

**CITY OF RED BLUFF, CALIFORNIA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For The Fiscal Year Ended**  
**June 30, 2018**

Prepared by:

Red Bluff Finance Department

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## **INTRODUCTORY SECTION**



# CITY OF RED BLUFF

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555 Washington Street Red Bluff, California 96080 (530) 527-2605 Fax (530) 529-6878 [www.cityofredbluff.org](http://www.cityofredbluff.org)

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December 5, 2018

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Red Bluff

The City of Red Bluff (City) submits to you its Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2018. The Finance Department publishes the CAFR to provide information about the City to its citizens, the investment community, the general public, and others who may have an interest in the financial well-being of the City. The data presented is designed to help readers assess our financial condition and understand the services we provide to the citizens of the City. This letter of transmittal is designed to be read with and complement the Management's Discussion and Analysis (MD&A). The MD&A can be found immediately following the report of the independent auditors.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and fairly represent the financial position and changes in financial position of the City. Disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

The City has a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse and compile sufficient reliable information for the preparation of the City's financial statements. Because the cost of internal controls should not outweigh their benefits, the City's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

The City requires an annual audit to be conducted by an independent auditor hired by the City Council. The audit report is to be prepared in accordance with auditing standards generally accepted in the United States of America and accounting principles generally accepted in the United States of America (GAAP) and submitted to the City Council as close to the calendar year end as possible. Aiello, Goodrich, & Teuscher, a firm of licensed certified public accountants, has audited the attached financial statements. Based on the results of the audit, the City's financial statements for the fiscal year ended June 30, 2018, received an unqualified opinion in the independent auditors' report (which is presented as the first component of the financial section of this report).

## **Profile of Red Bluff**

The City of Red Bluff was incorporated on March 31, 1876.

Red Bluff is the largest city in and the county seat of Tehama County, California. The population was 14,076 at the 2010 census, up from 13,147 at the 2000 census.

The City is governed by the California Constitution and Statutes and operates under a Council-Manager form of government. The City Council consists of five members, elected to staggered four-year terms. An election held each November in even numbered years selects either two or three Council Members. The Council selects a Mayor and Mayor Pro Tem from among its members to serve a one-year term. The Mayor presides over the Council meetings, which are held on the first and third Tuesday of each month. The City Council appoints a City Manager to implement its policies and directives and a City Attorney to serve as its legal counsel.

The City provides a broad range of services including; police and fire protection; construction and maintenance of streets and infrastructure; community development, including planning and zoning, building and safety, and housing activities; water and wastewater services; park and recreational activities; municipal airport and general administrative services.

The budget serves as the foundation for financial planning and control for the City. Budgetary control is maintained to ensure compliance with legal provisions of the annual appropriated budget as approved and modified by the City Council.

### **Red Bluff's Economic Condition**

#### *Local Economy*

Most of The City's main local revenues are on the increase, with our motor vehicle license fees and franchise tax fees revenues leading the way with 5.5% increases. Business License fees and property taxes declined by 2% and 3%, respectively. Overall, general fund revenue increased 2.6% over the prior year, and the 2018/19 is budgeted to increase 2.3% over the current year.

On November 4, 2014, the City's residents voted in a quarter cent sales tax increase to help improve public safety, parks, recreation, and other general fund services. The additional increase in quarter cent sales tax has allowed the City to purchase much needed capital assets and equipment, as well as provided for several new employees in the police, fire, and parks departments. Overall, the City's sales tax revenue increased by 2.1%, and is budgeted to increase 3.7%. New updates to that budgeted estimate reduces the increase to 2.7%. Sales tax revenue is approximately 50% of all General Fund revenue.

On November 6, 2018, the City's residents voted to extend the quarter cent sales tax for 10 additional years, creating a new sunset date of March 31, 2031. This will significantly improve the City's ability to staff and fund the City's Police, Fire, and Parks and Recreation Departments.

Some of the major budgetary initiatives that had a significant impact on the current year's financial statements were the 68% increase in the Public Employees Retirement System (PERS) Unfunded Liability portion, a 13% increase in IT support, and 3% increases in worker's compensation insurance and health insurance premiums. The budget committee also approved approximately \$300,000 of general fund budget increases for salaries, supplies and services.

The budget committee added \$4,000,000 of capital projects to non-general fund funds, to improve the equipment, infrastructure and facilities of the public works, water, wastewater, and community development departments. However, most of those projects were delayed, and are anticipated to be completed in the 2018/19 fiscal year.

### *Long-term Financial Planning*

In the coming years, one of the main challenges to the City is the ever increasing PERS required retirement contributions. The required contributions are expected to increase approximately 25% over the next five years. The City's policy is to fund and maintain a reserve for contingencies of 10%, a reserve for economic uncertainties of 5%, and then to fund reserves to accommodate needed capital. The General Fund, has sufficient revenues to meet its desired operating or emergency reserve levels, as outlined in the City's Reserve Policies, and to fund some of the reserves for needed capital. The budget committee will start to work early, developing a plan that will incorporate measures necessary to address the PERS requirements in our operating funds and reserve funds, and ensure the goals of the reserves are met.

### *Relevant Financial Policies*

The financial reserve policy is designed to preserve the fiscal integrity of the City's resources. When the City spends more money than is received in revenue, the fiscal integrity of the City is compromised. The City's budget committee will be reviewing current and future budgets and spending to ensure the reserve policy is upheld.

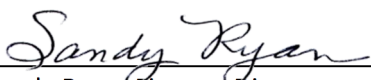
### *Awards and Acknowledgements*

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

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

This Comprehensive Annual Financial Report is the result of the cooperative effort of many people. We wish to convey our appreciation to the members of the Finance Department who contributed to and assisted with its successful completion of the audit. We would also like to express our appreciation to all the City departments, who provided assistance and support, and to the City Council for their support in planning and committing to conduct the financial operations of the City in a responsible and progressive manner.

Respectfully Submitted,

  
Sandy Ryan, Finance Director

  
Richard Crabtree, City Manager/Attorney





Government Finance Officers Association

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

Presented to

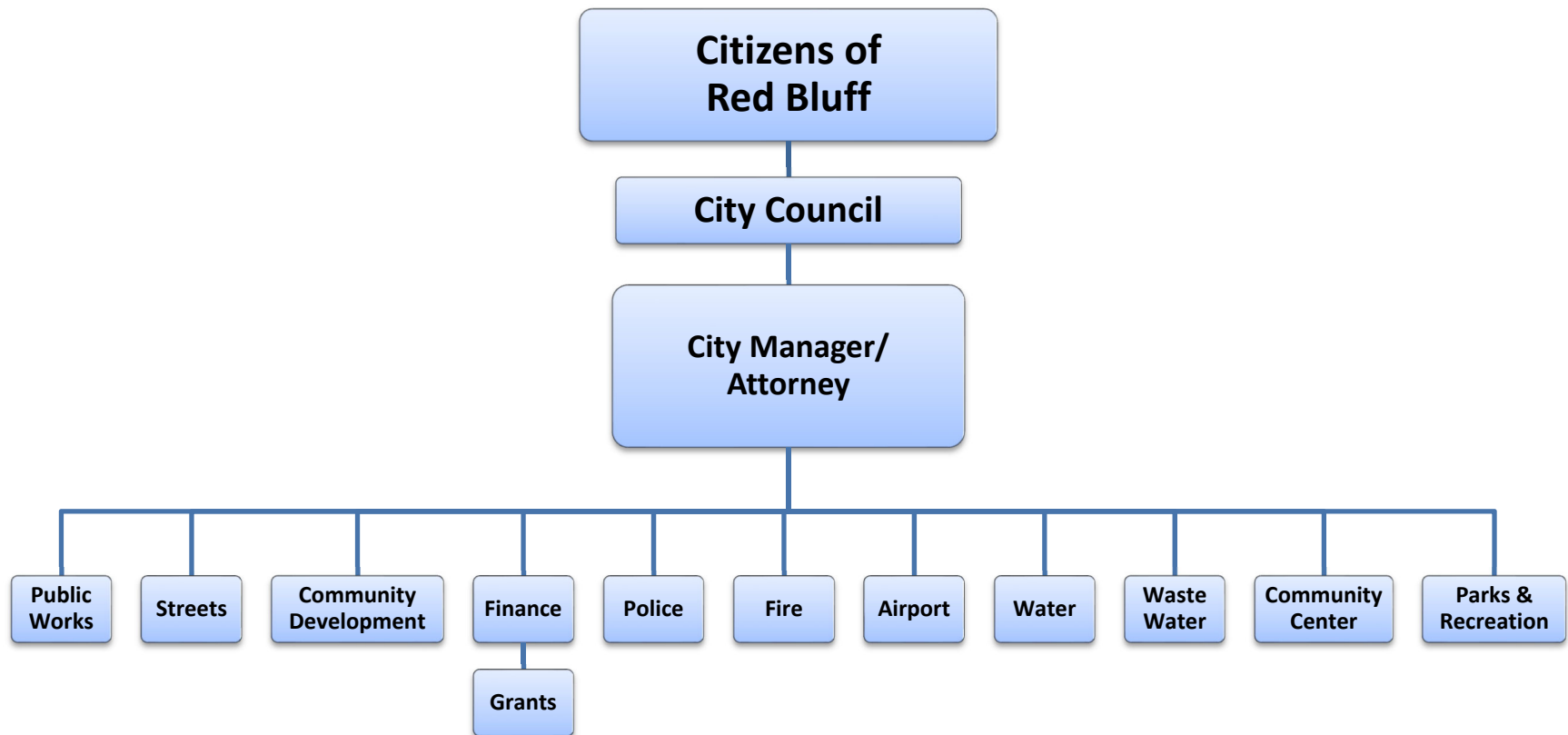
**City of Red Bluff  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO



Council Committees: Budget Committee and Audit Committee

Boards & Commissions: Board of Appeals, Planning Commission, Airport Commission, Parks & Recreation Advisory Commission

## City of Red Bluff

### LIST OF ELECTED AND APPOINTED OFFICIALS

June 30, 2018

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#### CITY COUNCIL

Mayor ..... Daniele Eyestone  
Mayor Pro Tem ..... Gary Jones  
Council Member ..... Clay Parker  
Council Member ..... Amanda Jenkins  
Council Member ..... Rob Schmid

#### ADMINISTRATIVE PERSONNEL

City Manager ..... Richard Crabtree  
City Attorney ..... Richard Crabtree  
City Treasurer ..... Donna Gordy  
Finance Director ..... Sandy Ryan  
Director of Public Works/City Engineer ..... Robin Kampmann  
Community Development Director ..... Scott Friend  
Chief of Police ..... Kyle Sanders  
Fire Chief ..... Ray Barber  
City Clerk ..... Cassidy DeRego

## **FINANCIAL SECTION**



## **INDEPENDENT AUDITORS' REPORT**

To the Honorable Mayor and City Council  
City of Red Bluff, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Red Bluff (the City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

The City's 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 City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## INDEPENDENT AUDITORS' REPORT

(Continued)

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Red Bluff, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Traffic Control Capital Improvement Fund, and the Grants/Program Income Fund for the 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 12 through 20 and pension disclosure schedules on pages 64 through 65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information*** Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, statistical section, and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

## INDEPENDENT AUDITORS' REPORT

(Continued)

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Aiello, Goodrich & Teuscher*

December 5, 2018  
Aiello, Goodrich & Teuscher  
An Accountancy Corporation  
Redding, California

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**(Required Supplementary Information)**



# City of Red Bluff

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of City of Red Bluff (the City), we offer readers of the City's Consolidated Annual Financial Report this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2018.

### FINANCIAL HIGHLIGHTS

The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$55,495,301 (net position). Of this amount, \$3,064,597 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies. The City's total net position has decreased by \$1,927,968. This decrease is mainly due to the implementation of GASB 75, a change in the way Cities account and report for Other Post-Employment Benefits (OPEB) liability (approximately a \$2 million increase), and an increase in the pension liabilities (approximately a \$2.35 million increase). These liability increases were offset by an increase in assets of deferred outflows for pensions (approximately \$2 million).

As of the close of the current fiscal year, the City's governmental activities reported combined total net position of \$28,775,343. Of this amount \$(8,505,229) is unrestricted and available for use within the City's designation and policies. This deficit is the result of the GASB 68 and GASB 75 requirements to include all the City's estimated net pension liability and estimated net OPEB liability, respectfully, in the government-wide financial statements.

