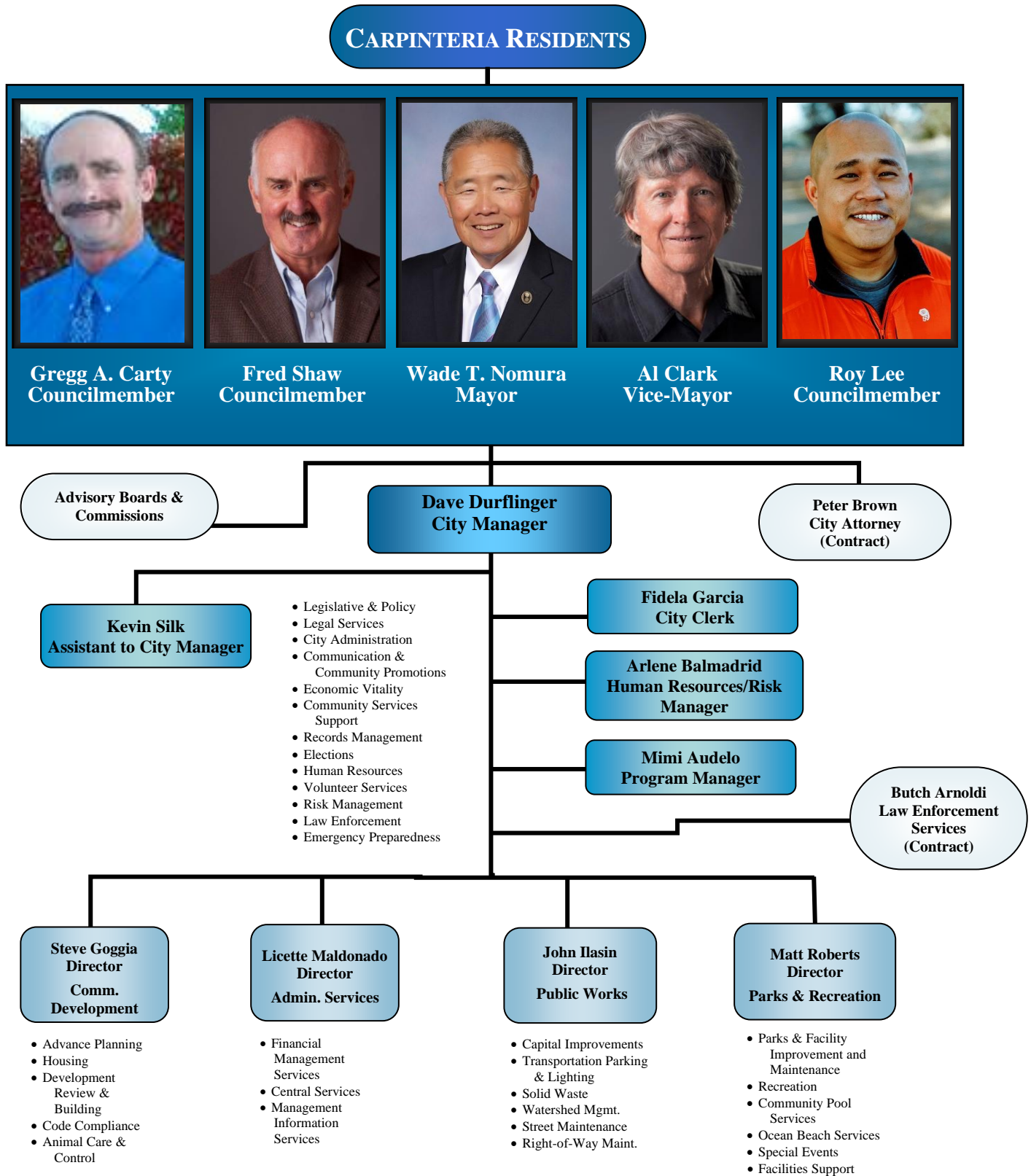
June 30, 2018

Christopher P. Morill

Executive Director/CEO

CITY OF CARPINTERIA

ORGANIZATIONAL STRUCTURE AND DIRECTORY OF CITY OFFICIALS





INDEPENDENT AUDITORS' REPORT

City Council of the City of Carpinteria
Carpinteria, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Carpinteria, as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Carpinteria, as of June 30, 2019, and the respective changes in financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 16 through 27, the budgetary information on pages 62 through 63, the schedule of proportionate share of net pension liability and related ratios on page 64, the schedule of pension contributions on page 65, the schedule of changes in OPEB liability and related ratios on page 66, and the schedule of OPEB contributions on page 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance

with auditing standards generally accepted in the United States of America, which consisted of inquires 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 of Carpinteria's basic financial statements. The introductory section, statistical section, and the combining nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2020, on our consideration of the City of Carpinteria's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moss, Kelly & Hultgren LLP

Santa Maria, California
April 30, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

This analysis of the City of Carpinteria's (City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to those financial statements.

A. FINANCIAL HIGHLIGHTS

- ◆ At June 30, 2019, the City's net position (excess of assets and deferred outflows over liabilities and deferred inflows) was \$29.5 million. Unrestricted Fund Balance reported a position of \$655 thousand due to the changes in assumption of Government Accounting Board (GASB) Statement 75 (see Other Information Note 4, Section F Other Post-Employment Benefits).
- ◆ Revenue from all governmental activities of \$16.4 million increased by \$1.6 million, or 11.1%, compared to prior fiscal year. Program revenues decreased by \$1.2 million, or 22.5% and general revenue increased by \$2.8 million, or 29.8%. This was primarily due to reclassification of revenues with the implementation of new financial software and audit firm.
- ◆ Expenses for all governmental activities of \$14.3 million decreased by \$241 thousand, or 1.7%, compared to prior fiscal year. General Government increased by \$1.4 million, or 28.2%, Public works and streets decreased by \$1.3 million, or 33.5%, and Parks and Recreation decreased by \$198 thousand, or 11.4%. The City's total net position therefore increased by \$2.2 million over the course of this year's operations after conducting all City operations and programs.
- ◆ The City's governmental funds reported a combined ending fund balance of \$15.1 million, which is an increase of \$522 thousand compared to prior fiscal year. The ending fund balance is primarily identified as: \$7.7 million Restricted (50.9%), \$6.1 million Committed (40.7%) and \$1.2 million Unassigned (8.2%).
- ◆ At the end of fiscal year 2018/19, Unrestricted Fund Balance (which includes Committed and Unassigned components of fund balance) in the General Fund totaled \$7.4 million, or 81.1%, that was available for ongoing operations. When adjusted for the committed component of fund balance, the amount available for ongoing operations at the discretion of the City is reduced to \$1.3 million, or 13.9%.
- ◆ Prior period adjustment was made in fiscal year 2018/19 in the amount of \$170 thousand to correct prior year capital asset balances and various grant funds expended in prior fiscal years.

B. OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements.

City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

B. OVERVIEW OF FINANCIAL STATEMENTS, Continued

The basic financial statements include the City (primary government) and all legally separate entities (component units) for which the government is financially accountable. The City's component unit consist of the following: Carpinteria Public Improvement Corporation. This component units have been included in the basic financial statements as an integral part of the primary government using the blended method.

Government-Wide Financial Statements

Government-wide financial statements provide readers with a broad view of the City's financial condition using the accrual basis of accounting, which is similar to the accounting method used by the majority of private-sector companies.

The Statement of Net Position presents information on all of the City's assets (including infrastructure) and deferred outflows, as well as all liabilities (including long-term debt) and deferred inflows, with the difference reported as net position. Certain interfund activities have been eliminated as prescribed by GASB Statement No 34. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All of the current fiscal year's revenues and expenses are taken into account and all changes in net position are reported as soon as the underlying event occurs, regardless of timing of related cash flows.

Governmental activities of the City are mostly reported in this category, including public safety, general administration, public works, and parks and recreation. Property, business, hotel and sales taxes, charges for services, interest income, franchise fees, and state and federal grants finance these activities. The government-wide financial statements can be found on pages 33-34 of this report.

Fund Financial Statements

Fund financial statements provide readers with detailed financial information about the City's major funds. Some funds are required to be established either by state law or by bond covenants, while other funds are established by management to control and manage cash flow for particular purposes, or to demonstrate that legal requirements for using certain taxes, grants and other resources have been met. The City uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives and to ensure and demonstrate compliance with finance-related legal or contractual requirements. The government activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

B. OVERVIEW OF FINANCIAL STATEMENTS, Continued

Fund Financial Statements, Continued

Governmental Funds – The governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on current financial resources, which emphasize near-term inflows and outflows of spendable resources, as well as balances of spendable resources at the end of the fiscal year. This information is essential in evaluating the City's near-term financial requirements.

To better understand the City's long-term and short-term requirements, it is useful to compare the City's governmental fund statements with the governmental activities in the government-wide financial statements. Reconciliations are provided for both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances, in order to facilitate this comparison.

The major governmental funds include the General Fund, Capital Improvements Fund, Revolving Fund, and Measure A Fund, which are reported in detail in the governmental fund financial statements. Data from the remaining governmental funds are shown in the aggregate as other non-major funds. Individual fund data for other non-major governmental funds is provided in the form of supplementary information in the report. The governmental fund financial statements can be found on pages 37-40 of this report.

Notes to Basic Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 41-60 of this report.

Required Supplementary Information

In addition to the basic financial statements, this report also presents certain Required Supplementary Information (RSI), including the City's budgetary comparison schedules for the General Fund and Measure A, schedule of proportionate share of net pension liability, schedule of plan contributions, and schedule of changes in the City's total Other Post-Employment Benefits (OPEB) liability and related ratios. RSI can be found on pages 61-71 of this report.

Supplementary Information

Combining statements and budgetary comparison schedules for non-major governmental funds, comparative schedule of capital assets, schedule of changes in capital assets, and schedule of capital assets used by function and activity are presented immediately following the RSI. Supplementary information can be found on pages 72-91 of this report.

Statistical Section

Statistical tables regarding financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information can be found on pages 93-114 of this report.

City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position is a useful indicator of the City's financial position over time. For the fiscal year ended June 30, 2019, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$29.5 million. The following is a condensed Statement of Net Position for the fiscal years ended June 30, 2019 and 2018.

City of Carpinteria's Net Position
As of June 30, 2019 and 2018

	Governmental Activities	
	2019	2018
Current and other assets	\$ 20,423,058	\$ 17,093,816
Capital assets (net of depreciation)	22,878,404	21,201,117
Total Assets	43,301,462	38,294,933
Deferred Outflows of Resources	1,753,744	2,059,966
Current and other liabilities	4,678,947	2,192,888
Noncurrent liabilities	9,121,719	9,930,730
Total Liabilities	13,800,666	12,123,618
Deferred Inflows	1,769,481	980,972
Net Position:		
Net investment in Capital Assets	22,878,404	21,201,117
Restricted	5,951,166	6,673,049
Unrestricted	655,489	(623,857)
Total Net Position	\$ 29,485,059	\$ 27,250,309

At June 30, 2019, the largest portion of net position consists of the City's net investment of \$22.9 million (77.6%) in capital assets. This component represents the total amount of funds required to acquire those assets, less any outstanding related debt and accumulated depreciation. The City uses these capital assets to provide services to citizens. The capital assets of the City are not sources of income for repayment of debt as most assets are not revenue generating and generally are not liquidated to repay debt.

An additional portion of the City's net position in the amount of \$6.0 million (20.2%) is subject to external restrictions on how the funds may be used. The remaining net position of \$655 thousand (2.2%) is unrestricted and is due to changes to the City's long-term pension obligations assumptions and pension retiree benefits that represents 65.3% of the total liabilities.

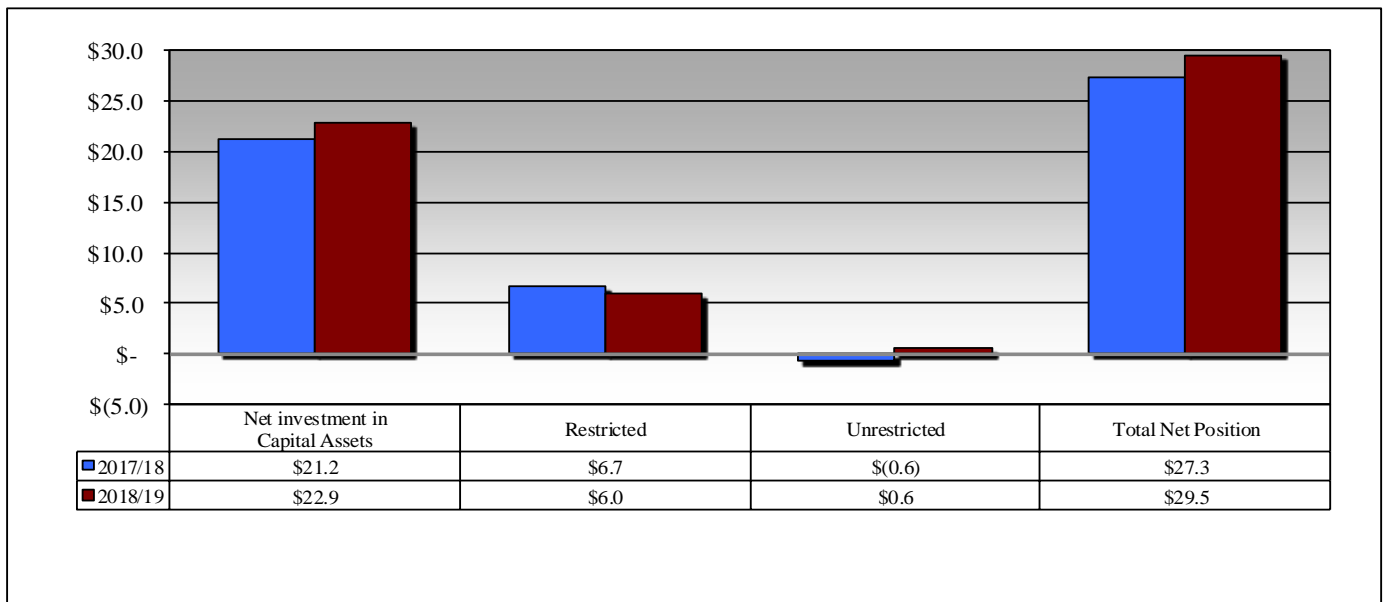
City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Statement of Net Position, Continued

The following chart shows the comparison of the three components of net position for fiscal years 2018/19 and 2017/18:

**City of Carpinteria's Net Position
As of June 30, 2019, and 2018**



Statement of Activities

The Statement of Activities shows how the City's net position changed during the fiscal year. The \$2.2 million (7.6%) increase in the City's net position is summarized in the following pages by governmental activities.

City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Statement of Activities, Continued

A condensed Statement of Activities for the fiscal years ended June 30, 2019 and 2018 is represented below.

Statement of Activities
As of June 30, 2019 and 2018

	Governmental Activities	
	2019	2018
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,432,520	\$ 1,931,274
Operating Grants and Contributions	2,073,316	2,146,260
Capital Grants and Contributions	560,627	1,172,594
General Revenues:		
Property taxes	4,298,673	4,106,134
Sales tax	2,564,179	1,935,212
Transient occupancy tax	2,635,754	2,462,092
Franchises	612,013	708,595
Other general revenues	1,830,342	69,230
Use of money and property	296,110	-
Fines and forfeitures	67,292	201,033
Total Revenues	<u>16,370,826</u>	<u>14,732,424</u>
Expenses:		
General Government	6,402,258	4,992,268
Public Safety	3,839,003	4,015,026
Public works and streets	2,527,811	3,798,587
Recreation and parks	1,536,833	1,734,987
Other	-	6,453
Total Expenses	<u>14,305,905</u>	<u>14,547,321</u>
Increase in Net Position	2,064,921	185,103
Net Position - Beginning of Year	27,250,309	27,065,206
Restatement of Net Position	169,829	-
Net Position - End of Year	<u>\$ 29,485,059</u>	<u>\$ 27,250,309</u>

Governmental Activities

Total revenue and expenses for governmental activities were \$16.4 million and \$14.3 million, respectively. Governmental activities increased the City's net position by \$2.2 million, compared to an increase of \$185 thousand in the prior fiscal year.