At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$68,972 or 0.6% of the total General Fund expenditures. The assigned fund balance of \$2,600,000 is comprised of the following: 1) assigned for contingencies - \$1,110,400 or 10% of the total General Fund expenditures; 2) assigned for uncertainties - \$555,200 or 5% of the total General Fund expenditures; 3) assigned for fire building improvements and equipment - \$200,000; 4) assigned for police equipment and vehicles - \$110,000; 5) assigned for city buildings \$70,000; 6) assigned for parks equipment - \$22,000; 7) assigned for community center buildings - \$60,000; 8) assigned for quarter cent sales tax one-time expenses - \$150,000; and 9) assigned for increased expenses - \$322,400. The non-spendable fund balance is the \$200,000 prepaid down-payment for the new fire truck ordered during the year, but not received until after year-end.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains combining and individual fund financial statements which provide detail of non-major governmental funds, a GAO section which provides information on the City's internal controls over financial reporting, and a statistical section which provides trend information on the City and its operations.

## **City of Red Bluff**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

(Continued)

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#### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as for earned but not yet used leave (compensated absences, vacation, and accrued time off), and for pension expense that is expected to be incurred, based on current conditions and actuarial estimations.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, public safety, and recreation. The business-type activities of the City include water, waste water, airport, community development, and community center.

#### **Fund Financial Statements**

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. All of the funds of the City can be divided into two categories - governmental funds and proprietary funds.

#### **Governmental Funds**

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 fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

## **City of Red Bluff**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

(Continued)

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The City maintains 29 governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Traffic Control Capital Improvement Fund, and Grant/Program Income Fund, all of which are considered to be major funds. The General Fund consists of three different departmental funds: General, Public Safety, and Parks and Recreation. Data from the other 26 funds are detailed in the Combining and Individual Non-major Fund Financial Statements.

#### **Proprietary Funds**

The City maintains one type of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, waste water, community development, airport, and community center.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Waste Water Funds since both are considered to be major funds of the City. Data from the other 3 enterprise funds are detailed in the Combining and Individual Non-major Fund Financial Statements.

#### **GOVERNMENTAL-WIDE FINANCIAL ANALYSIS**

As stated above, the City's assets exceeded liabilities by \$55,495,301 as of June 30, 2018.

The largest portion of the City's net position (75.17%) reflects its net investment in capital assets (e.g., land, buildings, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of \$10,712,625 of the City's net position (19.30%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position \$3,064,597 may be used to meet the government's ongoing obligation to citizens and creditors.

# City of Red Bluff

## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

The following table provides a summary of the City's Net Position for the years ended June 30, 2018 and 2017.

### CITY OF RED BLUFF'S NET POSITION

June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
<b>ASSETS</b>						
Current and other assets	\$ 17,472,132	\$ 17,399,623	\$ 15,161,633	\$ 14,645,231	\$ 32,633,765	\$ 32,044,854
Capital assets	26,567,947	26,818,257	15,443,947	15,216,806	42,011,894	42,035,063
<b>TOTAL ASSETS</b>	<b>44,040,079</b>	<b>44,217,880</b>	<b>30,605,580</b>	<b>29,862,037</b>	<b>74,645,659</b>	<b>74,079,917</b>
<b>Deferred outflows from pensions</b>						
	4,547,772	2,839,022	1,054,586	743,536	5,602,358	3,582,558
<b>LIABILITIES</b>						
Net OPEB liability	2,589,971	949,210	499,274	-	3,089,245	949,210
Net pension liability	13,363,283	11,207,355	2,750,871	2,542,407	16,114,154	13,749,762
Long-term liabilities	1,773,872	2,050,088	478,101	581,151	2,251,973	2,631,239
Other liabilities	787,695	743,632	710,450	341,976	1,498,145	1,085,608
<b>TOTAL LIABILITIES</b>	<b>18,514,821</b>	<b>14,950,285</b>	<b>4,438,696</b>	<b>3,465,534</b>	<b>22,953,517</b>	<b>18,415,819</b>
<b>Deferred inflows from pensions</b>						
	1,297,687	1,352,271	501,512	471,116	1,799,199	1,823,387
<b>NET POSITION</b>						
Net investment in capital assets	26,567,947	26,806,257	15,150,132	14,803,046	41,718,079	41,609,303
Restricted	10,712,625	10,620,467	-	-	10,712,625	10,620,467
Unrestricted	(8,505,229)	(6,672,378)	11,569,826	11,865,877	3,064,597	5,193,499
<b>TOTAL NET POSITION</b>	<b>\$ 28,775,343</b>	<b>\$ 30,754,346</b>	<b>\$ 26,719,958</b>	<b>\$ 26,668,923</b>	<b>\$ 55,495,301</b>	<b>\$ 57,423,269</b>

As of June 30, 2018, the City is able to report positive balances in all three categories of net position for the government as a whole.

**City of Red Bluff**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

**Analysis of the City's Operations**

The following table provides a summary of the City's operations for the years ended June 30, 2018 and 2017.

**CITY OF RED BLUFF'S STATEMENT OF ACTIVITIES**

Years Ended June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program Revenues:						
Charges for services	\$ 678,914	\$ 609,662	\$ 5,807,528	\$ 6,064,797	\$ 6,486,442	\$ 6,674,459
Operating grants and contributions	1,513,461	2,073,783	97,710	90,030	1,611,171	2,163,813
Capital grants and contributions	449,658	32,143	111,640	462,227	561,298	494,370
General Revenues:						
Sales taxes	4,444,998	4,352,561	-	-	4,444,998	4,352,561
Property taxes	1,492,031	1,538,737	105,298	71,582	1,597,329	1,610,319
Motel taxes	977,215	939,306	-	-	977,215	939,306
Special gas taxes	289,366	275,095	-	-	289,366	275,095
Franchise taxes	378,888	359,147	-	-	378,888	359,147
Other taxes	252,212	235,859	-	-	252,212	235,859
Motor vehicle license fees	1,199,422	1,138,014	-	-	1,199,422	1,138,014
Impact fees	112,997	264,947	-	-	112,997	264,947
Investment earnings	201,797	177,092	172,188	135,161	373,985	312,253
<b>Total Revenues</b>	<b>11,990,959</b>	<b>11,996,346</b>	<b>6,294,364</b>	<b>6,823,797</b>	<b>18,285,323</b>	<b>18,820,143</b>
<b>Expenses</b>						
General Government:						
City administration	766,534	533,939	-	-	766,534	533,939
Finance	507,501	465,684	-	-	507,501	465,684
Community promotion and economic development	91,609	93,420	-	-	91,609	93,420
Human resources	187,749	128,960	-	-	187,749	128,960
Engineering and administration	173,262	176,189	-	-	173,262	176,189
Government buildings	404,680	358,403	-	-	404,680	358,403
General government	212,508	114,071	-	-	212,508	114,071
Public Safety:						
Fire	2,337,619	3,008,573	-	-	2,337,619	3,008,573
Police	6,234,793	4,727,324	-	-	6,234,793	4,727,324
Parks and recreation	538,507	564,815	-	-	538,507	564,815
Transportation and streets	2,294,797	1,772,811	-	-	2,294,797	1,772,811
Grants and program income	149,233	990,726	-	-	149,233	990,726
Community development	-	-	314,442	201,601	314,442	201,601
Waste water	-	-	2,409,070	2,397,433	2,409,070	2,397,433
Water	-	-	1,807,750	1,630,846	1,807,750	1,630,846
Airport	-	-	236,729	245,281	236,729	245,281
Community center	-	-	252,542	310,670	252,542	310,670
<b>Total Expenses</b>	<b>13,898,792</b>	<b>12,934,915</b>	<b>5,020,533</b>	<b>4,785,831</b>	<b>18,919,325</b>	<b>17,720,746</b>
<b>Excess (deficiency) before transfers</b>	<b>(1,907,833)</b>	<b>(938,569)</b>	<b>1,273,831</b>	<b>2,037,966</b>	<b>(634,002)</b>	<b>1,099,397</b>
Transfers	828,038	612,940	(828,038)	(612,940)	-	-
<b>Change in Net Position</b>						
(Expense) revenue - net	(1,079,795)	(325,629)	445,793	1,425,026	(634,002)	1,099,397
<b>Net Position - Beg. of Year</b>	<b>30,754,346</b>	<b>31,079,975</b>	<b>26,668,923</b>	<b>25,243,897</b>	<b>57,423,269</b>	<b>56,323,872</b>
<b>Prior Period Adjustment</b>	<b>(899,208)</b>	<b>-</b>	<b>(394,758)</b>	<b>-</b>	<b>(1,293,966)</b>	<b>-</b>
<b>Net Position - End of Year</b>	<b>\$ 28,775,343</b>	<b>\$ 30,754,346</b>	<b>\$ 26,719,958</b>	<b>\$ 26,668,923</b>	<b>\$ 55,495,301</b>	<b>\$ 57,423,269</b>

## City of Red Bluff

### MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

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The governmental activities net position decreased \$899,208 and the business-type activities decreased \$394,758 from the end of fiscal year 2016/17 to the beginning of fiscal year 2017/18, due to a prior period adjustment primarily associated with the implementation of GASB 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. Also, see Note 1.

The governmental activities net position decreased \$1,079,795. The following are significant changes from the prior year:

- 1) City Admin expenses increased by \$232,500 due to increased pension expenses.
- 2) Finance expenses increased by \$42,000 due to increased wages, pension, computer and IT expenses.
- 3) Human Resources expenses increased by \$59,000 due to a part-time position increased to a full-time position, and increased contractual services for union negotiations.
- 4) Govt. Buildings expenses increased by \$46,000 due to increased wages, benefits, and insurance premiums.
- 5) General government expenses increased by \$100,000 due to increased OPEB and Pension expense, offset by a decrease in Incurred but not Reported (IBNR) expenses associated with the Joint Powers Authority with Northern California Cities Self-Insurance Fund.
- 6) Fire expenses decreased by \$671,000 due to pension decrease from turnover of employees.
- 7) Police expenses increased by \$1,500,000 due to pension and OPEB expense increase from fluctuations in estimates and increased employees.
- 8) Transportation expenses increased by \$522,000 due to pension expense increase from fluctuations in estimates.
- 9) Grants and program income expenses decreased by \$841,500 due to decreased activity in the CDBG grant as the grant was completed during the year.

The business activities net position increased \$445,793. The following are significant changes from the prior year.

- 1) Community Development expenses increased and revenue decreased, resulting in a net decrease of \$160,000 due to decreased building activity, increased planning activity, and increased consulting in the planning department.
- 2) Water expenses increased by \$177,000 due to increased supplies and employees.
- 3) The Airport revenue decreased by \$350,000 due to the grants for runway improvements project finishing up during the year.
- 4) Operating transfers out increased by \$215,000 due to the update of the cost allocation plan.

Overall the primary government net position has decreased from the prior year.

## City of Red Bluff

### MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

#### FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The following table provides a summary of the City's change in fund balance for the year ended June 30, 2018.

	General Fund	Traffic Control Capital Improvement Fund	Grants/ Program Income Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues	\$ 10,133,862	\$ 75,594	\$ 277,227	\$ 1,396,268	\$ 11,882,951
Expenditures	11,104,010	103,602	273,010	1,064,643	12,545,265
Other financing sources (uses) - net	844,526	-	-	(16,488)	828,038
<b>Change in Fund Balances</b>	<b>(125,622)</b>	<b>(28,008)</b>	<b>4,217</b>	<b>315,137</b>	<b>165,724</b>
<b>Fund Balance, July 1, 2017</b>	<b>2,994,594</b>	<b>2,551,664</b>	<b>4,066,914</b>	<b>5,023,111</b>	<b>14,636,283</b>
<b>Fund Balance, June 30, 2018</b>	<b>\$ 2,868,972</b>	<b>\$ 2,523,656</b>	<b>\$ 4,071,131</b>	<b>\$ 5,338,248</b>	<b>\$ 14,802,007</b>

The main reason for the general fund decrease in fund balance is increased expenditures approved for each department by the budget committee. These increases were recommended to the council by the budget committee due to several reasons: many years without budget increases have occurred, and gas, utility and supplies budgets were getting harder to stay within those budget constraints; equipment purchases have been delayed for many years due to the economy, and based on the increased general fund balance, the budget committee increased several equipment purchases. The budget committee approved expenditures of the traffic control improvement fund during the year. The CDBG grant was finalized/completed during the year. Non-major governmental funds balance increased mainly due to RSTP funds received from the state which had not been expended yet.

#### Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Also, assigned fund balance has been set aside for contingencies, unexpected expenditures, and capital asset projects or purchases. The general fund decreased the assigned fund balance by \$353,000 over the prior year. The City is still at its goal of 10% of annual expenditures assigned for contingencies, 5% of annual expenditures assigned for uncertainties, and assigning fund balance for capital asset projects and purchases. The current assigned fund balance of \$2,600,000 is detailed as follows: \$1,110,400 assigned for contingencies; \$555,200 assigned for uncertainties; \$200,000 assigned for Fire Department building improvements and equipment; \$110,000 assigned for police equipment and vehicles; \$70,000 assigned for city building improvements; \$22,000 assigned for parks equipment; \$60,000 assigned for community center building improvements; \$150,000 assigned for quarter cent sales tax expenditures; and \$322,400 assigned for increased general fund expenditures.