City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

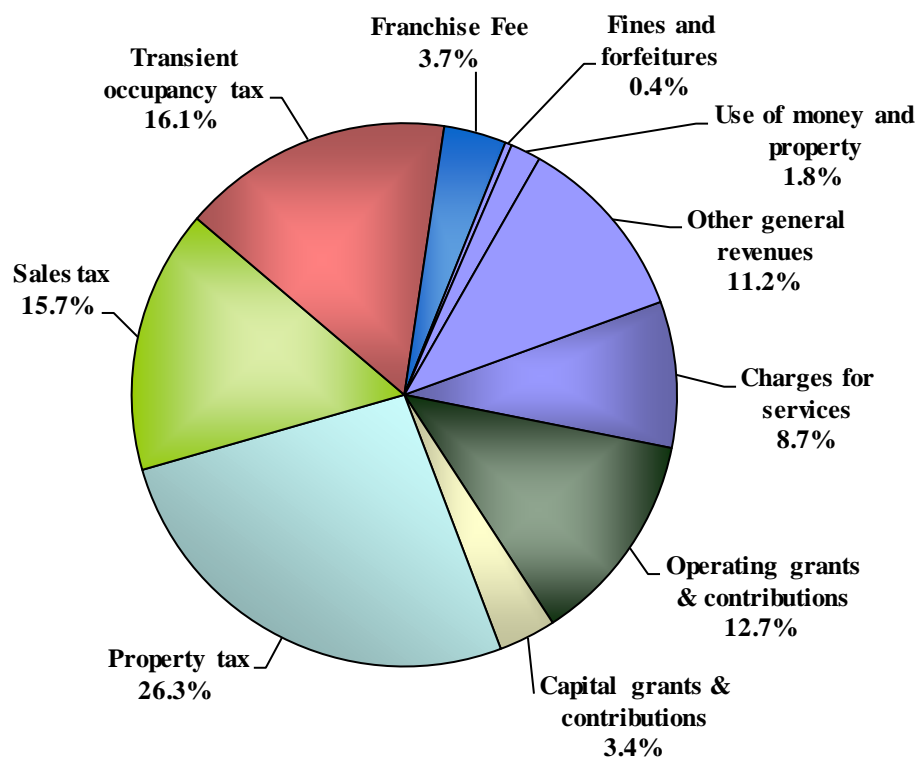
C. GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Governmental Activities, Continued

Revenue increased \$1.6 million, or 11.0%, from prior fiscal year due to factors below:

- Other general revenues increased \$1.8 million, or 2,543.9%, primarily due to reimbursements for Thomas Fire/ Debris Flow incidents and various capital projects.
- Sales taxes increased \$629 thousand, or 32.5%, due to Measure X local tax revenue that came to effect April 1, 2019.
- Property taxes increased \$192 thousand, or 4.7%, primarily due to increased secured (current year), unsecured (current year), and supplemental taxes.

Governmental Activities - Revenues by Source
For the Fiscal Year Ended June 30, 2019
(Total Revenue: \$16.4 million)



City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

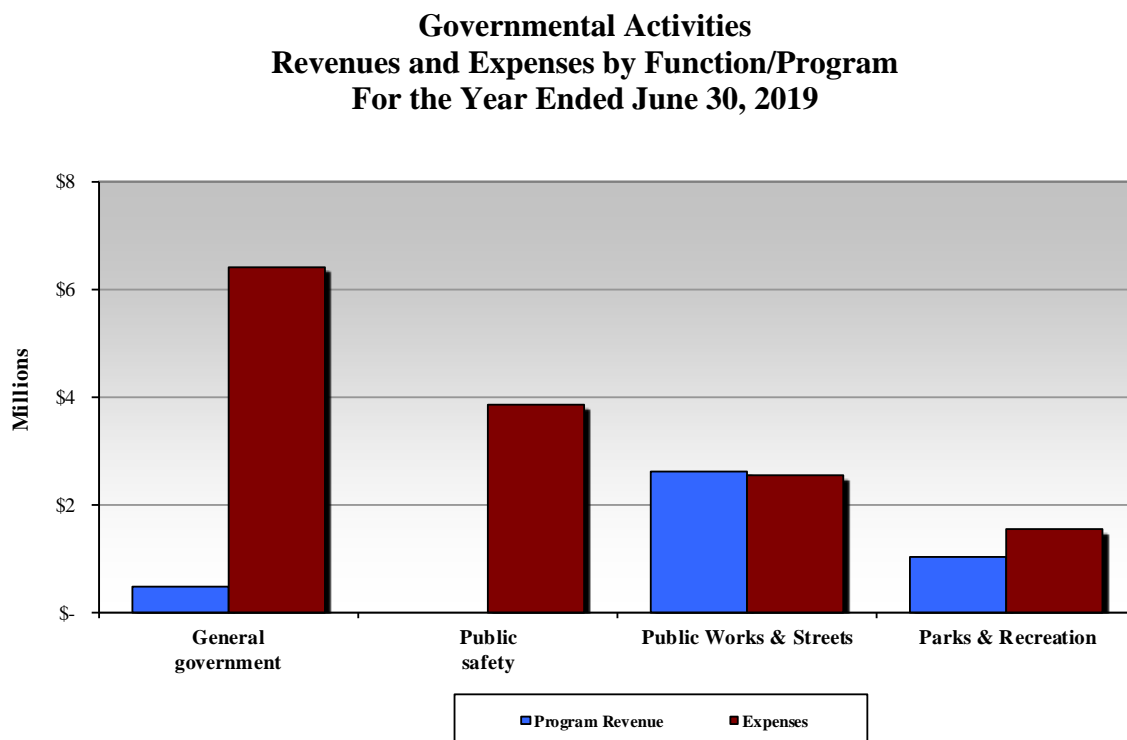
Governmental Activities, Continued

Total expenses for governmental activities were \$14.3 million, \$241 thousand less than the prior fiscal year. General Government had an increase of \$1.4 million and Public Works and Streets had a decrease of \$1.2 million. This was primarily due to changes in reporting of the financials statements with the implementation of Incode 10 financial software as well as new audit firm. It is also partially attributable to the delay of various capital projects.

Program revenues totaling \$4.1 million offset total expenses as follows:

- Users benefitting directly from programs contributed \$1.4 million in charges for services
- Operating contributions and grants from outside sources or other governments totaled \$2.1 million.
- Capital contributions and grants from outside sources or other governments totaled \$561 thousand.

As a result, total expenses funded by tax revenues, investment income, grants and contributions, and other general revenues totaled \$10.2 million.



City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Governmental Activities, Continued

Functional expense (excluding interest on debt) for the years ended June 30, 2019 and 2018 were as follows (amounts in millions):

	Total Cost of Services		Percent Change 2018-2019	Net (Cost) Revenue of Services		Percent Change 2018-2019
	2019	2018		2019	2018	
General Government	\$ 6.4	\$ 5.0	28.0%	\$ (5.9)	\$ (4.4)	34.1%
Public Safety	3.8	4.0	-5.0%	(3.8)	(3.8)	0.0%
Public Works and Streets	2.6	3.8	-31.6%	(0.0)	(1.3)	-100.0%
Parks and Recreation	1.5	1.7	-11.8%	(0.5)	0.3	-266.7%
Total	\$ 14.3	\$ 14.5	-1.4%	\$ (10.2)	\$ (9.2)	10.9%

In total, changes in net expenses increased \$948 thousand, or 10.9% from prior year highlights of the changes are as follows:

- General Government net expense increased \$1.5 million primarily due to the general plan update, implementation of financial software, and capital project expenditures.
- Public Safety net expenses remained consistent primarily due to the slight reductions in services to offset the annual rate increase in Santa Barbara County Sheriff's Department contract for public services.
- Public Works and streets net expenses decreased \$1.3 million primarily due to delay in some capital projects and reclass of expenditures.
- Parks and Recreation net expenses increase by \$817 thousand primarily due to land acquisition, capital projects in progress, and reclass of expenditures.

D. FUND FINANCIAL STATEMENT ANALYSIS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

At the end of FY 2018/19, the City's governmental funds report a combined fund balance of \$15.1 million, an increase of \$521 thousand from prior fiscal year. Of the ending fund balance, \$29 thousand is Nonspendable, \$7.7 million is Restricted, \$6.1 million is Committed, leaving \$1.2 million Unassigned.

City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

D. FUND FINANCIAL STATEMENT ANALYSIS, Continued

Governmental Funds, Continued

The General Fund is the chief operating fund of the City. At the end of FY 2018/19, unassigned fund balance of the General Fund was \$1.3 million, while the total General Fund balance was \$9.1 million. Within the general fund balance the City has reserved \$6.8 million for future projects, asset replacement, pension funding, and contingencies. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance and total fund balance to total expenditures. At June 30, 2019, unassigned fund balance was 13.1% of the total General Fund expenditures and net transfers, while total fund balance was 94.0% of total expenditures and net transfers. Unassigned fund balance allows the City to address financial uncertainties with flexible fiscal resources.

The City's other major funds, the Capital Improvements Fund (Capital Fund), Revolving and Measure A Special Revenue Funds, ended FY 2018/19 with fund balances of \$2.1 million, \$11 thousand and \$2.1 million, respectively. These monies are legally restricted for future infrastructure projects related to streets, bridges, highways, parks and other capital assets projects and cannot be used to pay for general governmental operations. In addition, the City's non-major governmental funds ended FY 2018/19 with a combined fund balance of \$1.8 million.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the City Council revised the City budget several times. The budget amendments fall into two categories: changes made at the midyear budget review for unanticipated revenues and costs and increases in appropriations to prevent budget overruns.

Actual general fund revenues were \$7 thousand, or 0.1%, over budget. This increase is due to more than expected charges for sales tax and transient occupancy tax revenues.

Actual general fund expenditures were \$1.2 million, or 10.3%, under the final budget projections.

Actual general fund net transfers were \$751 thousand over budget, partially due to the creation of new Housing and PEG Fee Funds.

Overall, the general fund balance increased \$446 thousand more than anticipated in the budget.

F. CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets Including Infrastructure

Capital assets including infrastructure of the City are those assets that are used in the operations of the City's function. At June 30, 2019, net capital assets net of depreciation totaled \$22.9 million for governmental activity are recognized in the government-wide financial statements.

City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

F. CAPITAL ASSETS AND DEBT ADMINISTRATION, Continued

Capital Assets Including Infrastructure, Continued

This investment in capital assets includes land, buildings, improvements other than buildings, infrastructure (roads, sidewalks, streetlights, etc.), city pool, machinery and equipment, and construction progress. The total increase in the citywide investment in capital assets for FY 2018/19 was \$1.6 million, or 7.3%.

Major capital asset events included the following:

- Construction in progress had a net increase of \$1.7 million, or 58.7%, over the prior fiscal year, primarily due to current projects citywide, this includes the Carpinteria Avenue Bridge, City Hall Remediation/Renovation, and Casitas Overpass Project.
- Land and park site improvements for governmental activities had an increase of \$302 thousand, or 2.6%, over the prior fiscal year, primarily due to the acquisitions of land.
- Infrastructure for government activities had a net decrease of \$229 thousand, or 4.34%, over the prior fiscal year, primarily due to depreciation during the current fiscal year.

City of Carpinteria's Capital Assets
(net of depreciation)

	Governmental Activities	
	2019	2018
Land and Park site improvements	\$ 11,619,098	\$ 11,316,888
Buildings, Pools and Facilities	891,436	970,906
Machinery and Equipment	538,211	560,786
Infrastructure	5,042,999	5,271,959
Vehicles	123,125	142,202
Construction in Progress	4,663,535	2,938,376
Total Capital Assets	<u>\$ 22,878,404</u>	<u>\$ 21,201,117</u>

See Detail Notes on all Funds Note 3, Section D. Capital Assets in the Basic Financial Statements for additional information.

Long-Term Debt

The City retired in FY 2018 all remaining 1993 Certificate of Participation and has no other long-term debt outstanding at year end.

City of Carpinteria
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

G. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

On June 10, 2019, the City Council adopted a \$21.8 million annual budget for FY 2019/20, which provides for services and projects essential to City of Carpinteria residents. In establishing annual goals and objectives, the City Council affirmed the City's commitment to maintain sound and conservative financial practices, with the objective of ensuring the City's ability to provide a safe and enriched environment, increase effective communication with the community, provide cost effective efficient services to the public, and to maintain a positive environment for new business and business retention.

Total revenues for FY 2019/20 are projected at \$19.5 million, an increase of about 19.5% from previous fiscal year. The City is projecting modest growth in property tax revenue, which remains its largest revenue source, of about 2.0%, estimated at a total of \$4.2 million. Sales tax, projected at \$4 million, is primarily made up of the 1% local portion of state sales tax and the 1.25% local sales tax, Measure X, revenues. Since the voter passage of Measure X, in November 2018, City has continued to deliver high level of law enforcement services through its contractual relationship with Santa Barbara County Sheriff's Department. The additional funds also support other services in the City (library, street maintenance, etc.).

The budget for personnel services, which makes up about 65.4% of all City spending, is projected at \$5.6 million in FY 2019/20, with an increase of \$673 thousand, or 14.0%, to reflect new positions, employee salary band adjustment and increased healthcare and pension costs. Other expenditures are projected at \$12.4 million, an increase of \$4.6 million from FY 2018/19, primarily due to an increase in budgeted major capital projects in following the City's Capital Improvement Plan. Ongoing projects include the City Hall Remodel, Linden-Casitas Freeway Interchange, Carpinteria Avenue/Creek Bridge Replacement, and the Rincon Trail.

In summary, the City's financial position remains in good condition and the City reaffirms its commitment to sound and conservative financial practices to ensure the City's fiscal sustainability.

H. REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Carpinteria's Administrative Services Director at, 5775 Carpinteria Avenue, Carpinteria, California 93013 or (805) 684-5405. This report is also available online at the City's website at www.carpinteria.ca.us.



BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS



CITY OF CARPINTERIA

STATEMENT OF NET POSITION JUNE 30, 2019

	Governmental Activities
ASSETS:	
Current assets:	
Cash and investments	\$ 17,572,686
Net receivables	2,139,311
Inventories	29,633
Total current assets	19,741,630
Noncurrent assets:	
Notes receivable	681,428
Capital assets not being depreciated	16,282,633
Net capital assets being depreciated	6,595,771
Total noncurrent assets	23,559,832
Total assets	43,301,462
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred pension	1,690,760
Deferred OPEB	62,984
Total deferred outflows of resources	1,753,744
LIABILITIES:	
Current liabilities:	
Accounts payable	1,505,750
Accrued liabilities	1,881,608
Compensated absences	12,499
Deposits	733,275
Unearned advances	545,815
Total current liabilities	4,678,947
Noncurrent liabilities:	
Compensated absences	112,492
Total other postemployment benefit liability	1,499,099
Net pension liability	7,510,128
Total noncurrent liabilities	9,121,719
Total liabilities	13,800,666
DEFERRED INFLOWS OF RESOURCES:	
Deferred pension	737,608
Deferred OPEB	1,031,873
Total deferred inflows of resources	1,769,481
NET POSITION:	
Net investment in capital assets	22,878,404
Restricted for:	
Capital projects	2,104,702
Public education and communications	165,236
Street maintenance and improvements	2,815,306
Housing	260,111
Recycling	588,261
Recreation services	15,500
Unrestricted	657,539
Total net position	\$ 29,485,059

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

CITY OF CARPINTERIA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Functions/Programs:	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Government Activities
City government:					
Governmental activities:					
General government	\$ 6,402,259	\$ 262,758	\$ 199,395	\$ -	\$ (5,940,106)
Public safety	3,839,003	-	-	-	(3,839,003)
Public works:					
Public works administration	381,839	729,320	-	-	347,481
Streets	2,145,972	-	1,297,683	560,627	(287,662)
Parks and recreation	1,536,832	440,442	576,238	-	(520,152)
Total governmental activities	14,305,905	1,432,520	2,073,316	560,627	(10,239,442)
Total City government	\$ 14,305,905	\$ 1,432,520	\$ 2,073,316	\$ 560,627	(10,239,442)
General revenues:					
Taxes:					
Property taxes					4,298,673
Sales and use taxes					2,564,179
Transient occupancy taxes					2,635,754
Franchises					612,013
Other general revenues					1,830,342
Use of money and property					296,110
Fines and forfeitures					67,292
Total general revenues					12,304,363
Change in net position					2,064,921
Net position, beginning of fiscal year					27,250,309
Prior-period adjustment					169,829
Net position, July 1, restated					27,420,138
Net position, end of fiscal year					\$ 29,485,059

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

Fund Financial Statements

Governmental Fund Financial Statements

GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund - This fund is used to account for resources which are not required legally or by sound financial management to be accounted for in another fund.

Capital Improvements Fund - This fund is used to account for capital assets acquisition, construction and improvements of capital facilities, including infrastructure, from general government resources, designated developer fees (such as traffic mitigation fees, bridge fees, etc.), and intergovernmental grants. Funds collected under this program may be used only for the purpose collected.

Revolving Fund - The Revolving Fund is used to account for most grants from public or private sources which have been awarded to the City for specific purposes.

Measure A Fund - The Measure A Fund is used to account for Measure “A” funds, the county wide sales tax on motor vehicle fuel which was approved by the voters of the County. The program is administered by the Santa Barbara County Association of Governments. Funds under this program must be used for local transit, street and right-of-way maintenance and improvements and street related capital improvements pursuant to the City adopted Five Year Program of Projects which is updated and reviewed annually.

Other Governmental Funds - This is the aggregate of all the non-major governmental funds.