## **City of Red Bluff**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

(Continued)

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At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$14,802,007. Approximately 20.00% of this total amount constitutes unassigned and assigned fund balance. The remainder of the fund balance is nonspendable, restricted, or committed to indicate that it is not available for general operational spending because it is required or committed to be used for certain expenditures.

#### **Proprietary Funds**

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the respective major proprietary funds are Waste Water Fund \$5,060,765 and Water Fund \$6,345,817. All Other Enterprise Funds had unrestricted net position of \$163,244.

#### **General Fund Budgetary Highlights**

In the General Fund, the City budgeted for a reduction in the fund balance of \$1,286,586 which was a result of authorized budgeted expenditures exceeding appropriations. Actual revenues were \$10,133,862 with final budget being \$9,926,956 with a favorable variance of \$206,906 and actual expenditures being less than budgeted expenditures with a favorable variance of \$690,153.

The City made revisions to the original appropriations approved by the City Council. These changes resulted in an increase in the General Fund revenues and expenditures from the original budget by \$310,579 and \$871,165, respectively. The increases were due to new grants and donations which increased revenue and expenditures by the same amount, and increases in Machinery and Equipment Improvements, and supplies and services expenditures. General Fund expenditures overall were \$690,153 under budget.

The City's total budgeted revenue at final budget was \$9,926,956. The majority of the revenue received over budgeted was franchise taxes, motel tax, and intergovernmental revenues, offset by a decrease in property taxes.

#### **Notes to the Financial Statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

#### **CAPITAL ASSETS**

The City of Red Bluff's investment in capital assets for its governmental and business-type activities as of June 30, 2018, amounts to \$42,011,894 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, equipment, improvements, infrastructure, vehicles, and construction in progress. Additional information is located in the Notes to the Financial Statements, Note 4. Capital Assets.



## City of Red Bluff

### MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

The major capital asset events during the current fiscal year include the following additions:

Water: \$22,500 for a new truck; \$110,000 for new SCADA equipment.

Wastewater: \$27,000 in pump improvements; \$45,000 for a new truck; \$253,000 for new SCADA equipment; \$417,000 for purchase of a "Vac-Con" vacuum truck.

Airport: \$112,000 in runway rehabilitation.

Police: \$100,000 for purchase of four vehicles; \$215,500 for dispatch upgrades; \$25,000 for license plate reader equipment; \$6,000 for an evidence refrigerator; \$8,000 for an evidence freezer; \$13,000 for a utility vehicle; \$19,000 for a new radio antenna; \$250,000 for a new evidence storage building.

General Government: \$17,000 in coolers for the Fire Station; \$50,000 for a roof resurfacing for City Hall.

Parks & Recreation: \$16,000 for the kiddie pools resurfacing; \$168,000 for new ADA restroom and facilities at Dog Island Park; \$55,000 toward the new boat launch project.

Public Works: \$106,000 in various road projects (Franklin & First St., Baker Rd., S. Jackson); \$20,000 for Thermolazer machine and pump.

Community Development: \$51,000 for two new trucks.

Community Center: \$7,500 for a new server.

#### CAPITAL ASSETS AT YEAR END NET OF ACCUMULATED DEPRECIATION

Years Ended June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Land	\$ 305,206	\$ 305,206	\$ 910,368	\$ 910,368	\$ 1,215,574	\$ 1,215,574
Buildings	133,211	150,851	130,585	573,138	263,796	723,989
Improvements	1,870,649	1,576,390	7,234,145	7,291,331	9,104,794	8,867,721
Equipment	366,071	398,107	773,947	397,991	1,140,018	796,098
Vehicles	282,200	268,484	105,137	4,897	387,337	273,381
Infrastructure	22,090,739	23,381,681	4,869,146	5,112,742	26,959,885	28,494,423
Construction in progress	1,519,871	737,538	1,420,619	926,339	2,940,490	1,663,877
<b>Total</b>	<b>\$ 26,567,947</b>	<b>\$ 26,818,257</b>	<b>\$ 15,443,947</b>	<b>\$ 15,216,806</b>	<b>\$ 42,011,894</b>	<b>\$ 42,035,063</b>

#### DEBT ADMINISTRATION

At the end of the current fiscal year, the City had a total loans payable of \$880,815. At the end of the current fiscal year, the City had a total leave/OPEB/Pension liabilities of \$20,574,557. Additional information is located in the Notes to the Financial Statements, Note 5. Long-Term Liabilities.

There were no major changes in the debt payable this year.

## City of Red Bluff

### MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

#### OUTSTANDING DEBT AT YEAR END

Years Ended June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Leave/OPEB/Pension	\$ 17,140,126	\$ 13,344,653	\$ 3,434,431	\$ 2,709,798	\$ 20,574,557	\$ 16,054,451
Notes payable	587,000	862,000	293,815	413,761	880,815	1,275,761
<b>Total</b>	<b>\$ 17,727,126</b>	<b>\$ 14,206,653</b>	<b>\$ 3,728,246</b>	<b>\$ 3,123,559</b>	<b>\$ 21,455,372</b>	<b>\$ 17,330,212</b>

#### ECONOMIC FACTORS INFLUENCING NEXT YEAR'S BUDGETS

City Management and the budget committee recommended and the City Council considered several important factors in adopting the 2018-19 budget, which includes:

1. The State budget actions and its impact on City finances.
2. City responsibility to meet the obligation of its collective bargaining agreements and those impacts on employee salary, health, and pension costs.
3. Aging of the City's computer systems, fleets, equipment, and infrastructure.
4. Major increases in health insurance, workers' compensation, and liability costs.
5. Major increases in CalPERS retirement system.
6. Effect of the quarter cent sales tax and the sunset date of that revenue stream.
7. Effect of the increased liability reported for accrued leave, OPEB, and Pension expense.

#### REQUEST FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors, and creditors with general overview of the City's finances. If you have questions about this report or need any additional information, contact the Department of Finance, Attn: Finance Director, at 555 Washington Street, Red Bluff, California 96080, call (530) 527-2605.

## **BASIC FINANCIAL STATEMENTS**

**City of Red Bluff**  
STATEMENT OF NET POSITION

June 30, 2018	Governmental Activities	Business-Type Activities	Total
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
<b>Assets</b>			
Cash and cash equivalents	\$ 8,086,457	\$ 14,028,897	\$ 22,115,354
Investments	1,942,263	-	1,942,263
Receivables:			
Taxes	229,999	-	229,999
Accounts - net	34,964	785,408	820,372
Interest	1,375,258	14,675	1,389,933
Due from other governments	1,370,802	124,698	1,495,500
Prepaid expenses	200,000	-	200,000
Prepaid pension expense	515,531	-	515,531
Internal balances	(207,955)	207,955	-
Loans receivable	3,924,813	-	3,924,813
Nondepreciable capital assets	1,825,077	2,330,987	4,156,064
Depreciable capital assets - net	24,742,870	13,112,960	37,855,830
<b>Total Assets</b>	<b>44,040,079</b>	<b>30,605,580</b>	<b>74,645,659</b>
<b>Deferred Outflows of Resources</b>			
Deferred outflows from other postemployment benefits	86,082	16,594	102,676
Deferred outflows from pensions	4,461,690	1,037,992	5,499,682
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 48,587,851</b>	<b>\$ 31,660,166</b>	<b>\$ 80,248,017</b>

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

**City of Red Bluff**  
**STATEMENT OF NET POSITION**  
(Continued)

June 30, 2018	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>			
<b>Liabilities</b>			
Accounts payable	\$ 261,592	\$ 498,097	\$ 759,689
Accrued interest payable	55	4,947	5,002
Accrued payroll and benefits	287,470	48,711	336,181
Customer/employee deposits	1,600	139,508	141,108
Other liabilities	236,978	19,187	256,165
Long-term liabilities:			
Due within one year	579,719	191,511	771,230
Due in more than one year	1,194,153	286,590	1,480,743
Net other postemployment benefits liability	2,589,971	499,274	3,089,245
Net pension liability	13,363,283	2,750,871	16,114,154
<b>Total Liabilities</b>	<b>18,514,821</b>	<b>4,438,696</b>	<b>22,953,517</b>
<b>Deferred Inflows of Resources</b>			
Deferred inflows from pension	1,297,687	501,512	1,799,199
<b>Net Position</b>			
Net investment in capital assets	26,567,947	15,150,132	41,718,079
Restricted for:			
Grant programs and program income	4,254,381	-	4,254,381
Impact fee development	5,468,730	-	5,468,730
Transportation	709,220	-	709,220
Other	280,294	-	280,294
Unrestricted	(8,505,229)	11,569,826	3,064,597
<b>Total Net Position</b>	<b>28,775,343</b>	<b>26,719,958</b>	<b>55,495,301</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	<b>\$ 48,587,851</b>	<b>\$ 31,660,166</b>	<b>\$ 80,248,017</b>

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

# City of Red Bluff

## STATEMENT OF ACTIVITIES

Year Ended June 30, 2018	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government</b>					
Governmental activities:					
General government:					
City administration	\$ 766,534	\$ -	\$ -	\$ -	\$ (766,534)
Finance	507,501	-	-	-	(507,501)
Community promotion and economic development	91,609	-	-	-	(91,609)
Human resources	187,749	-	-	-	(187,749)
Engineering and administration	173,262	-	-	-	(173,262)
Government buildings	404,680	-	-	-	(404,680)
General government	212,508	476,866	135	11,193	275,686
Public safety:					
Fire	2,337,619	29,063	308,883	-	(1,999,673)
Police	6,234,793	92,027	402,876	215,721	(5,524,169)
Parks and recreation	538,507	80,958	141	-	(457,408)
Transportation and streets	2,294,797	-	688,669	-	(1,606,128)
Grants and program income	149,233	-	112,757	222,744	186,268
<b>Total Governmental Activities</b>	<b>13,898,792</b>	<b>678,914</b>	<b>1,513,461</b>	<b>449,658</b>	<b>(11,256,759)</b>
Business-type activities:					
Community development	314,442	399,395	-	-	84,953
Waste water	2,409,070	2,919,265	-	-	510,195
Water	1,807,750	2,221,532	-	-	413,782
Airport	236,729	134,988	-	111,640	9,899
Community center	252,542	132,348	97,710	-	(22,484)
<b>Total Business-Type Activities</b>	<b>5,020,533</b>	<b>5,807,528</b>	<b>97,710</b>	<b>111,640</b>	<b>996,345</b>
<b>Total Primary Government</b>	<b>\$ 18,919,325</b>	<b>\$ 6,486,442</b>	<b>\$ 1,611,171</b>	<b>\$ 561,298</b>	<b>\$ (10,260,414)</b>

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

**City of Red Bluff**  
**STATEMENT OF ACTIVITIES**  
(Continued)

Year Ended June 30, 2018	Governmental Activities	Business-Type Activities	Total
<b>Change in Net Position</b>			
(Expense) revenue - net	\$ (11,256,759)	\$ 996,345	\$ (10,260,414)
<b>General Revenues and Transfers</b>			
General revenues:			
Taxes:			
Sales taxes	4,444,998	-	4,444,998
Property taxes	1,492,031	105,298	1,597,329
Motel taxes	977,215	-	977,215
Special gas taxes	289,366	-	289,366
Franchise taxes	378,888	-	378,888
Other taxes	252,212	-	252,212
Motor vehicle license fees	1,199,422	-	1,199,422
Impact fees	112,997	-	112,997
Investment earnings	201,797	172,188	373,985
Transfers	828,038	(828,038)	-
<b>Total General Revenues and Transfers</b>	10,176,964	(550,552)	9,626,412
<b>Change in Net Position</b>	(1,079,795)	445,793	(634,002)
<b>Net Position - Beginning of Year</b>	29,855,138	26,274,165	56,129,303
<b>Net Position - End of Year</b>	\$ 28,775,343	\$ 26,719,958	\$ 55,495,301

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

# City of Red Bluff

## BALANCE SHEET – GOVERNMENTAL FUNDS

			Traffic Control Capital Improvement Fund		Grants/ Program Income Fund		Nonmajor Governmental Funds		Total Governmental Funds
June 30, 2018		General Fund							
<b>ASSETS</b>									
Cash and cash equivalents	\$	85,481	\$	2,608,930	\$	132,701	\$	5,259,345	\$ 8,086,457
Investments		1,942,263		-		-		-	1,942,263
Receivables:									
Taxes		229,999		-		-		-	229,999
Accounts		13,519		-		14,244		7,201	34,964
Interest		930		2,413		1,367,023		4,892	1,375,258
Loans		-		-		3,924,813		-	3,924,813
Prepays		200,000		-		-		-	200,000
Due from other governments		988,000		-		-		382,802	1,370,802
Due from other funds		17,037		-		-		-	17,037
<b>TOTAL ASSETS</b>	\$	3,477,229	\$	2,611,343	\$	5,438,781	\$	5,654,240	\$ 17,181,593
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>									
<b>Liabilities</b>									
Accounts payable	\$	88,211	\$	87,687	\$	750	\$	84,944	\$ 261,592
Accrued payroll and benefits		273,133		-		-		14,337	287,470
Accrued interest payable		-		-		-		55	55
Customer/employee deposits		1,600		-		-		-	1,600
Other liabilities		74,258		-		-		162,719	236,977
Due to other funds		171,055		-		-		53,937	224,992
<b>Total Liabilities</b>		608,257		87,687		750		315,992	1,012,686
<b>Deferred Inflows of Resources</b>									
Interest on notes receivable		-		-		1,366,900		-	1,366,900
<b>Fund Balances (Deficit)</b>									
Nonspendable		200,000		-		-		-	200,000
Restricted		-		2,407,598		4,057,218		4,247,809	10,712,625
Committed		-		-		-		904,409	904,409
Assigned		2,600,000		116,058		13,913		222,964	2,952,935
Unassigned		68,972		-		-		(36,934)	32,038
<b>Total Fund Balances</b>		2,868,972		2,523,656		4,071,131		5,338,248	14,802,007
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	\$	3,477,229	\$	2,611,343	\$	5,438,781	\$	5,654,240	\$ 17,181,593

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



## City of Red Bluff

### RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

June 30, 2018

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**Total Fund Balances Included in the Balance Sheet -**

<b>Governmental Funds</b>	\$ 14,802,007
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Assets recorded within the Statement of Net Position not reported in the funds:

Prepaid pension expenses		515,531
Nondepreciable capital assets		1,825,077
Depreciable capital assets	\$ 63,405,053	
Accumulated depreciation	<u>(38,662,183)</u>	24,742,870

Deferred inflows of resources recorded within the funds not reported in the Statement of Net Position:

Interest on notes receivable	1,366,900
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Liabilities recorded within the Statement of Net Position not reported in the funds:

Net pension liability	(13,363,283)
Compensated absences	(1,186,873)
Long-term obligations	(587,000)
Other postemployment benefits obligation	(2,589,971)

Deferred inflows and outflows recorded within the statement of net position not reported in the funds:

Deferred outflows of resources relating to other postemployment benefits	86,082
Deferred outflows of resources relating to pensions	4,461,690
Deferred inflows of resources relating to pensions	<u>(1,297,687)</u>

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**Net Position Reported Within the Statement of Net Position -**

<b>Governmental Activities</b>	\$ 28,775,343
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*The accompanying notes are an integral part of these financial statements.*

# City of Red Bluff

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS

Year Ended June 30, 2018	General Fund	Traffic Control Capital Improvement Fund	Grants/ Program Income Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Sales taxes	\$ 4,444,998	\$ -	\$ -	\$ -	\$ 4,444,998
Property taxes	1,492,031	-	-	-	1,492,031
Motel taxes	977,215	-	-	-	977,215
Franchise taxes	378,888	-	-	-	378,888
Other taxes	61,047	-	-	181,204	242,251
Licenses and permits	407,951	-	-	-	407,951
Fines, forfeitures, and penalties	23,149	-	-	29,306	52,455
Use of money and property	2,897	29,005	1,258	60,609	93,769
Intergovernmental revenue	2,009,670	-	275,969	1,047,401	3,333,040
Charges for current services	154,689	-	-	-	154,689
Other revenues	181,327	46,589	-	77,748	305,664
<b>Total Revenues</b>	<b>10,133,862</b>	<b>75,594</b>	<b>277,227</b>	<b>1,396,268</b>	<b>11,882,951</b>
<b>Expenditures</b>					
Current:					
General government	1,844,962	-	-	11,756	1,856,718
Fire public safety	2,552,505	-	-	-	2,552,505
Police public safety	5,038,639	-	-	15,805	5,054,444
Parks and recreation	431,117	-	-	8,271	439,388
Transportation and streets	-	-	-	739,865	739,865
Grants and program income	-	-	144,255	5,000	149,255
Capital outlay	939,255	103,602	128,755	273,971	1,445,583
Debt service:					
Principal	266,843	-	-	8,157	275,000
Interest	30,689	-	-	1,818	32,507
<b>Total Expenditures</b>	<b>11,104,010</b>	<b>103,602</b>	<b>273,010</b>	<b>1,064,643</b>	<b>12,545,265</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(970,148)</b>	<b>(28,008)</b>	<b>4,217</b>	<b>331,625</b>	<b>(662,314)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	963,199	-	-	194,027	1,157,226
Transfers out	(118,673)	-	-	(210,515)	(329,188)
<b>Total Other Financing Sources (Uses)</b>	<b>844,526</b>	<b>-</b>	<b>-</b>	<b>(16,488)</b>	<b>828,038</b>
<b>Net Change in Fund Balances</b>	<b>(125,622)</b>	<b>(28,008)</b>	<b>4,217</b>	<b>315,137</b>	<b>165,724</b>
<b>Fund Balances - Beginning of Year</b>	<b>2,994,594</b>	<b>2,551,664</b>	<b>4,066,914</b>	<b>5,023,111</b>	<b>14,636,283</b>
<b>Fund Balances - End of Year</b>	<b>\$ 2,868,972</b>	<b>\$ 2,523,656</b>	<b>\$ 4,071,131</b>	<b>\$ 5,338,248</b>	<b>\$ 14,802,007</b>

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

## City of Red Bluff

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

Year Ended June 30, 2018

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**Total Net Change in Fund Balance Included in the Statement  
of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Funds**

\$ 165,724

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 1,445,583	
Depreciation expense	<u>(1,695,895)</u>	(250,312)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Interest income	109,279
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The issuance of long-term debt (i.e., bonds, leases) provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Principal payments on debt	275,000
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In government funds, pension and OPEB costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis.

OPEB costs	(835,725)
Pension costs	(298,421)

Some transactions reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

CalPERS pension side fund expense	(246,558)
Compensated absences expense	<u>1,218</u>

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**Net Change in Net Position Reported Within the Statement of  
Activities - Governmental Activities**

\$ (1,079,795)

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

# City of Red Bluff

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – MAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2018	General Fund				Grants/Program Income Fund			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final			Original	Final		
<b>Revenues</b>								
Sales taxes	\$ 4,448,545	\$ 4,448,545	\$ 4,444,998	\$ (3,547)	\$ -	\$ -	\$ -	\$ -
Property taxes	1,639,321	1,639,321	1,492,031	(147,290)	-	-	-	-
Motel taxes	900,500	900,500	977,215	76,715	-	-	-	-
Franchise taxes	330,000	330,000	378,888	48,888	-	-	-	-
Other taxes	44,000	44,000	61,047	17,047	-	-	-	-
Licenses and permits	402,416	402,416	407,951	5,535	-	-	-	-
Fines, forfeitures, and penalties	18,700	18,700	23,149	4,449	-	-	-	-
Use of money and property	-	-	2,897	2,897	200	200	1,258	1,058
Intergovernmental revenue	1,624,351	1,869,509	2,009,670	140,161	206,000	206,000	275,969	69,969
Charges for current services	106,100	119,676	154,689	35,013	-	-	-	-
Other revenues	102,444	154,289	181,327	27,038	-	-	-	-
<b>Total Revenues</b>	<b>9,616,377</b>	<b>9,926,956</b>	<b>10,133,862</b>	<b>206,906</b>	<b>206,200</b>	<b>206,200</b>	<b>277,227</b>	<b>71,027</b>
<b>Expenditures</b>								
Current:								
General government	1,893,418	1,926,565	1,844,962	81,603	-	-	-	-
Fire public safety	2,411,489	2,607,765	2,552,505	55,260	-	-	-	-
Police public safety	5,105,174	5,157,206	5,038,639	118,567	-	-	-	-
Parks and recreation	472,675	472,675	431,117	41,558	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	13,500	13,500	144,255	(130,755)
Capital outlay	716,051	1,305,761	939,255	366,506	200,000	200,000	128,755	71,245
Debt service:								
Principal	324,191	324,191	266,843	57,348	-	-	-	-
Interest	-	-	30,689	(30,689)	-	-	-	-
<b>Total Expenditures</b>	<b>10,922,998</b>	<b>11,794,163</b>	<b>11,104,010</b>	<b>690,153</b>	<b>213,500</b>	<b>213,500</b>	<b>273,010</b>	<b>(59,510)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,306,621)</b>	<b>(1,867,207)</b>	<b>(970,148)</b>	<b>897,059</b>	<b>(7,300)</b>	<b>(7,300)</b>	<b>4,217</b>	<b>11,517</b>
<b>Other Financing Sources (Uses)</b>								
Transfers in	1,067,989	1,365,210	963,199	(402,011)	-	-	-	-
Transfers out	(495,368)	(784,589)	(118,673)	665,916	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>572,621</b>	<b>580,621</b>	<b>844,526</b>	<b>263,905</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(734,000)</b>	<b>(1,286,586)</b>	<b>(125,622)</b>	<b>1,160,964</b>	<b>(7,300)</b>	<b>(7,300)</b>	<b>4,217</b>	<b>11,517</b>
<b>Fund Balances - Beginning of Year</b>	<b>2,994,594</b>	<b>2,994,594</b>	<b>2,994,594</b>	<b>-</b>	<b>4,066,914</b>	<b>4,066,914</b>	<b>4,066,914</b>	<b>-</b>
<b>Fund Balances - End of Year</b>	<b>\$ 2,260,594</b>	<b>\$ 1,708,008</b>	<b>\$ 2,868,972</b>	<b>\$ 1,160,964</b>	<b>\$ 4,059,614</b>	<b>\$ 4,059,614</b>	<b>\$ 4,071,131</b>	<b>\$ 11,517</b>

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

# City of Red Bluff

## STATEMENT OF NET POSITION – PROPRIETARY FUNDS

June 30, 2018	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Total
<b>ASSETS AND DEFERRED OUTFLOWS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 6,070,695	\$ 7,112,637	\$ 845,565	\$ 14,028,897
Receivables:				
Accounts - net	418,882	356,629	9,897	785,408
Interest	6,477	7,277	921	14,675
Due from other governments	-	-	124,698	124,698
Due from other funds	-	351,250	-	351,250
<b>Total Current Assets</b>	<b>6,496,054</b>	<b>7,827,793</b>	<b>981,081</b>	<b>15,304,928</b>
<b>Noncurrent Assets</b>				
Nondepreciable capital assets	1,015,529	255,919	1,059,539	2,330,987
Depreciable capital assets - net	4,275,029	7,258,322	1,579,609	13,112,960
<b>Total Noncurrent Assets</b>	<b>5,290,558</b>	<b>7,514,241</b>	<b>2,639,148</b>	<b>15,443,947</b>
<b>Total Assets</b>	<b>11,786,612</b>	<b>15,342,034</b>	<b>3,620,229</b>	<b>30,748,875</b>
<b>Deferred Outflows of Resources</b>				
Deferred outflows from other postemployment benefits	5,186	6,223	5,185	16,594
Deferred outflows from pensions	396,952	458,590	182,450	1,037,992
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 12,188,750</b>	<b>\$ 15,806,847</b>	<b>\$ 3,807,864</b>	<b>\$ 31,803,461</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 340,185	\$ 96,871	\$ 61,041	\$ 498,097
Accrued interest payable	4,597	230	120	4,947
Accrued payroll and benefits	17,660	20,144	10,907	48,711
Customer/employee deposits	-	131,535	7,973	139,508
Other liabilities	69	21	19,097	19,187
Due to other funds	-	-	143,295	143,295
Compensated absences payable - current	18,777	18,460	8,835	46,072
Bonds and loan payable - current	137,906	-	7,533	145,439
<b>Total Current Liabilities</b>	<b>519,194</b>	<b>267,261</b>	<b>258,801</b>	<b>1,045,256</b>
<b>Noncurrent Liabilities</b>				
Net other postemployment benefits liability	156,023	187,228	156,023	499,274
Net pension liability	1,051,996	1,215,349	483,526	2,750,871
Compensated absences - net	56,330	55,380	26,504	138,214
Bonds and loans payable - net	140,391	-	7,985	148,376
<b>Total Noncurrent Liabilities</b>	<b>1,404,740</b>	<b>1,457,957</b>	<b>674,038</b>	<b>3,536,735</b>
<b>Total Liabilities</b>	<b>1,923,934</b>	<b>1,725,218</b>	<b>932,839</b>	<b>4,581,991</b>
<b>Deferred Inflows of Resources</b>				
Deferred inflows from pension	191,790	221,571	88,151	501,512
<b>Net Position</b>				
Net investment in capital assets	5,012,261	7,514,241	2,623,630	15,150,132
Unrestricted	5,060,765	6,345,817	163,244	11,569,826
<b>Total Net Position</b>	<b>10,073,026</b>	<b>13,860,058</b>	<b>2,786,874</b>	<b>26,719,958</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	<b>\$ 12,188,750</b>	<b>\$ 15,806,847</b>	<b>\$ 3,807,864</b>	<b>\$ 31,803,461</b>