CITY OF CARPINTERIA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2019

	General Fund	Capital Improvements Fund	Revolving Fund	Measure A Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:						
Cash and investments	\$ 10,259,115	\$ 3,011,303	\$ 550,022	\$ 2,023,493	\$ 1,728,753	\$ 17,572,686
Accounts receivable	1,369,657	524,408	-	76,310	145,044	2,115,419
Due from other governments	23,892	-	-	-	-	23,892
Inventory	-	-	-	-	29,633	29,633
Notes	-	8,303	-	-	673,125	681,428
Total assets	<u>\$ 11,652,664</u>	<u>\$ 3,544,014</u>	<u>\$ 550,022</u>	<u>\$ 2,099,803</u>	<u>\$ 2,576,555</u>	<u>\$ 20,423,058</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:						
Accounts payable	\$ 264,312	\$ 1,110,063	\$ 4,940	\$ 20,704	\$ 105,731	\$ 1,505,750
Accrued liabilities	1,850,089	-	-	-	31,519	1,881,608
Deposits	415,673	317,602	-	-	-	733,275
Unearned revenue	-	11,647	534,168	-	-	545,815
Total liabilities	<u>2,530,074</u>	<u>1,439,312</u>	<u>539,108</u>	<u>20,704</u>	<u>137,250</u>	<u>4,666,448</u>
DEFERRED INFLOWS OF RESOURCES:						
Long-term notes revenue	-	-	-	-	673,125	673,125
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>673,125</u>	<u>673,125</u>
FUND BALANCES:						
Nonspendable	-	-	-	-	29,633	29,633
Restricted for:						
Development	-	2,104,702	-	-	-	2,104,702
Cable television access	-	-	-	-	165,236	165,236
Housing	-	-	-	-	260,111	260,111
Pension stabilization	1,044,950	-	-	-	2,050	1,047,000
Streets	-	-	-	2,079,099	734,157	2,813,256
Recycling	-	-	-	-	588,261	588,261
Recreation services	-	-	-	-	17,550	17,550
Improvements and services	676,393	-	-	-	-	676,393
Committed for:						
Capital asset replacement	551,580	-	-	-	-	551,580
Economic uncertainties	4,444,928	-	-	-	-	4,444,928
Special projects	1,135,933	-	10,914	-	-	1,146,847
Unassigned	1,268,806	-	-	-	(30,818)	1,237,988
Total fund balances	<u>9,122,590</u>	<u>2,104,702</u>	<u>10,914</u>	<u>2,079,099</u>	<u>1,766,180</u>	<u>15,083,485</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,652,664</u>	<u>\$ 3,544,014</u>	<u>\$ 550,022</u>	<u>\$ 2,099,803</u>	<u>\$ 1,903,430</u>	<u>\$ 20,423,058</u>

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

CITY OF CARPINTERIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Total fund balances - governmental funds \$ 15,083,485

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.

Capital assets at historical cost	\$	28,584,651	
Accumulated depreciation		<u>(5,706,247)</u>	
Net			22,878,404

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Compensated absences payable	\$	124,991	
OPEB liability		1,499,099	
Net pension liability		<u>7,510,128</u>	
Total			(9,134,218)

Some assets such as long-term notes receivable are not available for use and are reported as deferred inflows of resources until collected in cash. 673,125

In governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions and OPEB are reported.

Deferred outflows of resources relating:			
to pensions	\$	1,690,760	
to OPEB		62,984	
Deferred inflows of resources relating:			
to pensions		(737,608)	
to OPEB		<u>(1,031,873)</u>	
Total			<u>(15,737)</u>

Total net position - governmental activities \$ 29,485,059

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

CITY OF CARPINTERIA

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	General Fund	Capital Improvements Fund	Revolving Fund	Measure A Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:						
Property taxes	\$ 3,898,281	\$ -	\$ -	\$ -	\$ 400,392	\$ 4,298,673
Sales and use tax	2,564,179	-	-	-	-	2,564,179
Transient occupancy tax	2,635,754	-	-	-	-	2,635,754
Franchise Fees	612,013	-	-	-	-	612,013
Grants	-	182,353	-	-	-	182,353
Special assessments	-	308,704	-	-	253,867	562,571
Licenses and permits	262,758	-	-	-	-	262,758
Fines and forfeits	40,295	-	-	-	26,997	67,292
Intergovernmental	199,395	896,074	58,438	772,022	525,661	2,451,590
Interest	169,596	50,949	10,913	41,785	22,867	296,110
Charges for services	499,588	-	-	-	670,174	1,169,762
Insurance reimbursement	276,402	535,174	-	-	-	811,576
Miscellaneous	112,689	-	-	-	343,506	456,195
Total revenues	11,270,950	1,973,254	69,351	813,807	2,243,464	16,370,826
EXPENDITURES:						
Current:						
General government	5,657,534	4,079	19,437	-	178,663	5,859,713
Public safety	3,792,185	-	-	-	67,569	3,859,754
Public works and streets	689,789	-	-	344,880	1,132,368	2,167,037
Parks and recreation	272,229	-	-	-	1,066,357	1,338,586
Capital outlay	-	2,661,540	-	80,229	-	2,741,769
Total expenditures	10,411,737	2,665,619	19,437	425,109	2,444,957	15,966,859
Excess (deficiency) of revenues over (under) expenditures	859,213	(692,365)	49,914	388,698	(201,493)	403,967
OTHER FINANCING SOURCES (USES):						
Transfers in	659,838	1,179,889	-	-	1,581,190	3,420,917
Transfers out	(1,362,475)	(503,497)	(73,151)	(795,454)	(686,340)	(3,420,917)
Total other financing sources (uses)	(702,637)	676,392	(73,151)	(795,454)	894,850	-
Net change in fund balances	156,576	(15,973)	(23,237)	(406,756)	693,357	403,967
Fund balances, July 1	8,963,749	2,120,675	34,151	2,377,314	1,066,036	14,561,925
Prior-period adjustment	2,265	-	-	108,541	6,787	117,593
Fund balances - July 1 - restated	8,966,014	2,120,675	34,151	2,485,855	1,072,823	14,679,518
Fund balances - June 30	\$ 9,122,590	\$ 2,104,702	\$ 10,914	\$ 2,079,099	\$ 1,766,180	\$ 15,083,485

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

CITY OF CARPINTERIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITY FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Total net change in fund balances - governmental funds	\$ 403,967
Capital assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital assets of \$2,015,648 exceed depreciation expense (\$390,597).	1,625,051
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, vacation earned exceeded the amounts used by \$6,391.	(6,391)
In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis OPEB costs and actual employer contribution was:	(43,985)
Expenditures for long-term notes receivable are an outflow of resources in the funds but are reported as assets in the statement of net position	132,532
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:	<u>(46,253)</u>
Changes in net position - governmental activities	<u>\$ 2,064,921</u>

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Carpinteria conform to U.S. Generally Accepted Accounting Principles as applicable to governments. 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 Carpinteria is a municipal corporation governed by an elected five-member City Council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable.

The Carpinteria Public Improvement Corporation is a legally separate Corporate Entity for which the City is financially accountable, and it is governed by the elected City Council. The Corporation was formed to provide a method of financing public improvements. The financial activities of the Corporation are blended with those of the City and are reported in the City's governmental funds, and as capital assets of the City and debt obligations of the City. A facility and site lease receivable of the Corporation and a corresponding lease payable of the City have been eliminated from the accompanying financial statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The City has no functions which are reported as business-type activities.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, Continued

recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Assets in governmental funds that do not meet the availability criterion for recognition as revenue in the governmental funds are classified as a deferred inflow of resources as those resources are not available for spending in the current period.

Property taxes, sales taxes, transient occupancy taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

All other revenue items are considered to be measurable and available only when cash is received by the government. The City reports the following major governmental funds:

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

The Capital Improvements Fund accounts for development impact fees collected by the City and restricted by City regulation for use only for capital related improvements, primarily infrastructure type assets. The Measure A fund is used to account for allocations made to the City by the County for use in street related projects. The Revolving Fund is used to account for grants and allocations made to the City by Federal, State and County governments for special and capital projects.

The Revolving Fund is used to account for most grants from public or private sources which have been awarded to the City for specific purposes

As a general rule the effect of interfund activity has been eliminated from the governmentwide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's various other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, Continued

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

D. Assets, Liabilities, and Net Position

Deposits and Investments

The City is authorized by its most recent investment policy to invest in the State of California Local Agency Investment Fund; FDIC insured interest-bearing checking accounts; investments permitted by California Law including U.S. Treasury securities. The City's investment policy specifically prohibits any investment resulting in zero interest accrual if held to maturity. Investments in the debt service fund are permitted to be invested in other investments in accordance with the trust agreement. Investments of the City are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year 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 non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources. All trade and property tax receivables are not shown net of an allowance for uncollectibles.

Property taxes are levied as of March 1 on property values assessed as of the same date. State statutes provide that the property tax rate be limited generally to one percent of market value, be levied by only the County, and be shared by applicable jurisdictions. The County of Santa Barbara collects the taxes and distributes them to taxing jurisdictions on the basis of assessed valuations subject to voter-approved debt. Property taxes are due on

November 1 and March 1 and become delinquent on December 10 and April 10. The City recognizes property tax revenues in the fiscal year in which they are due to the City.

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, and Net Position, Continued

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when used or consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$ 3,000 (\$50,000 for infrastructure type assets) and an estimated useful life in excess of one year. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Under the GASB 34 Implementation Rules, the City is classified as a Phase 3 government and is not required to record infrastructure assets existing or acquired prior to July 1, 2002; and the City has not recorded such assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	15 - 40
Public domain infrastructure	50
System infrastructure	50
Vehicles and equipment	5 - 10

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is a liability for a portion of unpaid accumulated sick leave since the City does have a policy to pay certain amounts when employees separate from service with the City. All vacation pay and applicable sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, and Net Position, Continued

Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability (NPL), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State of California Public Employees Retirement System (PERS) and additions to or deductions from the PERS fiduciary net position have been determined on the same basis as they are reported by the PERS. 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. The general fund is used to liquidate net pension obligations.

For purposes of measuring the other postemployment benefit total liability (OPEB), deferred outflows of resources and deferred inflows of resources, and expense associated with the City's requirement to contribute to its OPEB Plan, the City obtains an actuarial valuation of its OPEB plan. The City recognizes benefit payments when due and payable in accordance with the Plan.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

Fund Balances – Governmental Funds

Fund balances for governmental funds are reported in classifications based primarily on the extent to which the City is bound to honor constraints about the specific purposes for which amounts in these funds can be spent. These classifications include (1) nonspendable, (2) restricted, (3) committed, (4) assigned and (5) unassigned amounts. Nonspendable amounts generally are items not expected to be converted into cash such as inventories, prepaid items and certain long-term receivables. Restricted amounts include those amounts where constraints placed on the use of the resources are externally imposed by grantors, contributors, other governments or by laws and regulations. Committed amounts are those that can only be used for a specific purpose as determined by the City Council. Such committed amounts may be redeployed for other uses only by direction of the City Council. Assigned amounts are fund balance amounts constrained by the City's intent to be used for a specific purpose as determined by the Director of Administrative Services or City Manager. Unassigned amounts are the residual amounts reported in the general fund. The City Council by resolution established a policy that delegates to the City Manager or Director of Administrative Services the authority to establish, rescind or modify assigned amounts. Committed amounts may be established, modified, or rescinded by the adoption of a resolution of the City Council.

When expenditures are incurred for which both restricted and unrestricted (committed, assigned or unassigned) amounts are available, the City considers that restricted amounts would be spent first. When expenditures are incurred for which any class of unrestricted fund balance could be used, the

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, and Net Position, Continued

City considers committed amounts would be reduced first, followed by assigned, and then unassigned amounts.

Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

GASB Statements listed below will be implemented in future financial statements:

Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 89	"Accounting for Interest Cost Incurred Before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 90	"Majority Equity Interests-an Amendment of GASB Statements No. 14 and No. 61"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2020.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except debt service funds. Appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, function, and department. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Transfers of appropriations between departments require approval of the City Manager. Transfers within departments may be made by department heads. The Council made several supplemental budgetary appropriations throughout the year. The supplemental budgetary appropriations made in the General Fund were material. Encumbrance accounting is not employed in governmental funds. Expenditures (excluding transfers out) in the Park Maintenance, Gas Tax, Tidelands, Street Lighting, Right of Way, PBIA, Peg Fee, Measure D, Housing, and Recreation, special revenue funds and exceeded their expenditure budgets by a combined total of \$563,505. The budgets in the Capital Projects and Revolving Capital Projects funds were exceeded by \$1,144,313 and \$19,437, respectively, and these excess expenditures were funded by available financial resources within the capital projects funds.

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits and investments at June 30, 2019 consisted of the following:

Cash on hand	\$ 906
Deposits with financial institutions	1,252,303
Investments	<u>16,319,477</u>
Total cash and investments	<u>\$ 17,572,686</u>

Cash and investments are presented on the accompanying basic financial statements, as follows:

Statement of Net Position	
Cash and investments	\$ 17,572,686
Total cash and investments	<u>\$ 17,572,686</u>

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to the State of California Local Agency Investment Fund and to U.S. Treasury bills and notes with a maturity of five years or less at the time of purchase.

Investment Type	Carrying Amount	Remaining Maturity (in Months)			
		12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
LAIF	\$ 3,278,539	\$ 3,278,539	\$ -	\$ -	\$ -
Fixed income	9,985,213	3,284,944	2,131,768	1,491,241	3,077,260
Money market funds	3,055,725	3,055,725	-	-	-
Total	<u>\$ 16,319,477</u>	<u>\$ 9,619,208</u>	<u>\$ 2,131,768</u>	<u>\$ 1,491,241</u>	<u>\$ 3,077,260</u>

Credit Risk - The City's policy is to limit investments to those that are rated in the top two credit ratings by nationally recognized rating organizations. The City's investment in LAIF and mutual funds were unrated.

Investment Type	Carrying Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End	
				AAA	Not Rated
LAIF	\$ 3,278,539	N/A	\$ -	\$ -	\$ 3,278,539
Fixed income	9,985,213		-	-	9,985,213
Money market funds	3,055,725	N/A	-	-	3,055,725
Total	<u>\$ 16,319,477</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,319,477</u>

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy specifies that securities are to be held by a third party, other than the counterparty, in the City's name, whenever possible. Investments in the LAIF and mutual fund are not subject to custodial credit risk as they are

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS, Continued

A. Deposits and Investments, Continued

not evidenced by specific securities. The U.S. Treasury Notes are held in a separate account in the name of the City.

Fair Value Measurements – Investments– The City categorizes its fair value measurements within the hierarchy established by generally accepted account principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, and level 3 inputs are significant unobservable inputs. The City has the following fair value measurements at June 30, 2019:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments by Fair Value</u>	<u>Total</u>			
U.S. Agency Securities	\$ 9,985,213	<u>\$ 9,985,213</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Investments measured at Amortized Cost</u>				
Local Agency Investment Fund	3,278,539			
Money Market Funds	3,055,725			
Total	<u>\$ 16,319,477</u>			

B. Receivables

Receivables as of year-end for the government's individual major and nonmajor funds in the aggregate, net of the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Capital Improvements Fund	Measure A	Non-Major Funds	Total
Receivables					
Taxes	\$ 1,219,657	\$ -	\$ -	\$ -	\$ 1,219,657
Governments	-	-	76,310	-	76,310
Accounts	150,000	524,408	-	145,044	819,452
Long-term note	-	8,303	-	673,125	681,428
Due from other governments	23,892	-	-	-	23,892
	<u>\$ 1,393,549</u>	<u>\$ 532,711</u>	<u>\$ 76,310</u>	<u>\$ 818,169</u>	<u>\$ 2,820,739</u>

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS, Continued

C. Interfund Transfers

The composition of interfund transfers of June 30, 2019 was as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General	\$ 659,838	\$ 1,362,475
Capital Improvements	1,179,889	503,497
Measure A	-	795,454
Revolving	-	73,151
Nonmajor Governmental Funds:		
Park Maintenance	190,147	102,545
Gas Tax	246,920	71,449
Local Transportation	-	670
Tidelands Trust	-	162,813
Street Lighting	-	46,143
Right of Way	217,554	121,060
Parking and Business Improvements	-	2,500
AB 939 Solid Waste	-	128,960
PEG Fees	141,465	-
Housing	423,938	-
Recreation Services	361,166	50,200
	<u>\$ 3,420,917</u>	<u>\$ 3,420,917</u>

The transfers were made primarily to fund approved projects, provide and to reimburse the general fund for certain capital related and operating expenditures. The most significant transfer was \$542,911 from the general fund to the capital improvement fund.

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS, Continued

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Balance July, 1 2018	Additions	Deletions	Prior Period Adjustment	Balance June 30, 2019
Governmental Activities					
Nondepreciable capital assets:					
Land	\$ 9,674,134	\$ 302,210	\$ -	\$ -	\$ 9,976,344
Park land site improvements	1,642,754	-	-	-	1,642,754
Construction in progress	2,938,376	1,694,621	-	30,538	4,663,535
Total nondepreciable capital assets	<u>\$ 14,255,264</u>	<u>\$ 1,996,831</u>	<u>\$ -</u>	<u>\$ 30,538</u>	<u>\$ 16,282,633</u>
Depreciable capital assets:					
Buildings	\$ 2,109,396	\$ -	\$ -	\$ -	\$ 2,109,396
Machinery and equipment	1,515,572	-	-	(176,999)	1,338,573
Vehicles	684,788	18,817	-	(153,908)	549,697
Infrastructure	6,817,489	-	-	-	6,817,489
City pool and facilities	1,486,863	-	-	-	1,486,863
Total depreciable capital assets	<u>12,614,108</u>	<u>18,817</u>	<u>-</u>	<u>(330,907)</u>	<u>12,302,018</u>
Less accumulated depreciation					
Buildings	1,297,313	49,707	-	(16,988)	1,330,032
Machinery and equipment	954,786	43,899	-	(198,323)	800,362
Vehicles	542,586	21,280	-	(137,294)	426,572
Infrastructure	1,545,530	228,960	-	-	1,774,490
City pool and facilities	1,328,040	46,751	-	-	1,374,791
Total accumulated depreciation	<u>5,668,255</u>	<u>390,597</u>	<u>-</u>	<u>(352,605)</u>	<u>5,706,247</u>
Net depreciable capital assets	<u>6,945,853</u>	<u>(371,780)</u>	<u>-</u>	<u>\$ 21,698</u>	<u>6,595,771</u>
Net capital assets	<u>\$ 21,201,117</u>	<u>\$ 1,625,051</u>	<u>\$ -</u>	<u>\$ 52,236</u>	<u>\$ 22,878,404</u>

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities:

General government	\$ 252,303
Parks and recreation programs	116,218
Community development	314
Public works	21,762
Total depreciation expense-governmental activities	<u>\$ 390,597</u>

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS, Continued

E. Long-Term Liabilities

Changes in Long-term Liabilities

Long-term debt activity for the 2019 fiscal year was as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Due Within One Year
Compensated absences	\$ 118,600	\$ 273,535	\$ (267,144)	\$ 124,991	\$ 12,499
OPEB obligation	2,276,447	280,702	(1,058,050)	1,499,099	-
Net pension liability	7,595,683	742,199	(827,754)	7,510,128	-
Total	\$ 9,990,730	\$ 1,296,436	\$ (2,152,948)	\$ 9,134,218	\$ 12,499

The City's general fund is normally used to liquidate the liability for compensated absences.

F. Restricted Net Positions and Non-spendable Fund Balances

The \$5,951,166 restricted amount in the governmental activities statement of net position represents amounts to be used only for specific purposes which restrictions are imposed by laws, formal agreements or other governments. The restricted amounts consist of \$ 2,104,702 in the Capital Improvements Fund, \$2,815,306 restricted for streets, \$260,111 restricted for housing, \$165,236 restricted for cable television access, and \$605,811 restricted for recycling and recreation. Non-spendable fund balances consisted of the following:

Purpose	Nonmajor Funds
Inventory	\$ 29,633

The pension stabilization arrangement was established by the City Council formally adopting an enabling resolution and entering into a third-party agreement for the pooled investment of the stabilization funds (an IRS section 115 irrevocable trust). The stabilization funds can only be spent for any pension related purpose. The City may, but is not required to do so, make addition deposits to the stabilization fund.

NOTE 4 – OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries insurance. The City, due to the costs of available coverage, participates in the California Joint Powers Insurance Authority (the Authority).

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 4 – OTHER INFORMATION, Continued

A. Risk Management, Continued

The risk of loss is transferred to the Authority for general liability, workers compensation and property damage claims. The general liability protection for each member is \$50 million per occurrence and \$50 million annual aggregate. The premiums paid by the City are subject to retrospective premium adjustments and refunds based upon the loss experience of all pool members. For workers compensation coverage, the City's protection is provided by the Authority per statutory liability under California Workers Compensation Law. All risk property coverage provided by the Authority has a \$50 million per occurrence limit, generally limited to scheduled property, which for the City was \$8,084,273. The City also obtains from the Authority insurance coverage for earthquake and flood, boiler and machinery, and a blanket fidelity bond. The City accounts for its insurance activities in its general fund. There were no material changes in coverage during the year except to increase the amount of covered scheduled property, no material claims liabilities for which the City is responsible, and no claims exceeding insurance coverage in the last three years.

B. Contingencies and Commitments

Litigation. The City is involved in litigation incurred in the normal course of conducting City business. City management believes that, based upon consultation with its counsel, these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City.

Shoreline Study. The City has entered into a multi-year contract with the U.S. Corp of Engineers to sponsor a study of shoreline storm damage, beach erosion and similar issues. The study is estimated to cost \$ 2.2 million and the City is required to fund 50 percent of the cost. The City's share may be funded with cash or entirely by the City providing in-kind staff services.

C. Law Enforcement Agreement

The City, since 1992, has maintained an agreement with the Santa Barbara County Sheriff's Department to provide law enforcement services to the City of Carpinteria. These services are accounted for in the City's general fund and related expenditures are charged to public safety. The City's Public Employees Retirement Plan (PERS) for police employees pertains only to safety employees employed by the City prior to 1992, and the City made separate current contributions to that Plan based upon the PERS funding arrangements.

D. Public Employee Pension Plans

Plan Description – The plans are a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). The CalPERS is governed by a 13-member Board of Administration with six elected members, three appointed members and four ex officio members which include the State Treasurer, the State Controller, the Director of the California Department of Human Services and a designee of the State Personnel Board.

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 4 – OTHER INFORMATION, Continued

D. Public Employee Pension Plans, Continued

Benefits Provided – The CalPERS provides retirement, disability and death benefits. Retirement benefits are defined as 2.7 percent of the employees final 12 months average compensation times the employee's years of service (2.0 percent for safety employees). Employees with 10 years of continuous are eligible to retire at age 55 (age 50 for safety employees). Employees are eligible for service-related disability benefits regardless of the length of service. Five years of service is required for non-service-related disability eligibility. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Pre-retirement death benefits equal an employee's final full-year salary. Both plans provide for a 2 percent Cost of Living Adjustment (COLA). The public safety plan is closed to new entrants.

Contributions – Section 20814 of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ending June 30, 2018 (the measurement date), the average active employee contribution rate to the PERF-C cost sharing plan ranged from 2 percent to 15.25 percent of annual pay, and the employer contribution rates ranged from 4.13 percent to 1,011.38 percent. Contributions (employer) to the plans were \$ 554,356 for the fiscal year ended June 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions – At June 30, 2019 the City reported a liability of \$4,382,891 for its proportionate share of the net pension liability applicable to its regular employees and a \$3,127,237 net pension liability applicable to its former safety employees. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, rolled forward to June 30, 2018. 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 governments, actuarially determined. At June 30, 2019, the City's proportion was 0.07794 percent, compared to 0.07659 percent at June 30, 2018.

For the June 30, 2019 fiscal year, the City recognized pension expense of \$464,388 for its regular employees and \$277,811 for the safety employees plan. At June 30, 2019 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 4 – OTHER INFORMATION, Continued

D. Public Employee Pension Plans, Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 214,200	\$ (36,323)
Changes in assumptions	806,499	(163,856)
Net difference between projected and actual earnings on retirement plan investments	42,841	
Changes in proportion and differences between City contributions and proportionate share of contributions	72,864	(537,429)
City contributions subsequent to the measurement date	554,356	
	<u>\$ 1,690,760</u>	<u>\$ (737,608)</u>

The \$554,356 reported as deferred outflows of resources related to pensions from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan measurement period ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Amount
2020	\$ 507,220
2021	223,717
2022	(271,058)
2023	(61,083)
	<u>\$ 398,796</u>

Actuarial Assumptions – The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 4 – OTHER INFORMATION, Continued

D. Public Employee Pension Plans, Continued

	<u>Miscellaneous</u>
Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.00%
Mortality	Derived using CalPERS' Membership Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies; 2.75% thereafter

- (1) Net pension plan investment and administrative expenses including inflation.
(2) The mortality table used was developed based on CalPERS' specific data.
The table includes 15 years of mortality improvements using MP 2016 published by the Society of Actuaries. For more details on this table please refer to the 2017 experience study report.

Changes in Assumptions

In December 2017, the CalPERS Board adopted new mortality assumptions for plans participating in the Public Employees' Retirement Fund (PERF). The mortality table was developed from the December 2017 experience study and includes 15 years of projected ongoing mortality improvement using 90 percent scale MP 2016 published by the Society of Actuaries. The inflation assumption was reduced from 2.75 percent to 2.50 percent. The assumptions for individual salary increase and overall growth were reduced from 3.00 percent to 2.75 percent.

All other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study can be obtained at the CalPERS website under Forms and Publications.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension cash flows. The expected rate of return was then set equivalent to a single equivalent rate calculated by CalPERS and rounded down to

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 4 – OTHER INFORMATION, Continued

D. Public Employee Pension Plans, Continued

Changes in Assumptions, Continued

the nearest one quarter of one percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the table on the following page:

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.00% was used for this period.

(b) An expected inflation of 2.92% was used for this period.

Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15 percent will be applied to all plans in the Public Employee Retirement Fund.

Sensitivity of the City's 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 calculated using the discount rate of 7.15 percent, 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 (6.15 percent) or 1 percentage point higher (8.15 percent) than the current rate:

	<u>1% Decrease 6.15%</u>	<u>Current Discount Rate 7.15%</u>	<u>1% Increase 8.15%</u>
City's proportionate share of net pension plan liability	\$ 11,508,397	\$ 7,510,128	\$ 4,217,975

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 4 – OTHER INFORMATION, Continued

E. Other Post- Employment Benefits

Plan Description

The City administers the City's retired employee's healthcare plan, a single employer defined benefit health care plan. The plan provides medical benefits to eligible retired employees and their beneficiaries. The City's plan is affiliated with the State of California PERS in so much as the City's Health insurance premium payments are paid to the PERS. The PERS through an aggregation of single employer plans pools administrative functions in regard to purchases of commercial health insurance policies and coverage. City resolutions and regulations assign the authority to establish and amend benefit provisions to the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement Number 75.

The City participates in this State Health Insurance Pool (City resolutions 1839, 1840, 1841, May 22, 1989) administered by the California Public Employees Retirement System (CalPERS). Member agencies participating in the State Pool are subject to regulations of the Public Employees Medical and Hospital Care Act (PEMHCA) which requires that member agencies provide lifetime health benefits for retirees. California Government Code Section 22892 of the PEMHCA establishes the contracting agencies minimum health premium contribution for their participating active membership and requires that the employer contribution be an equal amount for retirees. The minimum employer contribution is currently \$105 monthly. Further, the City extends additional health insurance benefits to retirees (Resolutions numbers 1496 and 3063) that were employed on June 30, 1988 and who retire from the City after 20 years of qualified service. This benefit provides retirees with single-coverage HMO insurance through the City's insurance program at City expense.

Benefits Provided

The City's OPEB plan provides healthcare benefits to eligible retirees and their dependents. Benefits are provided through third party insurers, and the full cost of the benefits is provided by the Plan.

Employees Covered by the Benefit Terms

At June 30, 2019, the following employees were covered by the benefit terms:

Active plan members	30
Inactive plan members or beneficiaries currently receiving benefits	12
Inactive plan members entitled to but not yet receiving benefits	8
Total	<u>50</u>

The City's OPEB Plan is closed to new entrants.

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 4 – OTHER INFORMATION, Continued

E. Other Post-Employment Benefits, Continued

Contributions

City regulations grant authority to the City Council to establish and amend contribution requirements. Employees are not required to contribute to the plan. For the fiscal year ending June 30, 2019, the City's average contribution rate was 2.5 percent of covered employee payroll. The amount contributed for fiscal 2019 was \$62,984.

Total OPEB Liability

The City's Total OPEB liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017, rolled forward to June 30, 2018.

Actuarial assumptions

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.75%
Salary increases	3.00%
Discount rate	3.87%
Healthcare cost trend rate	Non-Medicare 6.5 percent for 2019 decreasing to an ultimate rate of 7.25 percent in 2021 and later years. Medicare 6.7% for 2019 decreasing to 6.3 percent in 2021 and later years. PEMHCA minimum increase 4.5 percent for 2019 and later years.

Mortality rates were based on the MP-2018 Health Annuitant Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on Scale AA. The actuarial assumptions used in the June 30, 2018 valuation were based on the results of CalPERS experience study for the period 1997-2015.

Change of Assumptions: The change in assumptions reflect a discount change of 3.58% in 2018 to 3.87% in 2019.

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 4 – OTHER INFORMATION, Continued

E. Other Post-Employment Benefits, Continued

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2018 (Valuation Date June 30, 2017)	<u>\$ 2,276,447</u>
Changes recognized for the measurement period:	
Service cost	193,627
Interest	87,075
Difference between expected and actual experience	(498,532)
Assumption changes	(483,898)
Benefit payments	<u>(75,620)</u>
Net Changes	<u>(777,348)</u>
Balance at June 30, 2019 (Measurement Date June 30, 2018)	<u><u>\$ 1,499,099</u></u>

Sensitivity of the Total OPEB Liability to changes in the discount rate and health- care cost trend rates – The following presents the Total OPEB liability of the City, as well as what the City’s Total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.87 percent) or 1 percentage point higher (4.87 percent) than the current discount rate:

	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%
OPEB Liability	\$ 1,719,664	\$ 1,499,099	\$ 1,320,408

Sensitivity of the Total OPEB liability to changes in healthcare cost trend rates:

	1% Decrease	Trend Rate	1% Increase
OPEB Liability	\$ 1,314,000	\$ 1,499,099	\$ 1,730,217

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the fiscal year ended June 30, 2019, the City recognized OPEB expense of \$106,969. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the Total OPEB liability from the following sources:

City of Carpinteria
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE 4 – OTHER INFORMATION, Continued

E. Other Post-Employment Benefits, Continued

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 430,240
Changes of assumptions	-	601,633
Employer contributions made subsequent to the measurement date	-	-
	62,984	-
	<u>\$ 62,984</u>	<u>\$ 1,031,873</u>

Employer contributions made subsequent to the measurement date of \$62,984 reported as deferred outflows of resources related to OPEB resulting from City contributions will be recognized as a reduction of the OPEB liability in the subsequent year ending June 30, 2020

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2020	\$ (173,733)
2021	(173,733)
2022	(173,733)
2023	(173,733)
2024	(161,985)
Thereafter	(174,956)
	<u>\$ (1,031,873)</u>

Payable to the OPEB Plan: None

NOTE 5 – PRIOR PERIOD ADJUSTMENT

A prior period adjustment of \$52,236 made on the government wide financial statements to correct the balance of depreciable capital assets, and their respective depreciation, as of July 1, 2018.

A prior period adjustment of \$2,265 was made to the government wide financial statements and the General Fund to recognize Energy Efficient Grant funds expended in prior fiscal years.

A prior period adjustment of \$6,787 was made to the government wide financial statements and the AB939 Fund to recognize various grant funds expended in prior fiscal years.

A prior period adjustment of \$108,541 was made to the government wide financial statements and the Measure A Fund to recognize two grants that were expended in prior fiscal years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CARPINTERIA**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES:				
Property taxes	\$ 3,927,300	\$ 4,029,500	\$ 3,898,281	\$ (131,219)
Sales taxes	1,843,000	2,349,000	2,564,179	215,179
Transient occupancy taxes	2,500,000	2,500,000	2,635,754	135,754
Franchises	688,400	700,900	612,013	(88,887)
License permits	220,900	250,900	262,758	11,858
Fines and forfeits	57,300	47,300	40,295	(7,005)
Interest and rents	93,800	87,300	169,596	82,296
Intergovernmental	-	455,000	199,395	(255,605)
Charges for services	393,250	334,400	499,588	165,188
Insurance reimbursement	-	412,500	276,402	(136,098)
Miscellaneous	19,000	97,600	112,689	15,089
Total revenues	9,742,950	11,264,400	11,270,950	6,550
EXPENDITURES:				
Current:				
General government	5,139,948	5,867,203	5,929,763	(62,560)
Public safety	3,844,744	3,834,944	3,792,185	42,759
Public works	840,450	875,750	689,789	185,961
Capital outlay	700,000	1,022,000	-	1,022,000
Total expenditures	10,525,142	11,599,897	10,411,737	1,188,160
Excess (deficiency) of revenues over (under) expenditures	(782,192)	(335,497)	859,213	1,194,710
OTHER FINANCING SOURCES (USES):				
Transfers in	600,852	600,852	659,838	58,986
Transfers out	(475,154)	(552,799)	(1,362,475)	(809,676)
Total other financing sources (uses)	125,698	48,053	(702,637)	(750,690)
Net change in fund balance	(656,494)	(287,444)	156,576	444,020
Fund balance - July 1	8,963,749	8,963,749	8,963,749	-
Prior period adjustment	-	-	2,265	2,265
Fund balance - July 1-restated	8,963,749	8,963,749	8,966,014	2,265
Fund Balance - June 30	\$ 8,307,255	\$ 8,676,305	\$ 9,122,590	\$ 446,285

CITY OF CARPINTERIA

MEASURE A SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance With Final Budget- Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 778,300	\$ 830,000	\$ 772,022	\$ (57,978)
Interest	15,000	25,000	41,785	16,785
Total revenues	793,300	855,000	813,807	(41,193)
EXPENDITURES:				
Current:				
Public works - Transportation	2,364,129	492,301	344,880	147,421
Capital outlay	40,000	29,629	80,229	(50,600)
Total expenditures	2,404,129	521,930	425,109	96,821
Excess(deficiency) of revenues over expenditures	(1,610,829)	333,070	388,698	55,628
OTHER FINANCING SOURCES (USES):				
Transfers in	(200,640)	(200,640)	(795,454)	(594,814)
Transfers out	-	-	-	-
Total other financing sources (uses)	(200,640)	(200,640)	(795,454)	(594,814)
Net change in fund balance	(1,811,469)	132,430	(406,756)	(539,186)
Fund balance - July 1	2,377,314	2,377,314	2,377,314	-
Prior period adjustment	-	-	108,541	108,541
Fund balance - July 1-restated	2,377,314	2,377,314	2,485,855	108,541
Fund Balance - June 30	\$ 565,845	\$ 2,509,744	\$ 2,079,099	\$ (430,645)

CITY OF CARPINTERIA

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY

Last 10 Years*

AS OF JUNE 30, 2019

The following table provides required supplementary information regarding the City's Pension Plan.