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

# City of Red Bluff

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS

Year Ended June 30, 2018	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Totals
<b>Operating Revenues</b>				
Charges for current services:				
Waste water and water charges	\$ 2,919,265	\$ 2,221,532	\$ -	\$ 5,140,797
Permits and fees	-	-	397,284	397,284
Rental revenue	-	-	241,446	241,446
Other revenue	-	-	25,890	25,890
<b>Total Operating Revenues</b>	<b>2,919,265</b>	<b>2,221,532</b>	<b>664,620</b>	<b>5,805,417</b>
<b>Operating Expenses</b>				
Cost of power and transportation	234,705	365,668	83,538	683,911
Maintenance, operations, and administration	1,832,955	1,130,186	521,113	3,484,254
Depreciation expense	335,986	301,649	197,576	835,211
<b>Total Operating Expenses</b>	<b>2,403,646</b>	<b>1,797,503</b>	<b>802,227</b>	<b>5,003,376</b>
<b>Operating Income (Loss)</b>	<b>515,619</b>	<b>424,029</b>	<b>(137,607)</b>	<b>802,041</b>
<b>Nonoperating Revenues (Expenses)</b>				
Intergovernmental revenues	-	-	99,821	99,821
Property taxes	-	-	105,298	105,298
Investment income	72,325	89,311	10,552	172,188
Interest expense	(5,424)	(10,247)	(1,486)	(17,157)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>66,901</b>	<b>79,064</b>	<b>214,185</b>	<b>360,150</b>
<b>Income Before Capital Contributions and Operating Transfers</b>	<b>582,520</b>	<b>503,093</b>	<b>76,578</b>	<b>1,162,191</b>
Capital contributions	-	-	111,640	111,640
Transfers in	-	-	90,805	90,805
Transfers out	(494,012)	(168,079)	(256,752)	(918,843)
<b>Change in Net Position</b>	<b>88,508</b>	<b>335,014</b>	<b>22,271</b>	<b>445,793</b>
<b>Total Net Position - Beginning of Year</b>	<b>9,984,518</b>	<b>13,525,044</b>	<b>2,764,603</b>	<b>26,274,165</b>
<b>Total Net Position - End of Year</b>	<b>\$ 10,073,026</b>	<b>\$ 13,860,058</b>	<b>\$ 2,786,874</b>	<b>\$ 26,719,958</b>

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

# City of Red Bluff

## STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS

Year Ended June 30, 2018	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$ 2,955,646	\$ 2,223,602	\$ 658,161	\$ 5,837,409
Cash paid to employees (including employee benefits)	(634,607)	(665,892)	(368,683)	(1,669,182)
Cash paid to suppliers	(1,112,411)	(655,127)	(316,430)	(2,083,968)
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>1,208,628</b>	<b>902,583</b>	<b>(26,952)</b>	<b>2,084,259</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Property taxes received	-	-	105,298	105,298
Cash received from (paid to) other funds	-	(169,085)	1,402	(167,683)
Transfers in	-	-	90,805	90,805
Transfers out	(494,012)	(168,079)	(256,752)	(918,843)
<b>Net Cash Provided (Used) By Noncapital Financing Activities</b>	<b>(494,012)</b>	<b>(337,164)</b>	<b>(59,247)</b>	<b>(890,423)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Intergovernmental revenue received	-	-	157,933	157,933
Payments for the purchase of capital assets	(759,827)	(132,292)	(170,233)	(1,062,352)
Debt proceeds received	-	-	23,982	23,982
Principal paid	(135,463)	-	(8,464)	(143,927)
Interest paid	(7,044)	(10,378)	(1,473)	(18,895)
<b>Net Cash Provided (Used) By Capital and Related Financing Activities</b>	<b>(902,334)</b>	<b>(142,670)</b>	<b>1,745</b>	<b>(1,043,259)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	68,867	85,658	10,106	164,631
<b>Net Cash Provided (Used) By Investing Activities</b>	<b>68,867</b>	<b>85,658</b>	<b>10,106</b>	<b>164,631</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(118,851)</b>	<b>508,407</b>	<b>(74,348)</b>	<b>315,208</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>6,189,546</b>	<b>6,604,230</b>	<b>919,913</b>	<b>13,713,689</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 6,070,695</b>	<b>\$ 7,112,637</b>	<b>\$ 845,565</b>	<b>\$ 14,028,897</b>

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

# City of Red Bluff

## STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS

(Continued)

Year Ended June 30, 2018	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Totals
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 515,619	\$ 424,029	\$ (137,607)	\$ 802,041
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	335,986	301,649	197,576	835,211
Changes in:				
Accounts receivable	36,381	(3,564)	(5,217)	27,600
Deferred outflows from other postemployment benefits	(5,186)	(6,223)	(5,185)	(16,594)
Deferred outflows from pensions	(102,594)	(149,348)	(12,120)	(264,062)
Accounts payable	305,096	55,867	3,489	364,452
Accrued payroll and benefits	(1,211)	654	(463)	(1,020)
Customer/employee deposits	-	5,634	(1,242)	4,392
Other liabilities	22	18	2,322	2,362
Net other postemployment benefits liability	23,163	27,796	23,163	74,122
Net pension liability	85,012	199,473	(76,021)	208,464
Compensated absences payable	3,735	13,272	(112)	16,895
Deferred inflows from pensions	12,605	33,326	(15,535)	30,396
<b>Net Cash Provided (used) By Operating Activities</b>	<b>\$ 1,208,628</b>	<b>\$ 902,583</b>	<b>\$ (26,952)</b>	<b>\$ 2,084,259</b>

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



## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### Implementation of New Accounting Standard and Correction of Accounting Error

**Governmental Accounting Standards Board Statement No. 75** The City adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions. This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to other postemployment benefits. GASB Statement No. 75 replaces the requirements of GASB Statement No. 45.

**Correction of Accounting Error** During the current year it was discovered that the actuarial report for fiscal year 2016-17 did not include the unfunded liability payments in the calculation of deferred outflows of pension contributions. This error caused the deferred outflows to be understated and pension expenses/expenditures to be overstated.

In response to the implementation of the new accounting standard and accounting error, Net Position as of July 1, 2017, has been restated as follows:

	<b>Governmental Activities</b>
<b>Net Position - as Previously Reported</b>	\$ 30,754,346
<b>Cumulative Effect of Change in Accounting Principles</b>	
Net other postemployment benefits liability (measurement date as of June 30, 2017)	(1,256,257)
<b>Correction of Accounting Error</b>	
Additional pension contributions made during fiscal year 2016-17 (Deferred outflow)	357,049
<b>Net Position - as Restated</b>	\$ 29,855,138

# City of Red Bluff

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Total Business-Type Activities
<b>Net Position - as Previously Reported</b>	\$ 10,105,818	\$ 13,672,331	\$ 2,890,774	\$ 26,668,923
<b>Cumulative Effect of Change in Accounting Principles</b>				
Net other postemployment benefits liability (measurement date as of June 30, 2017)	(132,860)	(159,432)	(132,860)	(425,152)
<b>Correction of Accounting Error</b>				
Additional pension contributions made during fiscal year 2016-17 (Deferred outflow)	11,560	12,145	6,689	30,394
<b>Net Position - as restated</b>	\$ 9,984,518	\$ 13,525,044	\$ 2,764,603	\$ 26,274,165

The effect of these changes on the Statement of Activities and the Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds for the prior year could not be determined. The effect on the current year was immaterial.

**Reporting Entity** The City is a municipal corporation governed by an elected five-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Red Bluff alone, as the City has no component units, related organizations, or jointly governed organizations.

**Basis of Presentation** The financial statement presentation required by GASB provides a comprehensive, entity-wide perspective of the City's overall financial position and results of operations while maintaining the presentation of the financial position, results of operations and cash flows, as applicable, of the City's major funds.

**Government-wide and Fund Financial Statements** The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. 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 services.

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 included among program revenues are reported instead as general revenues.

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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The accounts of the City are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions, or limitations. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund statements.

The City reports the following major governmental funds:

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

*The Traffic Control Capital Improvement Fund:* This fund accounts for the impact fees restricted for the improvements of the traffic network of the City.

*Grants/Program Income Fund:* This fund accounts for grant income and program income generated from Community Development Block Grant and HOME Program grants and loans.

The City reports the following major proprietary funds:

*Waste Water Fund:* This fund accounts for the revenues and expenses related to the operation and maintenance of the sewer system and facilities of the City.

*Water Fund:* This fund accounts for the revenues and expenses related to the operation and maintenance of the water treatment, transmission, and distribution system facilities of the City.

**Measurement Focus and Basis of Accounting** The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. 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 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 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 City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. 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, pensions and claims and judgments, are recorded only when payment is due.

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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Sales taxes, property taxes, franchise taxes, licenses, intergovernmental revenue, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period based on their respective availability periods. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

**Budgets** Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Revenues are estimated and annual appropriations are adopted for the general, special revenue, and proprietary funds. All annual appropriations lapse at fiscal year-end.

During late February each year, the Finance Director reviews all estimated and actual revenues, and all estimated and actual expenditures/expenses. This analysis serves two purposes: first, it indicates if the projected revenues will be adequate to finance the projected expenditures/expenses during the current fiscal year, and second, it serves as a basis for the planning of the upcoming fiscal year's budget. In estimating the revenues for the upcoming fiscal year, the Finance Director adds the prior year's fund balances that are assigned as contingency reserves to the estimated revenues. This then results in the amount of monies that can be spent. The next step is to query all departments for their schedules of proposed expenditures/expenses for the upcoming fiscal year end.

From the estimated revenues and proposed expenditures/expenses, a proposed budget is then formulated. The proposed budget is then subjected to a line-by-line analysis by the budget committee (comprised of two council members appointed by the City Council), the Finance Director, and the City Manager. After this analysis, a final proposed budget is prepared when the Finance Director and the City Manager are fairly certain that the expenditures/expenses are reasonable and can be financed from revenues. Within 60 days of year end, the preliminary budget is adopted by the City Council.

Budget administration policies give the City Manager authority to vary from the precise budgetary appropriations within the various departments, so long as the total appropriations within each fund do not exceed the total budgeted appropriations of the fund. Budgetary adjustments which would cause the total appropriations to be exceeded are accomplished by supplemental appropriations approved by the City Council. Expenditures may not legally exceed budgeted appropriations at the fund level.

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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**Cash and Cash Equivalents** The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments that are both readily convertible to known amounts of cash and (if applicable), so near (three months) their original maturity, that there is insignificant risk of value changes because of interest rate changes.

The City follows the practice of pooling cash and investments of all funds, except for restricted funds required to be held separately. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on cash balances.

**Investments** Investments are reported at fair value based on quoted market prices (level 1) with realized and unrealized gains or losses reported in the statements of net position and the statements of revenues, expenditures, and changes in fund balances. The State Treasurer's Investment Pool Local Agency Investment Fund operates in accordance with appropriate state laws and regulations. The reported value of the pool is materially equivalent to the fair value of the pool shares. The City's investment in this pool is presented as a cash equivalent in the accompanying financial statements.

**Receivables** The water and waste water departments record service fees when earned with a corresponding receivable. The City records an allowance for doubtful accounts for all water and waste water receivables which they deem uncollectible. The City determined uncollectible receivables at June 30, 2018, for the water and waste water departments were \$2,647 and \$3,550, respectively.

Loans receivable consist of loans to individuals for housing rehabilitation and to businesses for construction and business loans. The City considers all loans receivable to be collectible.

Taxes receivable consist of various franchise taxes and motel taxes. The City considers all taxes receivable to be collectible.

**Interfund Transactions and Balances** During the course of operations, numerous transactions that constitute reimbursements to a fund for expenditures/expenses initially made from one fund that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. In addition, the City incurs transactions that constitute quasi-external transactions between funds. These transactions are accounted for as revenues, expenditures, or expenses in the funds involved in these transactions.

All other interfund transactions are reported as transfers.

Fund transfers are necessary to properly account for cash increases/decreases in the appropriate funds. Transfers include, but are not limited to, the following:

1. To allocate funds for operations;
2. To allocate funds for equipment replacement;
3. To allocate funds for capital projects.