	2019	2018	2017	2016
Proportion of the net pension liability	0.07794%	0.07659%	0.07647%	0.07480%
Proportionate share of the net pension liability	\$ 7,510,128	\$ 7,595,683	\$ 6,617,331	\$ 5,134,179
Covered payroll	\$ 2,495,201	\$ 2,669,641	\$ 2,472,058	\$ 2,435,091
Proportionate share of the net pension liability as percentage of covered payroll	300.98%	284.52%	267.69%	210.84%
Plan's total pension liability	\$ 38,944,855,364	\$ 37,161,348,332	\$ 33,358,627,624	\$ 31,771,217,402
Plan's fiduciary net position	\$ 29,308,589,559	\$ 27,244,095,376	\$ 24,705,532,291	\$ 24,907,305,871
Plan fiduciary net position as a percentage of the total pension liability	75.26%	73.31%	74.06%	78.40%
	2015			
Proportion of the net pension liability	0.07490%			
Proportionate share of the net pension liability	\$ 4,660,841			
Covered payroll	\$ 2,306,493			
Proportionate share of the net pension liability as percentage of covered payroll	202.07%			
Plan's total pension liability	\$ 30,829,966,631			
Plan's fiduciary net position	\$ 24,607,502,515			
Plan fiduciary net position as a percentage of the total pension liability	79.82%			

Notes to Schedule:

Changes in assumptions

In 2018, inflation was changed from 2.75% to 2.50% and individual salary increases and overall payroll growth were reduced from 3.00% to 2.75%.

In 2017, as part of the Asset Liability Management review cycle, the discount rate was changed from 7.65% to 7.15%.

In 2016, the discount rate was changed from 7.5% (net of administrative expense) to 7.65% to correct for an adjustment to exclude administrative expense.

In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

*- Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

CITY OF CARPINTERIA

SCHEDULE OF PENSION CONTRIBUTIONS

Last 10 Years*

AS OF JUNE 30, 2019

The following table provides required supplementary information regarding the City's Pension Plan.

	2019	2018	2017	2016
Contractually required contribution (actuarially determined) \$	554,356	\$ 510,893	\$ 447,362	\$ 685,896
Contribution in relation to the actuarially determined contributions	(554,356)	(510,893)	(447,362)	(685,896)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,586,349	\$ 2,495,201	\$ 2,669,641	\$ 2,472,058
Contributions as a percentage of covered payroll	21.43%	20.48%	16.76%	27.75%
	2015			
Contractually required contribution (actuarially determined) \$	328,288			
Contribution in relation to the actuarially determined contributions	(328,288)			
Contribution deficiency (excess)	\$ -			
Covered payroll	\$ 2,435,091			
Contributions as a percentage of covered payroll	13.48%			

Notes to Schedule

Valuation Date: 6/30/2018

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2018/2019 were derived from the June 30, 2018 funding valuation report.

Actuarial Cost Method Entry Age Normal

Amortization Method/Period For details, see June 30, 2016 funding valuation report.

Inflation 2.50%

Salary Increases Varies by entry age and service

Payroll Growth 3.00%

Investment Rate of Return 7.0% net of pension plan investment and administrative expenses; includes inflation.

Retirement Age The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.

Mortality The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

*- Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

CITY OF CARPINTERIA

SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS

Last 10 Years*

AS OF JUNE 30, 2019

Measurement Period	2019	2018
Total OPEB Liability		
Service cost	\$ 193,627	\$ 217,554
Interest on the total OPEB liability	87,075	71,293
Difference between expected and actual experience	(498,532)	
Changes in assumptions	(483,898)	(262,330)
Changes in benefit terms		
Benefit payments	(75,620)	(68,028)
Net change in total OPEB Liability	(777,348)	(41,511)
Total OPEB liability- beginning	2,276,447	2,317,958
Total OPEB liability- ending (a)	\$ 1,499,099	\$ 2,276,447
 Covered payroll	 \$ 2,733,208	 \$ 2,763,313
 Total OPEB liability as a percentage of covered payroll	 54.85%	 82.38%

*- Fiscal year 2018 was the 1st year of implementation, therefore only two years is shown.

CITY OF CARPINTERIA

SCHEDULE OF OPEB CONTRIBUTIONS

Last 10 Years*

AS OF JUNE 30, 2019

As of June 30, 2019, the plan is not administered through a qualified trust. Therefore there is no Actuarially Determined Contribution (ADC). Benefit payments of \$62,984 were made on a pay-as-you-go-basis for the fiscal year ended June 30, 2019.

As of June 30, 2018, the plan is not administered through a qualified trust. Therefore there is no Actuarially Determined Contribution (ADC). Benefit payments of \$68,028 were made on a pay-as-you-go basis for the fiscal year ended June 30, 2018.

SUPPLEMENTARY INFORMATION



CITY OF CARPINTERIA
CAPITAL IMPROVEMENTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive</u>
REVENUES:				
Grants	\$ -	\$ 719,000	\$ 182,353	(536,647)
Intergovernmental grants	40,000	52,000	896,074	844,074
Special Assessments	80,000	80,000	308,704	228,704
Interest	-	-	50,949	50,949
Insurance Reimbursement	-	1,000,000	535,174	(464,826)
Total revenues	<u>120,000</u>	<u>1,851,000</u>	<u>1,973,254</u>	<u>122,254</u>
EXPENDITURES:				
Current:				
Capital Outlay	<u>354,000</u>	<u>2,526,450</u>	<u>2,665,619</u>	<u>(139,169)</u>
Total expenditures	<u>354,000</u>	<u>2,526,450</u>	<u>2,665,619</u>	<u>(139,169)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(234,000)</u>	<u>(675,450)</u>	<u>(692,365)</u>	<u>(16,915)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	1,179,889	1,179,889
Transfers out	<u>(21,900)</u>	<u>(21,900)</u>	<u>(503,497)</u>	<u>(481,597)</u>
Total other financing sources (uses)	<u>(21,900)</u>	<u>(21,900)</u>	<u>676,392</u>	<u>698,292</u>
Net change in fund balance	(255,900)	(697,350)	(15,973)	681,377
Fund balance - July 1	<u>2,120,675</u>	<u>2,150,675</u>	<u>2,120,675</u>	-
Fund balance - June 30	<u>1,864,775</u>	<u>1,453,325</u>	<u>2,104,702</u>	<u>681,377</u>

CITY OF CARPINTERIA

REVOLVING FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmentaal	\$ -	\$ 194,000	\$ 58,438	\$ (135,562)
Interest	-	-	10,913	10,913
Total revenues	-	194,000	69,351	(124,649)
EXPENDITURES:				
Current:				
Supplies & materials	5,000	5,000	-	5,000
Capital Outlay	1,911,044	-	19,437	(19,437)
Total expenditures	1,916,044	5,000	19,437	(14,437)
Excess (deficiency) of revenues over (under) expenditures	(1,916,044)	189,000	49,914	(139,086)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(39,000)	(39,000)	(73,151)	(34,151)
Total other financing sources(uses)	(39,000)	(39,000)	(73,151)	(34,151)
Net change in fund balance	(1,955,044)	150,000	(23,237)	(173,237)
Fund balance - July 1	34,151	34,151	34,151	-
Fund balance - June 30	\$ (1,920,893)	\$ 184,151	\$ 10,914	\$ (173,237)

NONMAJOR GOVERNMENTAL FUNDS

The City has established the following governmental funds in order to account for the proceeds from revenue sources that are restricted to expenditures for specified purposes, debt service, and capital projects. Budgets are prepared using the modified accrual basis of accounting consistent with U.S. generally accepted accounting principles.

Special Revenue Funds:

Traffic Safety Fund - The Traffic Safety Fund is used to account for the receipt of fines assessed to violators of the California Vehicle Code within the City limits. Monies from this fund must be used for traffic safety purposes such as traffic signs and markings and related traffic safety enforcement activities

Peg Fee Fund - The Public, Education, Government (PEG) Fund is used to account for fees to be used for cable television programming.

Road Maintenance Rehab Fund - The Road Maintenance Fund is used to account for road maintenance and rehabilitation, safety projects, railroad grade separations, traffic control devices, and complete street components, including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and storm water capture projects in conjunction with any other allowable project. Funds made available by the program may also be used to satisfy a match requirement in order to obtain State or Federal funds for projects authorized by this subdivision.

Park Maintenance Fund - The Park Maintenance Fund is used to account for the receipt of special tax to be levied. The revenue from this fund are collected based upon authority of a public vote held on June 3, 1997 whereby over two-thirds of the voters approved. Expenditures from this fund are for parks maintenance needs including equipment replacement, water, grounds keeping and other enhancements.

Gas Tax Fund - The Gas Tax Fund is used to account for State Gas Tax Funds received as the City's share of the state-wide tax on gasoline and other motor vehicle fuels. Gas Tax Funds may only be used for construction, reconstruction and maintenance of public streets, drains and other right of way expenses, including labor costs

Local Transportation Fund - The Local Transportation Fund is used to account for the City's share of the State Sales Tax on motor vehicle fuels. Revenues from this source must be used for maintenance of bikeways and are administered by the Santa Barbara County Association of Governments.

Tidelands Trust Fund - The Tidelands Trust Fund is used to account for revenues received from the City's offshore tidelands which were granted in trust to the City by the State. In addition to interest earnings, revenues are also derived from annual lease payments from oil company off-shore pipelines and the pier as well as a share of state royalty payments which are authorized to public agencies maintaining public recreational beaches fronting a producing oil field. These monies may only be used for beach related purposes.

Street Lighting Fund - The Street Lighting Fund is used to account for the Street Lighting District #1 that is officially an independent special district governed by the City Council and is included within the City's overall budget for convenience. District revenues are derived from the district's share of the advalorem tax pursuant to Proposition 13 in addition to interest earnings and state assistance. Moneys from this fund may be expended on street lighting, parking lot lighting and other public lighting operations, maintenance and capital improvements

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

Right of Way Assessment District Fund - The R-O-W Assessment District Fund is used to account for the special right-of-way assessment placed on all eligible properties throughout the City. Revenues for this fund are the individual assessments plus interest earned. Expenditures from this fund must be used only for repairs and improvements to curves, gutters, sidewalks and other right-of-way improvements plus operation and maintenance of the City's street tree program.

Parking and Business Improvement Area Fund - The Parking and Business Improvement Area Fund is used to account funds collected and expended pursuant to the California Parking and Business Improvement Area Law of 1989. Businesses are assessed for business improvement and promotion activities. Certain businesses are assessed an additional amount to assist in payment of annual obligations to finance the construction of these parking lots.

AB 939 Fund - The AB 939 Fund is used to account for fees paid by the solid waste collection franchisee for implementation of the City's integrated solid waste management program. The authority for the collection of such fees is the Integrated Waste Management Act of 1989 (State Assembly Bill 939). In addition to the general administration of the City's solid waste program, funds are also used to finance special hazardous waste collection

Measure D Fund - The Measure D Fund is used to account Measure "D" funds, the county wide sales tax on motor vehicle fuel which was approved by the voters of the County. The program is administered by the Santa Barbara County Association of Governments. Funds under this program must be used for local transit, street and right-of-way maintenance and improvements and street related capital improvements pursuant to the City-adopted Five Year Program of Projects which is updated and reviewed annually.

Recreation Services Fund - The Recreation Services Fund is used to account for the Community Pool, The City's recreational programming, the revenues and expenses of the Veteran's Memorial Building are all included in this fund. Revenues into this fund include user fees from the various programming as well as a general fund subsidy. Expenses are all associated with facilities and programming incorporated in this fund.

Housing Fund - The Housing Fund is used to account for the Workforce Homebuyers Down Payment Loan Program to expand homeownership opportunities in the City.

CITY OF CARPINTERIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019

	Special Revenue Funds							
	Traffic Safety	Peg Fees	Road Maintenance Rehabilitation	Park Maintenance	Gas Tax	Local Transportation	Tidelands Trust	Street Lighting
ASSETS:								
Cash and investments	\$ 29,709	\$ 165,236	\$ 290,620	\$ 37,954	\$ 3,900	\$ 95,032	\$ 68,022	\$ 215,165
Receivables:								
Accounts	1,530	-	-	-	-	-	-	-
Intergovernmental	-	-	44,851	-	-	-	-	-
Inventory	-	-	-	-	-	-	22,468	-
Notes receivable	-	-	-	-	-	-	-	-
Total assets	<u>\$ 31,239</u>	<u>\$ 165,236</u>	<u>\$ 335,471</u>	<u>\$ 37,954</u>	<u>\$ 3,900</u>	<u>\$ 95,032</u>	<u>\$ 90,490</u>	<u>\$ 215,165</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:								
LIABILITIES:								
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 37,954	\$ 9,462	\$ -	\$ 6,881	\$ 10,067
Accrued liabilities	-	-	-	-	25,256	-	1,110	-
Total liabilities	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>37,954</u>	<u>34,718</u>	<u>-</u>	<u>7,991</u>	<u>10,067</u>
DEFERRED INFLOWS OF RESOURCES:								
Long-term notes revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:								
Nonspendable	-	-	-	-	-	-	22,468	-
Restricted for recycling	-	-	-	-	-	95,032	60,031	-
Restricted for cable television access	-	165,236	-	-	-	-	-	-
Restricted for recreation services	-	-	-	-	-	-	-	-
Restricted for streets	30,239	-	335,471	-	-	-	-	205,098
Restricted for housing	-	-	-	-	-	-	-	-
Restricted for pension stabilization	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(30,818)	-	-	-
Total fund balances	<u>30,239</u>	<u>165,236</u>	<u>335,471</u>	<u>-</u>	<u>(30,818)</u>	<u>95,032</u>	<u>82,499</u>	<u>205,098</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 31,239</u>	<u>\$ 165,236</u>	<u>\$ 335,471</u>	<u>\$ 37,954</u>	<u>\$ 3,900</u>	<u>\$ 95,032</u>	<u>\$ 90,490</u>	<u>\$ 215,165</u>

CITY OF CARPINTERIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019

	Special Revenue Funds						
	Right of Way	Parking and Business Improvement	AB 939 Solid Waste	Measure D	Recreation Services	Housing	Totals
ASSETS:							
Cash and investments	\$ 10,760	\$ 63,049	\$ 317,384	\$ 165,767	\$ 2,150	\$ 264,005	\$ 1,728,753
Receivables:							
Accounts	-	-	-	-	43,746	-	45,276
Intergovernmental	-	-	54,917	-	-	-	99,768
Inventory	-	-	-	-	7,165	-	29,633
Notes receivable	-	-	-	-	-	673,125	673,125
Total assets	<u>\$ 10,760</u>	<u>\$ 63,049</u>	<u>\$ 372,301</u>	<u>\$ 165,767</u>	<u>\$ 53,061</u>	<u>\$ 937,130</u>	<u>\$ 2,576,555</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:							
LIABILITIES:							
Accounts payable	\$ 8,076	\$ 129	\$ 2,023	\$ 368	\$ 25,877	\$ 3,894	\$ 105,731
Accrued liabilities	2,684	-	-	-	2,469	-	31,519
Total liabilities	<u>10,760</u>	<u>129</u>	<u>2,023</u>	<u>368</u>	<u>28,346</u>	<u>3,894</u>	<u>137,250</u>
DEFERRED INFLOWS OF RESOURCES:							
Long-term notes revenue	-	-	-	-	-	673,125	673,125
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>673,125</u>	<u>673,125</u>
FUND BALANCES:							
Nonspendable	-	-	-	-	7,165	-	29,633
Restricted for recycling	-	-	370,278	-	-	-	525,341
Restricted for cable television access:	-	-	-	-	-	-	165,236
Restricted for recreation services	-	-	-	-	15,500	-	15,500
Restricted for streets	-	62,920	-	165,399	-	-	799,127
Restricted for housing	-	-	-	-	-	260,111	260,111
Restricted for pension stabilization	-	-	-	-	2,050	-	2,050
Unassigned	-	-	-	-	-	-	(30,818)
Total fund balances	<u>-</u>	<u>62,920</u>	<u>370,278</u>	<u>165,399</u>	<u>24,715</u>	<u>260,111</u>	<u>1,766,180</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,760</u>	<u>\$ 63,049</u>	<u>\$ 372,301</u>	<u>\$ 165,767</u>	<u>\$ 53,061</u>	<u>\$ 937,130</u>	<u>\$ 2,576,555</u>