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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These transactions result in interfund receivables and payables that are classified as “due from other funds” or “due to other funds” on the Balance Sheet – Governmental Funds and Statement of Net Position – Proprietary Funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

**Prepaid Pension Expense** During the year ended June 30, 2013, the City refinanced an existing \$1.9 million pension side fund obligation for its participation in the California Public Employees Retirement System (CalPERS). This obligation had not previously been reported in the financial statements as it was computed by CalPERS as a component of annual retirement expense. The payoff of this obligation was reported as a prepaid pension expense in the Government-wide statements as it constitutes future period pension costs and as an expenditure of the General Fund. See note 5 for a description of the liability.

**Noncurrent Receivables** Noncurrent portions of loans and interest receivable are reported on the governmental funds balance sheet in spite of the spending measurement focus of the governmental funds. As they are not “available spendable resources,” noncurrent portions of loans receivable are offset by nonspendable or restricted fund balance, and noncurrent portions of interest receivable are offset by a deferred inflow of resources amount.

**Capital Assets** Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are recorded at actual historical cost (or acquisition value as of the date donated for contributed assets), although for certain older assets estimated historical costs are used.

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

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Buildings	Primarily 30 to 50 years
Improvements	Primarily 10 to 30 years
Equipment	Primarily 5 to 15 years
Vehicles	Primarily 5 to 15 years
Infrastructure	Primarily 15 to 50 years

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It is the policy of the City to capitalize all land, buildings, improvements, equipment, vehicles, and infrastructure assets, except assets costing less than \$5,000. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Costs of assets sold or retired (and related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement of the related fund.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed, net of interest earned on the invested proceeds over the same period.

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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**Compensated Absences** Vested or accumulated vacation leave, sick leave, and compensatory time are accrued in the proprietary funds and in the government-wide financial statements as the benefits accrue to employees. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with accounting principles generally accepted in the United States of America, no liability is recorded for nonvesting accumulated rights to receive sick pay benefits.

**Deferred Outflows/Inflows of Resources** In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) which will only be recognized as an outflow of resources (expense/expenditures) in the future. In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and would only be recognized as an inflow of resources (revenue) at that time.

For the City's pension and other post-employment benefit plans, City contributions subsequent to the measurement date, differences between expected and actual experience, differences due to changes in assumptions, differences due to differences in proportions, differences between projected and actual earnings on plan investments and differences between projected and actual contributions are reported as deferred outflows/inflows of resources in the government-wide statement of net position. City contributions subsequent to the measurement date will be amortized during the next fiscal year. Differences between expected and actual experience, changes in assumptions, differences in proportions, and differences between projected and actual contributions are amortized over the estimated service lives of the plan participants. Difference between projected and actual earnings on pension plan investments will be amortized over a five-year period.

Deferred inflows of resources occur in governmental funds when a potential revenue does not meet the availability criteria for revenue recognition, such as in the case of interest receivable on deferred loans. In subsequent periods, when the availability criteria is met, the deferred inflows of resources amount is removed from the balance sheet and the revenue is recognized.

**Long-Term Liabilities** In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period the debt is issued.

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

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

**Net Position/Fund Balance** Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The City's net position is classified as follows:

*Net Investment in Capital Assets:* This represents the City's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component invested in capital assets, net of related debt.

*Restricted Net Position - Expendable:* Restricted expendable net position represents resources which are legally or contractually obligated to be spent in accordance with restrictions imposed by external third parties.

*Unrestricted Net Position:* Unrestricted net position represents resources derived from taxes; licenses and permits; fines; forfeitures and penalties; and charges for services. These resources are used for transactions relating to the general operations of the City, and may be used at the discretion of the City Council to meet current expenses for any purpose.

The government-wide statement of net position reports \$10,701,432 of restricted net position, of which \$5,468,730 is restricted by enabling legislation.

Fund balance of governmental funds is reported in various categories based upon the nature of the spending constraints of the revenue sources of these funds. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance:* Amounts that are in nonspendable form (such as loans receivable) or are required to be maintained intact.

*Restricted Fund Balance:* Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

*Committed Fund Balance:* Amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e., council resolution). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint.



## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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*Assigned Fund Balance:* Amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or by the Finance Director to whom the City Council has delegated the authority.

*Unassigned Fund Balance:* Amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

**Estimates** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

**Property Taxes** Property taxes are assessed and collected by Tehama County. The County remits the property taxes to the City when the taxes are collected and the allocation has been determined. Property taxes attach as an enforceable lien on property as of March 1. Taxes are levied on July 1, and are payable in two installments and become delinquent if not paid by December 10 and April 10.

The City participates in an alternative method of distribution of property tax levies and assessments known as the "Teeter Plan." The *California Revenue and Taxation Code* allows counties to distribute secured real property, assessment, and supplemental property taxes on an accrual basis resulting in full payment to cities each fiscal year. Any subsequent delinquent payments and related penalties and interest during a fiscal year will revert to Tehama County. The Teeter Plan payment is included in property tax revenue.

## 2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following:

June 30, 2018

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Cash in banks and on hand	\$	2,144,344
Umpqua public funds money market account		6,617,464
Certificates of deposit		8,672,000
State of California - Local Agency Investment Fund (LAIF)		4,681,546
		<hr/>
<b>Total Cash and Cash Equivalents</b>	<b>\$</b>	<b>22,115,354</b>

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**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code has provisions for financial institutions that limit custodial credit risk for deposits. Financial institutions are required to secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The City's financial institutions also have insurance through the Federal Depository Insurance Corporation (FDIC). The City's investment policy has no additional provisions for limiting custodial credit risk for deposits.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments; however, it is the practice of the City Treasurer that all investments are insured, registered or held by the Treasurer's custodial agent in the City's name.

**Interest Rate Risk**

While the City's investment policy does not address interest rate risk, the City manages its exposure to interest rate risks through reliance on the managers of the Local Agency Investment Fund (LAIF) for its investment in those funds and the Finance Director and City Treasurer for the City's investment in money market accounts and certificates of deposit.

**Equity in Pooled Cash and Investment**

The City invests funds in the State Treasurer's Pooled Money Investment Account (PMIA) through LAIF, a voluntary program created by statute in 1977. The PMIA has regulatory oversight from the Pooled Money Investment Board and an in-house Investment Committee. The Local Agency Investment Advisory Board has oversight of LAIF. The fair value of the City's position in the pool is materially equivalent to the value of pool shares. LAIF is an unrated external investment pool.

In accordance with authorized investment laws, the State Treasurer's Investment Pool (LAIF) invests in various structured notes and mortgage-backed securities, such as collateralized mortgage obligations. As of June 30, 2018, 2.67% of LAIF's investment portfolio was invested in structured notes and other asset-backed securities. In addition, PMIA's weighted average maturities was 0.68 years at June 30, 2017. (Copies of a report of LAIF's investments may be obtained from the State Treasurer's Office; Local Agency Investment Fund; P. O. Box 942809; Sacramento, CA 94209-0001.)

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 3. INVESTMENTS

Investment activity is summarized as follows:

June 30, 2018	Interest Rate	Maturity Date	Face Value	Amortized Cost	Fair Market Value
Federal Farm Credit Bank	1.17%	January 13, 2020	\$ 1,000,000	\$ 1,001,540	\$ 977,476
Federal Farm Credit Bank	1.92%	April 19, 2022	1,000,000	999,544	964,787
<b>Total Investment Activities</b>			\$ 2,000,000	\$ 2,001,084	\$ 1,942,263

#### Interest Rate Risk

The City manages its exposure to interest rate risks by limiting its investments to short and medium term government debt.

#### Credit Risk

The *California Government Code* and the investment policy of the City authorize the City to invest in obligations, participations, or other instruments of the U.S. Government or its agencies, state and municipal bonds, commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided by Standard & Poor's Corporation or Moody's Investor Service, Inc., bankers' acceptances, repurchase agreements, the State Treasurer's Investment Pool Local Agency Investment Fund, certificates of deposit or time deposits, and passbook savings account demand deposits. Reverse repurchase agreements may be made only when prior approval of the City Council has been given. As of June 30, 2018, the City's investments are rated as follows:

Debt securities of government agencies                      AA+

#### Concentration of Credit Risk

Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Amount
Federal Farm Credit Bank	Federal Agency Securities	\$ 1,942,263

#### Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the 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. All of the City's investments are insured or registered, or have securities held by the entity or its agent in the entity's name as is required by the *California Government Code*.

# City of Red Bluff

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 4. CAPITAL ASSETS

Capital asset activity is summarized as follows:

#### Governmental Activities:

Year Ended June 30, 2018	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
<b>Nondepreciable Capital Assets</b>					
Land	\$ 305,206	\$ -	\$ -	\$ -	305,206
Construction in progress	737,538	801,569	-	(19,236)	1,519,871
<b>Total Nondepreciable Capital Assets</b>	<b>1,042,744</b>	<b>801,569</b>	<b>-</b>	<b>(19,236)</b>	<b>1,825,077</b>
<b>Depreciable Capital Assets</b>					
Buildings	1,986,188	-	-	-	1,986,188
Improvements	3,509,502	467,258	-	-	3,976,760
Equipment	2,141,878	72,520	554,002	19,236	1,679,632
Vehicles	2,807,596	104,238	-	-	2,911,834
Infrastructure	52,850,639	-	-	-	52,850,639
<b>Total Depreciable Capital Assets</b>	<b>63,295,803</b>	<b>644,016</b>	<b>554,002</b>	<b>19,236</b>	<b>63,405,053</b>
<b>Less: Accumulated Depreciation</b>					
Buildings	1,835,337	17,640	-	-	1,852,977
Improvements	1,933,112	172,999	-	-	2,106,111
Equipment	1,743,771	123,792	554,002	-	1,313,561
Vehicles	2,539,112	90,522	-	-	2,629,634
Infrastructure	29,468,958	1,290,942	-	-	30,759,900
<b>Total Less: Accumulated Depreciation</b>	<b>37,520,290</b>	<b>1,695,895</b>	<b>554,002</b>	<b>-</b>	<b>38,662,183</b>
<b>Depreciable Capital Assets - Net</b>	<b>25,775,513</b>	<b>(1,051,879)</b>	<b>-</b>	<b>19,236</b>	<b>24,742,870</b>
<b>Governmental Capital Assets - Net</b>	<b>\$ 26,818,257</b>	<b>\$ (250,310)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>26,567,947</b>

Depreciation expense was charged to functions as follows:

Year Ended June 30, 2018

#### Governmental Activities

General Government	\$ 56,830
Fire	29,623
Police	140,427
Parks and recreation	125,056
Transportation and streets	1,343,959
<b>Total Governmental Activities Depreciation Expense</b>	<b>\$ 1,695,895</b>

# City of Red Bluff

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### Business-Type Activities:

Year Ended June 30, 2018	Balance	Additions	Deletions	Transfers	Balance
<b>Nondepreciable Capital Assets</b>					
Land	\$ 910,368	\$ -	\$ -	\$ -	910,368
Construction in progress	926,339	494,280	-	-	1,420,619
<b>Total Nondepreciable Capital Assets</b>	<b>1,836,707</b>	<b>494,280</b>	<b>-</b>	<b>-</b>	<b>2,330,987</b>
<b>Depreciable Capital Assets</b>					
Buildings	1,897,667	-	-	(429,907)	1,467,760
Improvements	17,358,338	26,915	-	429,907	17,815,160
Equipment	1,293,648	423,088	-	-	1,716,736
Vehicles	656,296	118,068	-	-	774,364
Infrastructure	13,050,370	-	-	-	13,050,370
<b>Total Depreciable Capital Assets</b>	<b>34,256,319</b>	<b>568,071</b>	<b>-</b>	<b>-</b>	<b>34,824,390</b>
<b>Less: Accumulated Depreciation</b>					
Buildings	1,324,529	12,646	-	-	1,337,175
Improvements	10,067,007	514,008	-	-	10,581,015
Equipment	895,657	47,132	-	-	942,789
Vehicles	651,399	17,828	-	-	669,227
Infrastructure	7,937,628	243,596	-	-	8,181,224
<b>Total Less: Accumulated Depreciation</b>	<b>20,876,220</b>	<b>835,210</b>	<b>-</b>	<b>-</b>	<b>21,711,430</b>
<b>Depreciable Capital Assets - Net</b>	<b>13,380,099</b>	<b>(267,139)</b>	<b>-</b>	<b>-</b>	<b>13,112,960</b>
<b>Business-Type Capital Assets - Net</b>	<b>\$ 15,216,806</b>	<b>\$ 227,141</b>	<b>\$ -</b>	<b>\$ -</b>	<b>15,443,947</b>

Depreciation expense was charged to functions as follows:

Year Ended June 30, 2018

### Business-Type Activities

Community development	\$ 5,344
Waste water	335,986
Water	301,648
Airport	191,586
Community center	646
<b>Total Business-Type Activities Depreciation Expense</b>	<b>\$ 835,210</b>

**City of Red Bluff**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**5. LONG-TERM LIABILITIES**

**Activity**

Following is a summary of changes in long-term liabilities:

Year Ended June 30, 2018	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
Loans payable:					
CalPERS Refunding loan	\$ 850,000	\$ -	\$ 263,000	\$ 587,000	\$ 283,000
Capital leases:					
Dell lease agreement	12,000	-	12,000	-	-
Other liabilities:					
Compensated absences	1,188,088	575,376	576,592	1,186,872	296,718
Other postemployment benefits	2,205,469	384,502	-	2,589,971	-
Net pension liability	11,207,355	2,155,928	-	13,363,283	-
<b>Total Other Liabilities</b>	<b>14,600,912</b>	<b>3,115,806</b>	<b>576,592</b>	<b>17,140,126</b>	<b>296,718</b>
<b>Total Governmental Activities</b>	<b>15,462,912</b>	<b>3,115,806</b>	<b>851,592</b>	<b>17,727,126</b>	<b>579,718</b>
<b>Business-Type Activities</b>					
Loans payable:					
State Revolving Fund loan	413,761	-	135,463	278,298	137,906
Capital leases:					
Ford lease agreement	-	23,981	8,464	15,517	7,533
Other liabilities:					
Compensated absences	167,391	103,410	86,515	184,286	46,072
Other postemployment benefits	425,152	74,122	-	499,274	-
Net pension liability	2,542,407	208,464	-	2,750,871	-
<b>Total Other Liabilities</b>	<b>3,134,950</b>	<b>385,996</b>	<b>86,515</b>	<b>3,434,431</b>	<b>46,072</b>
<b>Total Business-Type Activities</b>	<b>3,548,711</b>	<b>409,977</b>	<b>230,442</b>	<b>3,728,246</b>	<b>191,511</b>
<b>Total Long-Term Liabilities</b>	<b>\$ 19,011,623</b>	<b>\$ 3,525,783</b>	<b>\$ 1,082,034</b>	<b>\$ 21,455,372</b>	<b>\$ 771,229</b>

**Loans**

***CalPERS Refunding Loan***

During the year ended June 30 2013, a CalPERS refunding loan with US Bank was issued to refinance the City's existing \$1.9 million pension side fund obligation for its participation in the California Public Employees Retirement System (CalPERS). The loan is collateralized by a pledge of the gross revenues of the City. Principal and interest paid in the current year was \$293,596, while total pledged revenues were \$11,097,061. Total principal and interest remaining on the loan is \$616,036, which is the amount of the remaining dedicated source of revenues pledged.

## **City of Red Bluff**

### **NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

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#### ***State Revolving Fund Loan***

During the year ended June 30, 1999, the City Council authorized the upgrade and expansion of the waste water treatment plant, and granted the authority to apply for and accept a state revolving fund loan to fund a portion of that expansion. A loan of \$2,902,104 was approved by the State Revolving Fund Loan Program which is administered for the State of California by the State Water Resources Control Board. The loan amount is to be repaid in full no later than 20 years after the completion of construction. Project construction was completed on September 2, 1999. Repayment in 20 annual installments began on September 2, 2000. The disbursement of the loan proceeds was handled in a manner similar to a line of credit. The total disbursements under the loan amounted to \$2,382,042. The effective interest rate on the loan is 1.8%.

The loan is collateralized by a pledge of revenues derived and to be derived from the monthly user charges of the waste water system, as dedicated by City resolution.

Principal and interest paid in the current year was \$142,923, while total pledged system revenues were \$2,919,265. Total principal and interest remaining on the loan is \$285,846 which is the amount of the remaining dedicated source of revenues pledged.

#### **Capital Leases**

In September 2013, the City entered into a capital lease for the purchase of a server and related equipment with a cost of \$44,687 and accumulated depreciation of \$41,708 as of June 30, 2018. The lease was payable in 60 monthly installments of \$822, including interest at 3.96%. Repayment began in November 2013. Principal and interest paid in the current year were \$12,303. As of June 30, 2018, there are no remaining payments under the lease.

In October 2017, the City entered into a capital lease for the purchase of a Ford F-150 with a cost of \$25,739 and accumulated depreciation of \$2,574 as of June 30, 2018. The lease is payable in 3 yearly installments of \$8,464, including interest at 6.0%. Repayment began in October 2017. Principal and interest paid in the current year were \$8,464. Total remaining payments under the lease are \$16,928, including interest in the amount of \$1,410. The present value of the remaining payments is \$15,518.

Amortization of leased assets is included with depreciation expense.

#### **Compensated Absences, Other Postemployment Benefits and Net Pension Liability**

Generally liabilities for compensated absences, other postemployment benefits, and net pension liability are liquidated in the funds which pay the related salaries of City employees. The General Fund accounts for most of the amounts as most City employees work under the general fund including police and fire employees. Other funds which are used to liquidate these liabilities include the Transportation Fund, Waste Water Fund, Water Fund, and Community Development Fund.

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018, were as follows:

Year Ending June 30	Business-Type Activities	
2018	\$	8,464
2019		8,464
<b>Total Minimum Lease Payments</b>		16,928
Less: Amount representing interest		(1,411)
<b>Present Value of Minimum Lease Payments</b>	\$	15,517

#### Long-Term Debt Summary

##### Governmental Activities:

Year Ending June 30	Principal		Interest		Total
2019	\$	283,000	\$	20,144	\$ 303,144
2020		304,000		8,892	312,892
<b>Total</b>	\$	587,000	\$	29,036	\$ 616,036

##### Business-Type Activities:

Year Ending June 30	Principal		Interest		Total
2019	\$	145,439	\$	5,948	\$ 151,387
2020		148,376		3,010	151,386
<b>Total</b>	\$	293,815	\$	8,958	\$ 302,773

#### Interest Expense

The total interest incurred for the year ended June 30, 2018, on long-term debt was \$38,359. Interest charged to expense has been included as a component of the direct expenses of individual functions on the government-wide statement of activities as the underlying debt has objectives that can be connected to specific programs.



## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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#### 6. SELF-INSURANCE

In January 1979, the City became a member of the Northern California Cities Workers' Compensation Fund, a Joint Powers Authority (JPA), for the purpose of providing a banking plan for member cities to provide their own workers' compensation insurance.

In July 1981, the JPA instituted a program for the provision of liability insurance. In 1987, the JPA was rewritten and renamed the Northern California Cities Self-Insurance Fund to combine and update the coverages of the plans. There has been no significant reduction in any of the insurance coverages from the prior year. Settled claims resulting from these programs have not exceeded insurance coverage in each of the past three fiscal years. The current agreement is as follows:

The Workers' Compensation Program comprises a banking or deductible layer for claims up to \$100,000 and a shared risk pool for claims from \$100,000 to \$500,000. Excess coverage is provided for claims over the shared risk layer up to the statutory limit for workers' compensation and \$5,000,000 for employers' liability. The liability program comprises a banking or deductible layer for claims up to \$50,000 and a shared risk pool for claims from \$50,000 to \$500,000. Excess coverage is provided for liability claims over the shared risk layer up to \$40,000,000.

Each member city is assessed a contribution which is intended to cover its share of the Authority's claims, operating costs, and claim settlement expenses. Contributions are based on an actuarially determined rate for each coverage layer (pool), based on an estimate of the probable losses and expenses to be borne by that pool for the claim year. Additional cash contributions may be assessed on the basis of adverse loss experience. Refunds to members may be made if funds are determined to be surplus as a result of an actuarial study.

The banking or deductible layer is the member's deductible portion of each claim. As part of its services to members, a portion of the members' contributions is used to pay their deductibles. If a member's balance is insufficient, the Authority advances the necessary amounts and bills the member in subsequent years. Excess balances may likewise be used to offset subsequent year contributions.

The City uses the "general fund" method to account for the costs of self-insurance. While the ultimate amount of the costs of self-insurance through June 30, 2018, is dependent on future developments, City management believes that the aggregate premiums paid to the JPA are adequate to cover the City's losses through June 30, 2018, including incurred but not reported claims (IBNRs). Claims paid for the workers' compensation and general liability programs for the fiscal year ended June 30, 2018, were \$302,421 and \$19,763, respectively.

As of June 30, 2018, the JPA reported that the City had a surplus in the workers' compensation program in the amount of \$14,837. This amount has not been included in the City's government financial statements. In addition, the JPA reported that the City had a surplus in its general liability program in the amount of \$253,952. This amount has not been included in the City's financial statements.

# City of Red Bluff

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

#### Interfund Balances

The following is a summary of interfund balances:

June 30, 2018	Due From Other Funds	Due to Other Funds	Internal Balances
<b>Governmental Activities</b>			
General Fund	\$ 17,037	\$ 171,055	\$ (154,018)
Nonmajor governmental	-	53,937	(53,937)
<b>Total Governmental Activities</b>	17,037	224,992	(207,955)
<b>Business-Type Activities</b>			
Water	351,250	-	351,250
Nonmajor enterprise	-	143,295	(143,295)
<b>Total Business-Type Activities</b>	351,250	143,295	207,955
<b>Total Government-Wide Statement</b>	\$ 368,287	\$ 368,287	\$ -

Interfund balances typically result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, or (4) revenue earned by the Fund is not received until just after the end of the fiscal year, normally 90 days. All of these interfund balances are anticipated to be paid back completely within the next fiscal year.

#### Transfers

The following is a summary of transfers:

Year Ended June 30, 2018	Transfers In	Transfers Out	Net Transfers
<b>Governmental Activities</b>			
General	\$ 963,199	\$ 118,673	\$ 844,526
Nonmajor governmental	194,027	210,515	(16,488)
<b>Total Governmental Activities</b>	1,157,226	329,188	828,038
<b>Business-Type Activities</b>			
Waste water	-	494,012	(494,012)
Water	-	168,079	(168,079)
Nonmajor enterprise	90,805	256,752	(165,947)
<b>Total Business-Type Activities</b>	90,805	918,843	(828,038)
<b>Total Government-Wide Statement</b>	\$ 1,248,031	\$ 1,248,031	\$ -

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The City's routine transfers include transfers made to move: (a) unrestricted revenues or balances that have been collected or accumulated in the General Fund to other funds based on budgetary authorization, and (b) revenues from a fund that by statute or budgetary authority must collect them to funds that are required by statute or budgetary authority to expend them. All transfers during the year were routine and all balances are expected to be collected in the subsequent year.

## 8. PENSION LIABILITY

Qualified employees are covered under a cost-sharing, multiple-employer defined benefit pension plan maintained by the California Public Employees' Retirement System (CalPERS).

### Plan Descriptions

All full-time employees are eligible to participate in CalPERS, a cost-sharing, multiple-employer contributory public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. The City is part of a "cost-sharing" pool within CalPERS. The Public Employees' Retirement Law (Part 3 of the *California Government Code*, Section 20000 et seq.) establishes benefit provisions for CalPERS. CalPERS issues a publicly available financial report that can be obtained at [www.calpers.ca.gov](http://www.calpers.ca.gov).

### Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible for retirement as early as age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The provisions and benefits of the various plans of the City in effect at June 30, 2018, is as follows:

Hire Date	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years	5 years
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits (as a % of eligible compensation)	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rate	7.00%	6.25%
Required employer contribution rate	8.92%	6.53%

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Hire Date	Safety - Police		
	Prior to May 16, 2011	May 17, 2011 to December 31, 2012	On or after January 1, 2013
Benefit formula	3% at 50	3% at 55	2.7% at 57
Benefit vesting schedule	5 years	5 years	5 years
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50-55	50-57
Monthly benefits (as a % of eligible compensation)	3.0%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rate	9.00%	9.00%	11.50%
Required employer contribution rate	19.72%	17.88%	11.99%

Hire Date	Safety - Fire	
	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% at 50	2.7% at 57
Benefit vesting schedule	5 years	5 years
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	50-57
Monthly benefits (as a % of eligible compensation)	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rate	9.00%	11.50%
Required employer contribution rate	15.92%	11.99%

## Contributions

Section 20814(c) of the California Public Employees' Retirement Law 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. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employer contributions for the year ended June 30, 2018 were \$397,417 and \$747,552, for the Miscellaneous and Safety plans, respectively.

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

At June 30, 2018, the City reported a net pension liability of \$16,114,154 for its proportionate share of the net pension liability. This breakdown of the net pension liability between the miscellaneous and safety is \$6,534,135 and \$9,580,019, respectively. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016, rolled forward to June 30, 2017, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating cities and the State, actuarially determined. At June 30, 2016, the City's employer allocation factor was 0.0017038 for the miscellaneous plans and 0.0016429 for the safety plans.