CITY OF CARPINTERIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2019

	Special Revenue Funds							
	Traffic Safety	Peg Fees	Road Maintenance Rehabilitation	Park Maintenance	Gas Tax	Local Transportation	Tidelands Trust	Street Lighting
REVENUES:								
Taxes	\$ -	\$ -	\$ -	\$ 210,725	\$ -	\$ -	\$ -	\$ 189,667
Special assessments	-	22,990	-	20,346	-	-	-	-
Fines and forfeits	26,997	-	-	-	-	-	-	-
Interest	430	2,238	2,379	351	437	1,515	2,030	3,534
Intergovernmental	-	-	251,606	-	262,417	11,638	-	-
Charges for services	-	-	-	12,988	-	-	-	-
Miscellaneous	-	-	-	282	15,454	-	316,790	-
Total revenues	27,427	25,228	253,985	244,692	278,308	13,153	318,820	193,201
EXPENDITURES:								
Current:								
General government	-	1,457	-	-	-	-	-	-
Public safety	18,703	-	-	-	-	-	-	-
Streets and tidelands	-	-	-	-	514,104	-	133,060	136,740
Parks and recreation	-	-	-	332,294	-	-	-	-
Total expenditures	18,703	1,457	-	332,294	514,104	-	133,060	136,740
Excess (deficiency) of revenues over (under) expenditures	8,724	23,771	253,985	(87,602)	(235,796)	13,153	185,760	56,461
OTHER FINANCING SOURCES (USES):								
Transfers in	-	141,465	-	190,147	246,920	-	-	-
Transfers out	-	-	-	(102,545)	(71,449)	(670)	(162,813)	(46,143)
Total other financing sources (uses)	-	141,465	-	87,602	175,471	(670)	(162,813)	(46,143)
Net change in fund balances	8,724	165,236	253,985	-	(60,325)	12,483	22,947	10,318
Fund balance - July 1	21,515	-	81,486	-	29,507	82,549	59,552	194,780
Prior-period adjustment	-	-	-	-	-	-	-	-
Fund balances - July 1 - restated	21,515	-	81,486	-	29,507	82,549	59,552	194,780
Fund balance - June 30	<u>\$ 30,239</u>	<u>\$ 165,236</u>	<u>\$ 335,471</u>	<u>\$ -</u>	<u>\$ (30,818)</u>	<u>\$ 95,032</u>	<u>\$ 82,499</u>	<u>\$ 205,098</u>

CITY OF CARPINTERIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2019

	Special Revenue Funds						
	Right of Way	Parking and Business Improvement	AB 939 Solid Waste	Measure D	Recreation Services	Housing	Totals
REVENUES:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	400,392
Special assessments	196,817	13,714	-	-	-	-	253,867
Fines and forfeits	-	-	-	-	-	-	26,997
Interest	238	1,166	4,789	3,339	455	(34)	22,867
Intergovernmental	-	-	-	-	-	-	525,661
Charges for services	-	-	229,732	-	427,454	-	670,174
Miscellaneous	1,755	-	-	-	9,225	-	343,506
Total revenues	198,810	14,880	234,521	3,339	437,134	(34)	2,243,464
EXPENDITURES:							
Current:							
General government	-	13,413	-	-	-	163,793	178,663
Public safety	-	-	48,866	-	-	-	67,569
Streets and tidelands	295,304	-	-	53,160	-	-	1,132,368
Parks and recreation	-	-	-	-	734,063	-	1,066,357
Total expenditures	295,304	13,413	48,866	53,160	734,063	163,793	2,444,957
Excess (deficiency) of revenues over (under) expenditures	(96,494)	1,467	185,655	(49,821)	(296,929)	(163,827)	(201,493)
OTHER FINANCING SOURCES (USES):							
Transfers in	217,554	-	-	-	361,166	423,938	1,581,190
Transfers out	(121,060)	(2,500)	(128,960)	-	(50,200)	-	(686,340)
Total other financing sources (uses)	96,494	(2,500)	(128,960)	-	310,966	423,938	894,850
Net change in fund balances	-	(1,033)	56,695	(49,821)	14,037	260,111	693,357
Fund balances - July 1	-	63,953	306,796	215,220	10,678	-	1,066,036
Prior-period adjustment	-	-	6,787	-	-	-	6,787
Fund balances - July 1 - restated	-	63,953	306,796	215,220	10,678	-	1,072,823
Fund balances - June 30	\$ -	\$ 62,920	\$ 370,278	\$ 165,399	\$ 24,715	\$ 260,111	\$ 1,766,180

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
TRAFFIC SAFETY FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Interest	\$ 100	\$ 100	\$ 430	\$ 330
Fines and forfeits	28,100	32,000	26,997	(5,003)
Total revenues	28,200	32,100	27,427	(4,673)
EXPENDITURES:				
Current:				
Public safety:				
Contract services	12,000	12,000	12,000	-
Parttime wages and benefits	13,010	13,010	6,703	6,307
Total expenditures	25,010	25,010	18,703	6,307
Net change in fund balance	3,190	7,090	8,724	1,634
Fund balance - July 1	21,515	21,515	21,515	-
Fund balance - June 30	<u>\$ 24,705</u>	<u>\$ 28,605</u>	<u>\$ 30,239</u>	<u>\$ 1,634</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
PEG FEE FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Interest	\$ -	\$ -	\$ 2,238	\$ 2,238
Special assessments	-	-	22,990	22,990
Total revenues	-	-	25,228	25,228
EXPENDITURES:				
Current:				
Contract services	-	-	1,457	(1,457)
Total expenditures	-	-	1,457	(1,457)
Excess (deficiency) of revenues over (under) expenditures	-	-	23,771	23,771
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	141,465	141,465
Total other financing sources (uses)	-	-	141,465	141,465
Net change in fund balance	-	-	165,236	165,236
Fund balance - July 1	-	-	-	-
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 165,236</u>	<u>\$ 165,236</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
ROAD MAINTENANCE REHABILITATION FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Intergovernmental grant:				
SB1 Road maintenance rehabilitation	\$ 231,500	\$ 217,100	\$ 251,606	\$ 34,506
Interest	100	700	2,379	1,679
Total revenues	<u>231,600</u>	<u>217,800</u>	<u>253,985</u>	<u>36,185</u>
EXPENDITURES:				
Capital outlay:				
Streets project	<u>311,170</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>311,170</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(79,570)	217,800	253,985	36,185
Fund balance - July 1	<u>81,486</u>	<u>81,486</u>	<u>81,486</u>	<u>-</u>
Fund balance - June 30	<u>\$ 1,916</u>	<u>\$ 299,286</u>	<u>\$ 335,471</u>	<u>\$ 36,185</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
PARK MAINTENANCE FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	
REVENUES:				
Taxes and assessments:				
Special park tax	\$ 159,800	\$ 155,000	\$ 153,021	\$ (1,979)
Bluffs endowment	26,500	57,700	57,704	4
Berm assessment	20,700	20,700	20,346	(354)
Interest	-	-	351	351
Charges for services:				
Park rentals	18,000	18,000	12,988	(5,012)
Miscellaneous	-	300	282	(18)
	<u>225,000</u>	<u>251,700</u>	<u>244,692</u>	<u>(7,008)</u>
EXPENDITURES:				
Current:				
Parks:				
Personnel	49,447	48,997	113,022	(64,025)
Maintenance	165,380	180,150	135,876	44,274
Utilities	79,300	71,523	76,355	(4,832)
Other services supplies	-	400	7,041	(6,641)
	<u>294,127</u>	<u>301,070</u>	<u>332,294</u>	<u>(31,224)</u>
Total expenditures	<u>294,127</u>	<u>301,070</u>	<u>332,294</u>	<u>(31,224)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(69,127)</u>	<u>(49,370)</u>	<u>(87,602)</u>	<u>(38,232)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	171,222	151,915	190,147	38,232
Transfers out	<u>(102,545)</u>	<u>(102,545)</u>	<u>(102,545)</u>	<u>-</u>
Total other financing sources (uses)	<u>68,677</u>	<u>49,370</u>	<u>87,602</u>	<u>38,232</u>
Net change in fund balance	(450)	-	-	-
Fund balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ (450)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
GAS TAX FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Intergovernmental:				
State gas taxes	\$ 350,400	\$ 288,100	\$ 277,871	\$ (10,229)
Interest	1,200	1,800	437	(1,363)
Total revenues	<u>351,600</u>	<u>289,900</u>	<u>278,308</u>	<u>(11,592)</u>
EXPENDITURES:				
Current:				
Streets:				
Salaries and benefits	329,200	307,900	318,458	(10,558)
Street sweeping	118,000	100,920	105,709	(4,789)
Engineering	40,000	35,000	32,730	2,270
Supplies and materials	35,960	33,279	57,207	(23,928)
Total expenditures	<u>523,160</u>	<u>477,099</u>	<u>514,104</u>	<u>(37,005)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(171,560)</u>	<u>(187,199)</u>	<u>(235,796)</u>	<u>(48,597)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	243,095	243,095	246,920	3,825
Transfers out	<u>(70,122)</u>	<u>(70,122)</u>	<u>(71,449)</u>	<u>(1,327)</u>
Total other financing sources (uses)	<u>172,973</u>	<u>172,973</u>	<u>175,471</u>	<u>2,498</u>
Net change in fund balance	1,413	(14,226)	(60,325)	(46,099)
Fund balance - July 1	<u>29,507</u>	<u>29,507</u>	<u>29,507</u>	<u>-</u>
Fund balance - June 30	<u>\$ 30,920</u>	<u>\$ 15,281</u>	<u>\$ (30,818)</u>	<u>\$ (46,099)</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
LOCAL TRANSPORTATION FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Intergovernmental:				
Transportation Development Act	\$ 11,200	\$ 9,000	\$ 11,638	\$ 2,638
Interest	600	1,000	1,515	515
Total revenues	11,800	10,000	13,153	3,153
EXPENDITURES:				
Current:				
Streets:				
Bikeway maintenance	10,000	-	-	-
Total expenditures	10,000	-	-	-
Excess (deficiency) of revenues over (under) expenditures	1,800	10,000	13,153	3,153
OTHER FINANCING SOURCES (USES):				
Transfers out	(670)	(670)	(670)	-
Total other financing sources (uses)	(670)	(670)	(670)	-
Net change in fund balance	1,130	9,330	12,483	3,153
Fund balance - July 1	82,549	82,549	82,549	-
Fund balance - June 30	<u>\$ 83,679</u>	<u>\$ 91,879</u>	<u>\$ 95,032</u>	<u>\$ 3,153</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
TIDELAND TRUST FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Miscellaneous:				
Rents and leases	\$ 285,000	\$ 285,000	\$ 316,390	\$ 31,390
Contributions	-	200	400	200
Interest	1,500	1,500	2,030	530
Total revenues	286,500	286,700	318,820	32,120
EXPENDITURES:				
Current:				
Parks and recreation:				
Salaries and benefits	83,620	83,620	73,638	9,982
Marsh/Bluffs maintenance	33,600	29,600	34,732	(5,132)
Services and supplies	9,000	8,000	12,580	(4,580)
Dues & subscriptions	600	12,110	12,110	-
Total expenditures	126,820	133,330	133,060	270
Excess (deficiency) of revenues over (under) expenditures	159,680	153,370	185,760	32,390
OTHER FINANCING SOURCES (USES):				
Transfers out	(154,800)	(154,800)	(162,813)	(8,013)
Total other financing sources (uses)	(154,800)	(154,800)	(162,813)	(8,013)
Net change in fund balance	4,880	(1,430)	22,947	24,377
Fund balance - July 1	59,552	59,552	59,552	-
Fund balance - June 30	\$ 64,432	\$ 58,122	\$ 82,499	\$ 24,377

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
STREET LIGHTING DISTRICT FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Taxes and assessments:				
Street lighting ad valorem assessments	\$ 188,600	\$ 188,600	\$ 189,667	\$ 1,067
Interest	4,000	4,000	3,534	(466)
Total revenues	<u>192,600</u>	<u>192,600</u>	<u>193,201</u>	<u>601</u>
EXPENDITURES:				
Current:				
Streets:				
Street lighting	2,000	100,000	94,158	5,842
Traffic signals and other	165,000	67,000	38,928	28,072
Supplies services	<u>5,000</u>	<u>5,000</u>	<u>3,654</u>	<u>1,346</u>
Total expenditures	<u>172,000</u>	<u>172,000</u>	<u>136,740</u>	<u>35,260</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,600</u>	<u>20,600</u>	<u>56,461</u>	<u>35,861</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(46,143)</u>	<u>(46,143)</u>	<u>(46,143)</u>	<u>-</u>
Total other financing sources (uses)	<u>(46,143)</u>	<u>(46,143)</u>	<u>(46,143)</u>	<u>-</u>
Net change in fund balance	(25,543)	(25,543)	10,318	35,861
Fund balance - July 1	<u>194,780</u>	<u>194,780</u>	<u>194,780</u>	<u>-</u>
Fund balance - June 30	<u>\$ 169,237</u>	<u>\$ 169,237</u>	<u>\$ 205,098</u>	<u>\$ 35,861</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
RIGHT OF WAY FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Taxes and assessments:				
Street right of way special assessments	\$ 204,700	\$ 204,700	\$ 196,817	\$ (7,883)
Interest	-	-	238	238
Miscellaneous	-	-	1,755	1,755
Total revenues	<u>204,700</u>	<u>204,700</u>	<u>198,810</u>	<u>(5,890)</u>
EXPENDITURES:				
Current:				
Streets:				
Salaries and benefits	172,400	172,400	168,628	3,772
Services and supplies	<u>82,960</u>	<u>82,960</u>	<u>126,676</u>	<u>(43,716)</u>
Total expenditures	<u>255,360</u>	<u>255,360</u>	<u>295,304</u>	<u>(39,944)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(50,660)</u>	<u>(50,660)</u>	<u>(96,494)</u>	<u>(45,834)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	171,720	205,700	217,554	11,854
Transfers out	<u>(121,060)</u>	<u>(121,060)</u>	<u>(121,060)</u>	<u>-</u>
Total other financing sources (uses)	<u>50,660</u>	<u>84,640</u>	<u>96,494</u>	<u>11,854</u>
Net change in fund balance	-	33,980	-	(33,980)
Fund balance - July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ -</u>	<u>\$ 33,980</u>	<u>\$ -</u>	<u>\$ (33,980)</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
PARKING AND BUSINESS IMPROVEMENT FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Taxes and assessments:				
Parking lot special assessments	\$ 15,000	\$ 15,000	\$ 13,714	\$ (1,286)
Interest	600	800	1,166	366
Total revenues	15,600	15,800	14,880	(920)
EXPENDITURES:				
Current:				
Parking lot maintenance	40,000	-	-	-
Marketing and promotion	9,200	11,200	13,413	(2,213)
Total expenditures	49,200	11,200	13,413	(2,213)
Excess (deficiency) of revenues over (under) expenditures	(33,600)	4,600	1,467	(3,133)
OTHER FINANCING SOURCES (USES):				
Transfers out	(2,500)	(2,500)	(2,500)	-
Total other financing sources (uses)	(2,500)	(2,500)	(2,500)	-
Net change in fund balance	(36,100)	2,100	(1,033)	(3,133)
Fund balance - July 1	63,953	63,953	63,953	-
Fund balance - June 30	\$ 27,853	\$ 66,053	\$ 62,920	\$ (3,133)

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
AB 939 SOLID WASTE FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
REVENUES:				
Charges for services:				
Solid waste management fees	\$ 199,000	\$ 232,000	\$ 229,732	\$ (2,268)
Interest	2,800	3,000	4,789	1,789
Total revenues	201,800	235,000	234,521	(479)
EXPENDITURES:				
Current:				
Public works:				
Waste oil collection	114,600	53,000	48,866	4,134
Total expenditures	114,600	53,000	48,866	4,134
Excess (deficiency) of revenues over (under) expenditures	87,200	182,000	185,655	3,655
OTHER FINANCING SOURCES (USES):				
Transfers out	(128,960)	(128,960)	(128,960)	-
Total other financing sources (uses)	(128,960)	(128,960)	(128,960)	-
Net change in fund balance	(41,760)	53,040	56,695	3,655
Fund balance - July 1	306,796	306,796	306,796	-
Prior period adjustment			6,787	6,787
Fund balance - July 1-restated	306,796	306,796	313,583	6,787
Fund balance - June 30	<u>\$ 265,036</u>	<u>\$ 359,836</u>	<u>\$ 370,278</u>	<u>\$ 10,442</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
MEASURE D FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Interest	\$ 1,000	\$ 4,000	\$ 3,339	\$ (661)
Total revenues	<u>1,000</u>	<u>4,000</u>	<u>3,339</u>	<u>(661)</u>
EXPENDITURES:				
Capital outlay:				
Street maintenance	<u>177,000</u>	<u>53,050</u>	<u>53,160</u>	<u>(110)</u>
Total expenditures	<u>177,000</u>	<u>53,050</u>	<u>53,160</u>	<u>(110)</u>
Net change in fund balance	(176,000)	(49,050)	(49,821)	(771)
Fund balance - July 1	<u>215,220</u>	<u>215,220</u>	<u>215,220</u>	<u>-</u>
Fund balance - June 30	<u>\$ 39,220</u>	<u>\$ 166,170</u>	<u>\$ 165,399</u>	<u>\$ (771)</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
RECREATION FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Charges for services:				
Pool and Recreation programs	\$ 442,100	\$ 442,100	\$ 427,454	\$ (14,646)
Miscellaneous	-	-	9,225	9,225
Interest	-	-	455	455
Total revenues	<u>442,100</u>	<u>442,100</u>	<u>437,134</u>	<u>(4,966)</u>
EXPENDITURES:				
Current:				
Wages and benefits	350,555	455,855	446,091	9,764
Services and supplies	189,250	169,350	174,536	(5,186)
Utilities	65,400	75,250	99,966	(24,716)
Capital outlay	<u>13,500</u>	<u>14,000</u>	<u>13,470</u>	<u>530</u>
Total expenditures	<u>618,705</u>	<u>714,455</u>	<u>734,063</u>	<u>(19,608)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(176,605)</u>	<u>(272,355)</u>	<u>(296,929)</u>	<u>(24,574)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	226,803	289,777	361,166	71,389
Transfers out	<u>(50,200)</u>	<u>(50,200)</u>	<u>(50,200)</u>	<u>-</u>
Total other financing sources (uses)	<u>176,603</u>	<u>239,577</u>	<u>310,966</u>	<u>71,389</u>
Net change in fund balance	(2)	(32,778)	14,037	46,815
Fund balance - July 1	<u>10,678</u>	<u>10,678</u>	<u>10,678</u>	<u>-</u>
Fund balance - June 30	<u>\$ 10,676</u>	<u>\$ (22,100)</u>	<u>\$ 24,715</u>	<u>\$ 46,815</u>

CITY OF CARPINTERIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
HOUSING FUND - SPECIAL REVENUE FUND
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>
REVENUES:			
Interest	-	-	(34)
Total revenues	-	-	(34)
EXPENDITURES:			
Current:			
Contract services	-	-	163,793
Total expenditures	-	-	163,793
Excess (deficiency) of revenues over (under) expenditures	-	-	(163,827)
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	423,938
Total other financing sources (uses)	-	-	423,938
Net change in fund balance	-	-	260,111
Fund balance - July 1	-	-	-
Fund balance - June 30	-	-	260,111



CITY OF CARPINTERIA

STATISTICAL SECTION

FOR THE FISCAL YEAR ENDING JUNE 30, 2019

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

Contents

Financial Trends	94
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	100
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	
Debt Capacity	105
These schedules present information to help assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	110
These schedules offer demographic and economic indicators to help understand the environment within which the City's financial activities take place.	
Operating Information	112
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	

CITY OF CARPINTERIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets	\$ 18,752,543	\$ 19,256,641	\$ 19,923,896	\$ 21,201,117	\$ 22,878,404
Restricted	6,635,977	5,949,721	7,159,751	6,673,049	5,951,166
Unrestricted	826,607	1,373,207	(260,945)	(623,857)	655,489
Total governmental activities net position	<u>\$ 26,215,127</u>	<u>\$ 26,579,569</u>	<u>\$ 26,822,702</u>	<u>\$ 27,250,309</u>	<u>\$ 29,485,059</u>
Primary government (City wide totals)					
Net investment in capital assets	\$ 18,752,543	\$ 19,256,641	\$ 19,923,896	\$ 21,201,117	\$ 22,878,404
Restricted	6,635,977	5,949,721	7,159,751	6,673,049	5,951,166
Unrestricted	826,607	1,373,207	(260,945)	(623,857)	655,489
Total primary government net position	<u>\$ 26,215,127</u>	<u>\$ 26,579,569</u>	<u>\$ 26,822,702</u>	<u>\$ 27,250,309</u>	<u>\$ 29,485,059</u>
	2010	2011	2012	2013	2014
Governmental activities					
Net investment in capital assets	\$ 12,764,362	\$ 14,278,785	\$ 15,750,059	\$ 16,864,680	\$ 10,403,137
Restricted	6,387,940	8,621,089	5,509,149	11,693,563	6,498,990
Unrestricted	7,380,527	6,948,205	6,194,379	1,405,742	9,333,445
Total governmental activities net position	<u>\$ 26,532,829</u>	<u>\$ 29,848,079</u>	<u>\$ 27,453,587</u>	<u>\$ 29,963,985</u>	<u>\$ 26,235,572</u>
Primary government (City wide totals)					
Net investment in capital assets	\$ 12,764,362	\$ 14,278,785	\$ 15,750,059	\$ 16,864,680	\$ 10,403,137
Restricted	6,387,940	8,621,089	5,509,149	11,693,563	6,498,990
Unrestricted	7,380,527	6,948,205	6,194,379	1,405,742	9,333,445
Total primary government net position	<u>\$ 26,532,829</u>	<u>\$ 29,848,079</u>	<u>\$ 27,453,587</u>	<u>\$ 29,963,985</u>	<u>\$ 26,235,572</u>

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

	2015	2016	2017	2018	2019
Expenses					
Governmental activities					
General government	\$ 3,392,625	\$ 3,945,980	\$ 4,089,430	\$ 4,992,268	\$ 6,402,259
Police	3,805,193	3,623,748	3,847,015	4,015,026	3,839,003
Public works	2,516,574	3,173,896	3,316,121	3,798,587	2,527,811
Recreation	1,556,728	1,618,317	1,713,791	1,734,987	1,536,832
Interest on long-term debt	28,842	21,665	13,833	6,453	-
Total governmental activities expenses	\$ 11,299,962	\$ 12,383,606	\$ 12,980,190	\$ 14,547,321	\$ 14,305,905
Total City government expenses	\$ 11,299,962	\$ 12,383,606	\$ 12,980,190	\$ 14,547,321	\$ 14,305,905

Program Revenues

Governmental activities					
Charges for services					
General government	\$ 373,398	\$ 473,436	\$ 376,726	\$ 460,427	\$ 262,758
Police protection	88,528	118,930	102,104	173,263	-
Public works	780,293	596,135	611,045	504,692	729,320
Parks and recreation	987,432	848,388	922,434	792,892	440,442
Operating grants and contributions	2,006,552	1,255,382	1,050,751	2,146,260	2,073,316
Capital grants and contributions	-	333,563	1,169,000	1,172,594	560,627
Total governmental activities program revenue	\$ 4,236,203	\$ 3,625,834	\$ 4,232,060	\$ 5,250,128	\$ 4,066,463
Total City government program revenues	\$ 4,236,203	\$ 3,625,834	\$ 4,232,060	\$ 5,250,128	\$ 4,066,463

	2010	2011	2012	2013	2014
Expenses					
Governmental activities					
General government	\$ 3,723,162	\$ 3,519,612	\$ 3,397,245	\$ 3,771,421	\$ 3,643,689
Police	3,163,145	3,340,770	3,307,293	3,578,492	2,863,491
Public works	2,308,955	1,983,199	1,992,042	2,571,301	3,072,449
Recreation	1,588,448	1,548,443	1,283,076	1,691,338	1,653,131
Interest on long-term debt	60,517	51,822	48,031	42,115	35,681
Total governmental activities expenses	\$ 10,844,227	\$ 10,443,846	\$ 10,027,687	\$ 11,654,667	\$ 11,268,441
Total City government expenses	\$ 10,844,227	\$ 10,443,846	\$ 10,027,687	\$ 11,654,667	\$ 11,268,441

Program Revenues

Governmental activities					
Charges for services					
General government	\$ 319,336	\$ 399,380	\$ 1,026,840	\$ 591,751	\$ 407,630
Police protection	138,701	106,548	140,338	116,220	116,927
Public works	892,015	312,544	533,027	414,111	615,098
Parks and recreation	922,533	738,189	1,817,641	1,246,140	1,188,270
Operating grants and contributions	1,125,588	1,194,191	1,444,513	1,537,842	1,858,200
Capital grants and contributions	557,555	1,278,619	575,694	8,856	-
Total governmental activities program revenue	\$ 3,955,728	\$ 4,029,471	\$ 5,538,053	\$ 3,914,920	\$ 4,186,125
Total City government program revenues	\$ 3,955,728	\$ 4,029,471	\$ 5,538,053	\$ 3,914,920	\$ 4,186,125

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

	2015	2016	2017	2018	2019
Net (Expense)/ Revenue					
Governmental activities	\$ (7,063,759)	\$ (8,757,772)	\$ (8,748,130)	\$ (9,297,193)	\$ (10,239,442)
Total City government	<u>\$ (7,063,759)</u>	<u>\$ (8,757,772)</u>	<u>\$ (8,748,130)</u>	<u>\$ (9,297,193)</u>	<u>\$ (10,239,442)</u>

**General Revenues and Other Changes in
Net Position**

Governmental activities					
Taxes					
Property taxes	\$ 2,962,918	\$ 3,142,567	\$ 3,291,947	\$ 3,580,012	\$ 4,298,673
Sales taxes	2,054,033	2,090,019	1,939,686	1,935,212	2,564,179
Other taxes	3,593,823	3,681,124	3,742,734	3,897,842	3,247,767
Miscellaneous motor vehicle in lieu fees not restricted to a specific program	-	-	-	-	-
Other general revenues	53,208	25,242	16,896	69,230	1,897,634
Investment earnings	(88,082)	183,262	-	-	296,110
Total governmental activities	<u>\$ 8,575,900</u>	<u>\$ 9,122,214</u>	<u>\$ 8,991,263</u>	<u>\$ 9,482,296</u>	<u>\$ 12,304,363</u>
Total City government	<u>\$ 8,575,900</u>	<u>\$ 9,122,214</u>	<u>\$ 8,991,263</u>	<u>\$ 9,482,296</u>	<u>\$ 12,304,363</u>

Change in net position

Governmental activities	\$ 1,512,141	\$ 364,442	\$ 243,133	\$ 185,103	\$ 2,064,921
Total City government	<u>\$ 1,512,141</u>	<u>\$ 364,442</u>	<u>\$ 243,133</u>	<u>\$ 185,103</u>	<u>\$ 2,064,921</u>

	2010	2011	2012	2013	2014
Net (Expense)/ Revenue					
Governmental activities	\$ (6,888,499)	\$ (6,414,375)	\$ (4,489,634)	\$ (7,739,747)	\$ (7,082,316)
Total City government	<u>\$ (6,888,499)</u>	<u>\$ (6,414,375)</u>	<u>\$ (4,489,634)</u>	<u>\$ (7,739,747)</u>	<u>\$ (7,082,316)</u>

**General Revenues and Other Changes in
in Net Position**

Governmental activities					
Taxes					
Property taxes	\$ 2,598,405	\$ 2,617,817	\$ 2,581,797	\$ 2,619,423	\$ 2,875,344
Sales taxes	1,951,187	1,886,345	1,610,860	1,860,725	1,739,414
Other taxes	2,345,848	2,319,130	2,415,064	2,620,476	2,742,122
Miscellaneous motor vehicle in lieu fees not restricted to a specific program	68,611	81,180	50,588	61,261	33,299
Other general revenues	23,031	182,229	14,889	14,039	7,907
Investment earnings	548,935	291,497	172,236	108,605	57,164
Total governmental activities	<u>7,536,017</u>	<u>7,378,198</u>	<u>6,845,434</u>	<u>7,284,529</u>	<u>7,455,250</u>
Total City government	<u>\$ 7,536,017</u>	<u>\$ 7,378,198</u>	<u>\$ 6,845,434</u>	<u>\$ 7,284,529</u>	<u>\$ 7,455,250</u>

Change in net position

Governmental activities	\$ 647,518	\$ 963,823	\$ 2,355,800	\$ (455,218)	\$ 372,934
Total City government	<u>\$ 647,518</u>	<u>\$ 963,823</u>	<u>\$ 2,355,800</u>	<u>\$ (455,218)</u>	<u>\$ 372,934</u>

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

	2015	2016	2017	2018	2019
General fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	4,167	216,537	16,478	556	-
Restricted	217,091	191,981	179,242	1,141,465	1,721,343
Committed	6,233,213	6,528,226	6,592,489	5,639,967	6,132,441
Unassigned	1,972,371	1,734,662	1,421,593	2,181,761	1,268,806
Total general fund	<u>\$ 8,426,842</u>	<u>\$ 8,671,406</u>	<u>\$ 8,209,802</u>	<u>\$ 8,963,749</u>	<u>\$ 9,122,590</u>
All other governmental funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	26,439	26,439	19,326	32,441	29,633
Restricted	6,418,886	6,757,800	7,150,509	5,531,584	5,951,166
Committed	-	34,151	34,151	34,151	10,914
Unassigned	42,912	-	-	-	(30,818)
Total all other governmental funds	<u>\$ 6,488,237</u>	<u>\$ 6,818,390</u>	<u>\$ 7,203,986</u>	<u>\$ 5,598,176</u>	<u>\$ 5,960,895</u>
	2010	2011	2012	2013	2014
General fund					
Reserved	\$ 2,379	\$ -	\$ -	\$ -	\$ -
Unreserved	7,604,958	-	-	-	-
Nonspendable	-	173,152	4,167	205,646	4,167
Restricted	-	324,734	324,734	324,734	324,734
Committed	-	1,856,800	1,924,447	5,737,366	6,091,164
Unassigned	-	4,805,990	5,596,686	1,362,455	1,538,606
Total general fund	<u>\$ 7,607,337</u>	<u>\$ 7,160,676</u>	<u>\$ 7,850,034</u>	<u>\$ 7,630,201</u>	<u>\$ 7,958,671</u>
All other governmental funds					
Reserved	\$ 23,937	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	3,143,733	-	-	-	-
Capital projects funds	2,276,455	-	-	-	-
Nonspendable	-	9,978	13,212	19,766	15,887
Restricted	-	5,184,415	7,549,043	7,609,684	7,198,891
Committed	-	-	-	-	-
Unassigned	-	-	-	43,287	42,915
Total all other governmental funds	<u>\$ 5,444,125</u>	<u>\$ 5,194,393</u>	<u>\$ 7,562,255</u>	<u>\$ 7,672,737</u>	<u>\$ 7,257,693</u>

Note: The City implemented GASB statement No. 54 in FY 2010/11 and reserved and unreserved fund classifications were changed to nonspendable, restricted, committed, assigned, and unassigned.

CITY OF CARPINTERIA
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 8,610,774	\$ 8,913,710	\$ 8,974,367	\$ 9,353,024	\$ 10,110,619
Licenses and permits	106,271	115,914	136,296	142,644	262,758
Fines and forfeits	88,431	119,233	101,871	173,122	67,292
Charges for services	1,384,306	1,255,899	1,235,012	1,089,196	1,169,762
Special assessments	226,954	223,300	227,596	208,339	562,571
Intergovernmental	1,377,172	1,600,265	2,220,803	3,342,497	2,451,590
Investment earnings	595,462	232,183	16,167	102,953	296,110
Other revenues	422,733	287,544	311,211	320,649	1,450,124
Total revenues	\$ 12,812,103	\$ 12,748,048	\$ 13,223,323	\$ 14,732,424	\$ 16,370,826
Expenditures					
General government	\$ 3,388,728	\$ 3,656,340	\$ 3,811,276	\$ 4,466,576	\$ 5,859,713
Public safety	3,792,309	3,608,378	3,576,255	3,746,553	3,859,754
Parks and Recreation	1,256,754	1,380,332	1,474,515	1,430,897	1,338,586
Planning and Public Works	2,152,697	2,114,983	2,183,728	3,288,119	2,167,037
Capital outlay	2,121,720	1,234,048	2,077,057	2,473,642	2,741,769
Intergovernmental	-	-	-	-	-
Debt service					
Principal	145,000	155,000	160,000	170,000	-
Interest	31,138	24,250	16,500	8,500	-
Total expenditures	\$ 12,888,346	\$ 12,173,331	\$ 13,299,331	\$ 15,584,287	\$ 15,966,859
Excess (deficiency) of revenues over (under) expenditures	\$ (76,243)	\$ 574,717	\$ (76,008)	\$ (851,863)	\$ 403,967
Other Financing Sources(Uses)					
Transfers in	\$ 1,703,420	\$ 2,451,170	\$ 2,462,162	\$ 2,910,863	\$ 3,420,917
Transfers out	(1,703,420)	(2,451,170)	(2,462,162)	(2,910,863)	(3,420,917)
Total other financing sources	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ (76,243)	\$ 574,717	\$ (76,008)	\$ (851,863)	\$ 403,967
Debt service as a percentage of noncapital expenditures	1.66%	1.67%	1.60%	1.38%	0.00%

CITY OF CARPINTERIA
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS- CONTINUED
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2010	2011	2012	2013	2014
Revenues					
Taxes	\$ 6,823,292	\$ 6,607,721	\$ 7,100,657	\$ 7,348,781	\$ 7,862,769
Licenses and permits	72,302	123,567	157,988	157,406	109,909
Fines and forfeits	137,910	106,243	105,079	116,099	116,705
Charges for services	1,425,239	804,591	2,741,309	1,558,431	1,600,991
Special assessments	224,681	222,168	222,636	227,055	221,724
Intergovernmental	1,725,304	2,253,103	2,053,664	1,521,800	2,274,809
Investment earnings	373,368	242,615	158,746	101,954	96,005
Other revenues	551,830	514,897	282,503	338,644	279,974
Total revenues	\$ 11,333,926	\$ 10,874,905	\$ 12,822,582	\$ 11,370,170	\$ 12,562,886
Expenditures					
General government	\$ 3,381,989	\$ 3,149,117	\$ 2,987,938	\$ 3,288,772	\$ 3,244,566
Public safety	3,151,668	3,263,648	3,222,610	3,415,221	3,445,409
Parks and Recreation	1,481,804	1,376,443	1,230,178	1,326,966	1,153,380
Planning and Public Works	2,432,332	1,357,768	1,434,091	1,878,396	1,904,318
Capital outlay	1,417,116	2,248,976	715,597	1,390,970	2,718,834
Intergovernmental	-	-	-	-	-
Debt service					
Principal	115,000	120,000	125,000	135,000	145,000
Interest	60,517	55,346	49,948	44,196	37,953
Total expenditures	\$ 12,040,426	\$ 11,571,298	\$ 9,765,362	\$ 11,479,521	\$ 12,649,460
Excess (deficiency) of revenues over (under) expenditures	\$ (706,500)	\$ (696,393)	\$ 3,057,220	\$ (109,351)	\$ (86,574)
Other Financing Sources (Uses)					
Transfers in	\$ 1,939,510	\$ 2,891,794	\$ 1,482,586	\$ 1,591,130	\$ 1,699,086
Transfers out	(1,939,510)	(2,891,794)	(1,482,586)	(1,591,130)	(1,699,086)
Total other financing sources	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ (706,500)	\$ (696,393)	\$ 3,057,220	\$ (109,351)	\$ (86,574)
Debt service as a percentage of noncapital expenditures	1.68%	1.92%	1.97%	1.81%	1.88%

CITY OF CARPINTERIA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Sales Tax	Transient Occupancy Tax	Franchise Tax	Other Taxes	Total
2010	\$ 3,034,504	\$ 1,886,345	\$ 1,262,432	\$ 541,560	\$ 98,451	\$ 6,823,292
2011	2,997,631	1,610,860	1,306,033	594,460	98,737	6,607,721
2012	3,036,176	1,860,725	1,555,257	563,958	84,508	7,100,624
2013	3,311,362	1,739,414	1,631,428	552,788	113,789	7,348,781
2014	3,308,510	1,900,971	1,923,538	602,583	127,167	7,862,769
2015	3,411,370	2,054,033	2,369,762	634,782	140,827	8,610,774
2016	3,623,079	2,090,019	2,379,751	660,231	160,630	8,913,710
2017	3,788,813	1,939,686	2,503,821	614,506	127,541	8,974,367
2018	4,106,134	1,935,212	2,462,092	708,595	140,991	9,353,024
2019	4,298,673	2,564,179	2,635,754	612,013	-	10,110,619

CITY OF CARPINTERIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Assessed Taxable Values			Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value
	Secured	Unsecured	Totals			
2010	\$ 1,624,592,897	\$ 96,402,743	\$ 1,720,995,640	1.00%	\$ 4,199,200,447	40.98%
2011	1,611,435,112	98,273,571	1,709,708,683	1.00%	4,168,978,596	41.01%
2012	1,648,224,902	102,081,036	1,750,305,938	1.00%	4,266,392,306	41.03%
2013	1,649,207,464	106,715,505	1,755,922,969	1.00%	4,275,469,381	41.07%
2014	1,726,261,900	112,576,204	1,838,838,104	1.00%	4,476,477,899	41.08%
2015	1,828,344,041	124,049,385	1,952,393,426	1.00%	4,748,073,510	41.12%
2016	1,919,853,476	124,041,961	2,043,895,437	1.00%	4,976,836,491	41.07%
2017	2,011,828,207	128,079,932	2,139,908,139	1.00%	5,212,541,849	41.05%
2018	2,152,174,030	151,088,408	2,303,262,438	1.00%	5,596,275,658	41.16%
2019	2,273,924,309	164,475,978	2,438,400,287	1.00%	5,919,776,455	41.19%

Notes:

1) Property in Santa Barbara County is assessed at market value in the year in which the property is exchanged pursuant to a sale. In years thereafter, the assessed value is increased by one percent as required by state law. Based upon the frequency of property exchanges, assessed value is estimated to be about 40 percent of actual value for real property and about 70 percent for personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$100 of assessed values.

2) In 1978, the voters of the State of California passed Proposition 13, which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at a time that it is sold to a new owner. At that point, the assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above. The County does not provide breakout of residential, commercial and industrial assessed values to the cities.

Source: Santa Barbara County Auditor- Controller

CITY OF CARPINTERIA
DIRECT AND OVERLAPPING PROPERTY RATES
LAST TEN FISCAL YEARS
(RATES PER \$100 OF ASSESSED VALUE)

Fiscal Year	Direct Rates		Overlapping Rates		Total Direct & Overlapping Tax
	Basic Rate	General Obligation Debt Rate	School Districts	Special Districts	
2010	1.00%	0.00%	0.00642%	0.00%	1.0064%
2011	1.00%	0.00%	0.00653%	0.00%	1.0065%
2012	1.00%	0.00%	0.00635%	0.00%	1.0064%
2013	1.00%	0.00%	0.00635%	0.00%	1.0064%
2014	1.00%	0.00%	0.00635%	0.00%	1.0064%
2015	1.00%	0.00%	0.00635%	0.00%	1.0064%
2016	1.00%	0.00%	0.00635%	0.00%	1.0064%
2017	1.00%	0.00%	0.00635%	0.00%	1.0064%
2018	1.00%	0.00%	0.05571%	0.00%	1.0557%
2019	1.00%	0.00%	0.05571%	0.00%	1.0557%

Note: In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within. In addition to the 1% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of school and water district bonds.

Source: Santa Barbara County Auditor- Controller

CITY OF CARPINTERIA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

2019			2010		
Rank	Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Rank	Taxable Assessed Value
1	6303 CARPINTERIA AVENUE, LLC	\$31,021,993	1.27%		
2	ROIC CASITAS PLAZA, LLC	26,090,532	1.07%		
3	G6 HOSPITALITY PROPERTY LLC	24,363,957	1.00%		
4	LAVENDER BLUE, LP	18,728,265	0.77%		
5	LINKEDIN CORPORATION	17,637,844	0.72%		
6	STEADFAST CARPINTERIA SENIOR, LLC	17,530,087	0.72%		
7	6267 CARP AVE LLC	17,414,123	0.71%	3	15,694,616
8	BEGA/US , INC	16,969,256	0.70%		
9	SCHAFF, VICTOR WILLIAM & SUSAN MARIE REVOCABLE TRUST	16,184,579	0.66%	6	13,211,851
10	BBH HOLDINGS, LLC (CA)	14,617,140	0.60%		
	VENOCO, INC	-	0.00%	1	19,157,770
	4646 CARP AVE, LLC (CA)	-	0.00%	2	16,372,756
	CARP ONE LLC	-	0.00%	4	14,339,174
	CARP TWO LLC	-	0.00%	5	13,725,638
	CARPI, LLC	-	0.00%	7	12,000,000
	HMBL, LLC	-	0.00%	8	11,347,948
	SHEPARD PLACE LTD	-	0.00%	9	11,072,881
	GANTENBRINK-ROUTH	-	0.00%	10	9,824,454
Total		\$ 200,557,776	8.22%		\$ 136,747,088
					7.94%

Source: Santa Barbara County Auditor- Controller

CITY OF CARPINTERIA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

City of Carpinteria						
Fiscal Year	Total Tax Levy	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections To Date	
		Amount	Percentage of Levy		Amount Collected	Percentage of Levy
2010	\$ 1,501,727	\$ 1,464,993	97.6%	\$ 35,670	\$ 1,500,663	99.9%
2011	1,488,310	1,462,922	98.3%	24,288	1,487,210	99.9%
2012	1,501,364	1,482,088	98.7%	18,168	1,500,256	99.9%
2013	1,536,286	1,520,728	99.0%	14,443	1,535,171	99.9%
2014	1,606,334	1,593,519	99.2%	11,458	1,604,977	99.9%
2015	1,702,720	1,688,463	99.2%	12,430	1,700,893	99.9%
2016	1,780,112	1,762,381	99.0%	11,656	1,774,037	99.7%
2017	1,863,185	1,847,951	99.2%	8,574	1,856,525	99.6%
2018	2,001,901	1,978,832	98.8%	14,385	1,993,217	99.6%
2019	2,306,494	2,280,017	98.9%	-	2,280,017	98.9%

Carpinteria Street Lighting District #1						
Fiscal Year	Total Tax Levy	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections To Date	
		Amount	Percentage of Levy		Amount Collected	Percentage of Levy
2010	\$ 264,621	\$ 258,148	97.6%	\$ 6,285	\$ 264,433	99.9%
2011	262,539	258,061	98.3%	4,284	262,345	99.9%
2012	263,695	260,309	98.7%	3,191	263,500	99.9%
2013	271,906	269,153	99.0%	2,556	271,709	99.9%
2014	284,731	282,460	99.2%	2,031	284,491	99.9%
2015	302,164	299,634	99.2%	2,206	301,840	99.9%
2016	315,757	312,612	99.0%	2,068	314,680	99.7%
2017	330,668	327,964	99.2%	1,522	329,486	99.6%
2018	356,018	351,915	98.8%	2,558	354,473	99.6%
2019	179,299	177,240	98.9%	-	177,240	98.9%

Note: Taxes collected have been restated to reflect available data from the Santa Barbara County Auditor- Controller.

Source: Santa Barbara County Auditor- Controller

CITY OF CARPINTERIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-type Activities	Total Outstanding Debt	Percentage of Personal Income	Population	Debt per Capita
	General Obligation Bonds	Lease Revenue Bonds	Special Assessment Bonds	Certificates of Participation	General Obligation Bonds				
2010	\$ -	\$ -	\$ -	\$ 1,155,000	\$ -	\$ 1,155,000	0.21%	14,409	80
2011	-	-	-	1,035,000	-	1,035,000	0.19%	14,528	71
2012	-	-	-	910,000	-	910,000	0.18%	13,076	70
2013	-	-	-	775,000	-	775,000	0.15%	13,099	59
2014	-	-	-	630,000	-	630,000	0.12%	13,442	47
2015	-	-	-	485,000	-	485,000	0.09%	13,547	36
2016	-	-	-	330,000	-	330,000	0.06%	13,928	24
2017	-	-	-	170,000	-	170,000	0.03%	13,950	12
2018	-	-	-	-	-	-	0.00%	13,849	-
2019	-	-	-	-	-	-	0.00%	16,336	-

CITY OF CARPINTERIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Lease Revenue Bonds	Total		
2010	\$ -	\$ -	\$ -	-	-
2011	-	-	-	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-

Note: The City did not have any General Bonded Debt during this period.

CITY OF CARPINTERIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2019

2018-19 Assessed Valuation: \$2,450,762,687

	Total Debt		City's Share of
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>6/30/2019</u>	<u>% Applicable ¹</u>	<u>Debt 6/30/19</u>
Santa Barbara Community College District	\$ 58,885,000	4.419%	\$ 2,602,128
Carpinteria Unified School District	60,410,000	36.879%	22,278,604
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 24,880,732
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Santa Barbara County General Fund Obligations	\$ 44,610,000	2.957%	\$ 1,200,838
City of Carpinteria	-	100.000%	-
Carpinteria Sanitary District General Fund Obligations	7,180,000	63.134%	4,533,021
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 5,733,859
Less: Santa Barbara County supported obligations			(85,457)
Carpinteria Sanitary District enterprise supported obligations			(4,533,021)
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 1,115,381
TOTAL DIRECT DEBT			\$ -
TOTAL GROSS OVERLAPPING DEBT			\$ 30,614,591
TOTAL NET OVERLAPPING DEBT			\$ 25,996,113
GROSS COMBINED TOTAL DEBT			\$ 30,614,591 ²
NET COMBINED TOTAL DEBT			\$ 25,996,113

Notes:

- 1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- 2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2018-19 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.02%
Total Direct Debt	0.00%
Gross Combined Total Debt	1.25%
Net Combined Total Debt	1.06%

AB:(\$500)

CITY OF CARPINTERIA

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

Fiscal Year	Debt Limit	Total Net Debt Applicable To Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2010	\$ 64,537,337	\$ -	\$ 64,537,337	0%
2011	64,114,076	-	64,114,076	0%
2012	64,755,216	-	64,755,216	0%
2013	65,847,111	-	65,847,111	0%
2014	68,956,429	-	68,956,429	0%
2015	73,214,247	-	73,214,247	0%
2016	76,646,079	-	76,646,079	0%
2017	80,246,555	-	80,246,555	0%
2018	86,372,341	-	86,372,341	0%
2019	91,440,011	-	91,440,011	0%

Calculation for Fiscal Year 2019

Total Assessed Property Value	\$ 2,438,400,287
Debt limit (3.75% of assessed value)	91,440,011
Less debt applicable to limit:	
General obligation bonds	-
Total debt applicable to limit	-
Legal debt margin	\$ 91,440,011

Note: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981/82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion and assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: Santa Barbara County Auditor- Controller

CITY OF CARPINTERIA
PLEDGED REVENUE COVERAGE
JUNE 30, 2019

Special Assessment Bonds					
Fiscal Year	Special Assessment Collections	Capital Impact Fees	Debt Service		Coverage
			Principal	Interest	
2019	\$ -	\$ -	\$ -	\$ -	\$ -

Note: The City had no Pledged Revenues during this period.

CITY OF CARPINTERIA

DEMOGRAPHIC AND ECONOMIC STATISTICS

FOR THE LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2010	14,528	\$ 600,006,400	\$ 41,300	5.2%
2011	14,103	442,650,861	31,387	5.8%
2012	13,076	422,376,600	32,302	8.2%
2013	13,099	589,455,000	45,000	6.3%
2014	13,442	639,839,200	47,600	5.4%
2015	13,547	673,285,900	49,700	4.7%
2016	13,928	706,066,032	50,694	4.6%
2017	13,950	721,326,600	51,708	4.5%
2018	13,849	508,119,810	36,690	3.9%
2019	16,336	692,728,080	42,405	3.4%

Sources: U.S. Census Bureau & U.S. Bureau of Labor Statistics

CITY OF CARPINTERIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Procore	850	1	9.14%			
Agilent (formerly DAKO)	400	2	4.30%	320	2	2.05%
Carpinteria Unified School District	365	3	3.92%	305	3	1.96%
LinkedIn	312	4	3.35%			
Nusil Technology	284	5	3.05%	324	1	2.08%
Gigavac	232	6	2.49%			
Plan Member	168	7	1.81%			
Bega- US	160	8	1.72%	102	10	0.65%
Continental Auto Systems	125	9	1.34%			
AGIA, Inc.	120	10	1.29%	170	5	1.09%
Clipper Wind Power				183	4	1.17%
CKE Restaurants Inc.				165	6	1.06%
Helix				163	7	1.04%
Pacific Scientific				130	8	0.83%
Tyco Electronics				117	9	0.75%
	<u>3,016</u>		<u>32.41%</u>	<u>1,979</u>		<u>12.68%</u>

CITY OF CARPINTERIA
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function/ Program	Full-time Equivalent Employees as of June 30									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government:										
City Council	5	5	5	5	5	5	5	5	5	5
City Clerk	2	2	2	2	2	2	2	2	2	2
City Manager	4	4	4	4	4	4	4	4	4	4
Finance	2	2	2	2	2	2	2	2	2	2
Public Safety:										
Police Contract	0	0	0	0	0	0	0	0	0	0
Planning:										
Planning	7	7	7	7	7	7	7	7	7	7
Building and Safety	2	2	2	2	2	2	2	2	2	2
Public Works:										
Roads and Streets	7	7	9	9	9	9	9	9	9	9
Parks:										
Parks and Recreation	12	12	12	12	12	12	12	12	12	12
Totals	41	41	43	43	43	43	43	43	43	43

Note: No full-time equivalent employees are shown for Police because the City contracts with the Santa Barbara Sheriff's Department for services.

CITY OF CARPINTERIA
OPERATING INDICATORS BY FUNCTION/ PROGRAM
LAST TEN FISCAL YEARS

Function/ Program	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police:										
Traffic violations	724	724	724	750	760	735	735	735	1,445	1,778
Planning:										
Building permits issued	206	207	262	276	237	246	285	279	282	310
Public works:										
Miles streets resurfaced	0.00	0.00	0.00	0.00	0.07	0.67	0.67	0.00	0.00	0.00
Parks:										
Jr. Lifeguard Participants	185	120	120	190	213	190	190	200	185	170
Swimming pool admissions	31,000	31,000	31,000	32,883	33,091	32,005	32,005	33,000	42,000	33,000

CITY OF CARPINTERIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	2	2	2	2	2	2	2	2	2	2
Public Works:										
Miles of streets	33	33	33	33	33	33	33	33	33	33
Streetlights	630	630	630	630	631	631	631	631	631	631
Traffic signals	3	3	3	3	3	3	3	3	3	3
Parks:										
Community centers	1	1	1	1	1	1	1	1	1	1
Parks	12	12	12	12	12	12	12	12	12	12
Park acreage	100	100	100	100	103	103	103	103	103	103

Note: "Community Centers" figure corrected for years 2010-2018