**City of Red Bluff****NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

**Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended June 30, 2018, the City recognized pension expense of \$2,448,607. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b><u>Miscellaneous Plan</u></b>		<b>Deferred Outflows Resources</b>	<b>Deferred Inflows Resources</b>
June 30, 2018			
Deferred contributions	\$	495,908	\$ -
Differences between expected and actual experience		9,177	131,485
Differences due to changes in actuarial assumptions		1,138,711	86,827
Differences due to differences in proportions		560,449	258,985
Differences between projected and actual earnings on pension plan investments		257,527	-
Differences between projected and actual contributions		3,767	713,943
<b>Total</b>	\$	2,465,539	\$ 1,191,240

<b><u>Safety Plan</u></b>		<b>Deferred Outflows Resources</b>	<b>Deferred Inflows Resources</b>
June 30, 2018			
Deferred contributions	\$	888,434	\$ -
Differences between expected and actual experience		101,451	26,451
Differences due to changes in actuarial assumptions		1,471,295	112,882
Differences due to differences in proportions		227,688	126,073
Differences between projected and actual earnings on pension plan investments		320,797	-
Differences between projected and actual contributions		24,478	342,553
<b>Total</b>	\$	3,034,143	\$ 607,959

Amounts of \$495,908 and \$888,434 reported as deferred outflows of resources related to contributions subsequent to the measurement date for the miscellaneous and safety plans, respectively, will be recognized as reductions of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plans will be recognized as pension expense as follows:

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

#### Miscellaneous Plan

Year Ending June 30

2019	\$	53,697
2020		618,704
2021		258,890
2022		(152,900)
2023		-
Thereafter		-
<b>Total</b>	<b>\$</b>	<b>778,391</b>

#### Safety Plan

Year Ending June 30

2019	\$	308,465
2020		880,264
2021		536,734
2022		(187,713)
2023		-
Thereafter		-
<b>Total</b>	<b>\$</b>	<b>1,537,750</b>

#### **Actuarial Assumptions**

The total pension liability in the June 30, 2016, actuarial valuation for each plan for CalPERS was determined using the following actuarial assumptions, applied to all periods included in the measurement:

June 30, 2018

Valuation date	June 30, 2016
Measurement date	June 30, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.75%
Salary increases	Varies by entry age and service
Payroll Growth	3.00%
Investment rate of return	7.375%, net of pension plan investment and administrative expenses; includes inflation

## **City of Red Bluff**

### **NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

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CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

The actuarial assumptions used in the June 30, 2016, valuation were derived from the June 30, 2016, funding valuation report.

#### **Change in Assumptions**

For the year ended June 30, 2018, a discount rate of 7.15% was used for the calculation of the pension liability. The rate that had been used in the previous year was 7.65%.

#### **Discount Rate**

The discount rate used to measure the total pension liability was 7.15% for each plan. The amortization and smoothing periods recently adopted by the Board were utilized to determine whether the municipal bond rate should be used in the calculation of a discount rate. A projection of expected benefit payments and contributions was performed to determine if the assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The stress test results are presented in a detailed report entitled, "GASB Crossover Testing Report" that can be obtained on the CalPERS' website.

According to Paragraph 30 of GASB Statement No. 68, the long-term discount rate should be determined with reduction for pension plan administrative expense. The 7.375% investment return assumption used in the accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return, excluding administrative expenses, would have been 7.525%. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. CalPERS checked the materiality threshold for the difference in the calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle. Any changes to the discount rate will require Board action and proper stake holder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB Statement No. 67 and GASB Statement No. 68 calculations. CalPERS will continue to check the materiality of the difference in the calculation until the methodology is changed.

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, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound returns were calculated over the short-

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

term (first 10 years) and the long-term (11 to 60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	Target	Rate of Return	
	Allocation	Years 1-10*	Years 11+**
Global equity	51%	5.25%	5.71%
Global fixed income	20%	1.00%	2.40%
Real estate	12%	4.50%	5.10%
Private equity	10%	6.80%	7.00%
Inflation sensitive	6%	0.50%	3.40%
Liquidity	1%	-0.60%	-1.10%
<b>Total</b>	<b>100%</b>		

\*An expected inflation of 2.5% used for this period.

\*\*An expected inflation of 3.0% used for this period.

### Sensitivity of the Net Pension Liability to the Changes in the Discount Rate

The following presents the net pension liability of the Plan, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.15%) or one percentage point higher (8.15%) than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Plan's Net Pension Liability - Miscellaneous	\$ 10,287,652	\$ 6,534,135	\$ 3,425,406
Plan's Net Pension Liability - Safety	14,440,569	9,580,019	5,606,762
<b>Total</b>	<b>\$ 24,728,221</b>	<b>\$ 16,114,154</b>	<b>\$ 9,032,168</b>

### Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial report.



## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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#### 9. OTHER POSTEMPLOYMENT BENEFITS LIABILITY (OPEB)

The City provides postemployment healthcare benefits for retired employees in accordance with negotiated contracts with the various bargaining units of the City.

##### Plan Description

The City of Red Bluff Retirement Health Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the City. The City provides certain medical, dental, and vision insurance coverage to all employees who retire from the City (including spouses), and meet the age and service requirement for eligibility. Retirees must be at least 55 years of age with a minimum 5 years of service with the City. The City pays medical premiums up to a cap of \$160 per month, for each qualifying retiree (spouse).

##### Employees Covered

Employees covered by the benefit terms of the Plan consisted of:

June 30, 2018

Inactive Plan Members or beneficiaries currently receiving benefit payments	12
Active plan members	97
<b>Total</b>	<b>109</b>

##### Contributions

The Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The contribution requirements of plan members and the City are based on a pay-as-you-go basis. There is no trust administered for the Plan and therefore there are no accumulated plan assets. For the year ended June 30, 2018, the City paid \$51,619 on behalf of its retirees.

##### Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2018, using an annual actuarial valuation as of June 30, 2018. The total OPEB liability was based on the actuarial methods and assumptions as shown below.

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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#### Actuarial Assumptions

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The total OPEB liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

June 30, 2018

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Valuation date	June 30, 2018
Measurement date	June 30, 2018
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	3.13% as of June 30, 2017
	2.92% as of June 30, 2018
General inflation rate	2.75%
Salary increases	3.25%
Assumed wage inflation	3.00%
Healthcare cost trend rate	7.5% decreasing to 5.0%

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Demographic actuarial assumptions used in this valuation are based on the 2014 experience study of the California Public Employees Retirement System using data from 1997 to 2011, except for a different basis used to project future mortality improvements. Mortality rates were those published by CalPERS adjusted to back out 20 years of scale BB to central 2008 and the projected forward 6 years using MacLeod Watts Scale 2017 to year 2014.

#### Discount Rate

The discount rate used to measure the total OPEB liability was 2.92%. The discount rate was based on the published change in return for the applicable municipal bond index.

# City of Red Bluff

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### Changes in the Total OPEB Liability

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

Year Ended June 30, 2018

<b>Total OPEB Liability</b>		
Service cost	\$	305,729
Interest		91,100
Changes of benefit terms		-
Difference between expected and actual experience		-
Changes of assumptions		113,414
Benefit payments		(51,619)
<b>Net Change in Total OPEB Liability</b>	\$	458,624
<b>Total OPEB Liability - Beginning of Year</b>		2,630,621
<b>Total OPEB Liability - End of Year</b>	\$	3,089,245
Covered payroll	\$	5,762,688
Net OPEB liability as a percentage of covered payroll		53.61%

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

The following presents the City's total OPEB liability calculated using the discount rate of 2.92%, as well as the City's total OPEB liability if it was calculated using a discount rate that is one percentage point lower (1.92%) or one percentage point higher (3.92%) than the current rate:

	1% Decrease (1.92%)	Current Discount Rate (2.92%)	1% Increase (3.92%)
June 30, 2018			
<b>Total OPEB Liability</b>	\$ 3,726,665	\$ 3,089,245	\$ 2,600,320

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

The following presents the City's total OPEB liability calculated using the healthcare cost trend rate of 7.5%, as well as the District's total OPEB liability if it was calculated using a healthcare cost trend rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Health Cost Current Trend (7.5%)	1% Increase (8.5%)
June 30, 2018			
<b>Total OPEB Liability</b>	\$ 2,358,791	\$ 3,089,245	\$ 4,320,732

## City of Red Bluff

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

For the year ended June 30, 2018, the City recognized OPEB expense of \$407,569. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred Outflows Resources	Deferred Inflows Resources
June 30, 2018			
Differences due to changes in actuarial assumptions	\$	102,676	\$ -

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

Year Ending June 30		
2019	\$	10,740
2020		10,740
2021		10,740
2022		10,740
2023		10,740
Thereafter		48,976
<b>Total</b>	<b>\$</b>	<b>102,676</b>

#### 10. FUND BALANCE/NET POSITION

The funds listed below reported a deficit fund balance/net position:

June 30, 2018		
<b>Governmental Funds</b>		
Fire Protection Capital Improvement Fund	\$	36,934
<b>Enterprise Funds</b>		
Community Center Fund	\$	274,596

# City of Red Bluff

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Fund balances are composed of the following:

June 30, 2018	Nondisposable	Restricted	Committed	Assigned
<b>General Fund:</b>				
Contingency	\$ -	\$ -	\$ -	2,600,000
Prepays	200,000	-	-	-
<b>Traffic Control:</b>				
Traffic Control Impact Fee	-	2,407,598	-	116,058
<b>Grants/Program Income Fund:</b>				
Long-term receivables	-	3,924,813	-	-
Grants	-	132,405	-	13,913
<b>Other Governmental Funds:</b>				
Waste Water Facility Impact Fees	-	950,311	-	38,232
Water Capital Impact Fees	-	939,473	-	42,106
Waste Water Collection Impact Fees	-	846,963	-	33,247
ISTEA/RSTP Revenue	-	428,932	-	2,423
PEG Fees	-	205,831	-	8,001
Flood Protection Impact Fees	-	202,118	-	10,781
Grants	-	197,163	-	2,500
Local Transportation	-	144,860	-	2,454
Airport Impact Fees	-	76,236	-	2,319
Transportation	-	70,460	-	19,730
Road Maintenance & Rehab Act	-	64,885	-	121
Meadow Brook Street Fees	-	41,418	-	2,080
City Admin and Equipment Impact Fees	-	26,851	-	4,042
Prop 30 (Public Safety) Revenue	-	20,002	-	2,485
Park Capital Improvement Fees	-	18,889	-	1,738
SB1186 Revenue	-	11,193	-	69
Broadcast Labor Fees	-	1,850	-	569
Police Protection Impact Fees	-	291	-	581
Special Gas Tax	-	83	-	83
Waste Water Treatment Plant Capital Reserves	-	-	813,210	36,893
Transportation - City Design Fees	-	-	6,086	8,286
General Plan Update	-	-	85,113	4,224
<b>Total</b>	<b>\$ 200,000</b>	<b>\$ 10,712,625</b>	<b>\$ 904,409</b>	<b>\$ 2,952,935</b>

## 11. LANDFILL JOINT POWERS AGENCIES

The City is a member of the Tehama County Sanitary Landfill Agency (the Landfill Agency), which was formed in May 1989 by an agreement between the County of Tehama, the City of Corning, the City of Tehama, and the City of Red Bluff. The Landfill Agency is responsible for closure and postclosure of the landfill. The Landfill Agency has previously collected assessments from property in the County and is currently holding those funds in order to have funds available to finance the work necessary for closure and postclosure monitoring.

In 1997, the City, along with the County of Tehama, formed the Tehama County/Red Bluff Landfill Management Agency (the Management Agency). The Management Agency was formed to govern the operation and management of the landfill. The City and the County of Tehama each have a 50% ownership interest in the landfill.

## **City of Red Bluff**

### **NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

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In 2015, the two Agencies combined to form the Tehama County Solid Waste Management Agency. Complete financial statements for the Agency may be obtained from the Agency.

#### **12. CONTINGENT LIABILITIES**

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

The City is involved in various litigation; however, in the City Attorney's opinion, the potential claims against the City resulting from such litigation would not materially affect the accompanying financial statements.

#### **13. CONSTRUCTION COMMITMENTS**

At June 30, 2018, the City had \$0 outstanding in the form of contracts and/or purchase orders for construction.

#### **14. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended June 30, 2018, expenditures exceeded appropriations by \$59,507 in the Grants/Program Income Fund. The expenditures were funded by additional unbudgeted revenue received during the year.

## **REQUIRED SUPPLEMENTARY INFORMATION SECTION**

# City of Red Bluff

## SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Miscellaneous	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
City's proportion of the net pension liability (asset)	0.16576%	0.15638%	0.14010%	0.05814%
City's proportionate share of the net pension liability (asset)	\$ 6,534,135	\$ 5,432,492	\$ 3,842,872	\$ 3,617,616
City's covered payroll	\$ 2,800,443	\$ 2,600,676	\$ 2,502,239	\$ 2,291,278
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	233.33%	208.89%	153.58%	157.89%
Plan fiduciary net position as a percentage of the total pension liability	76.06%	78.26%	78.40%	84.35%

### Safety

City's proportion of the net pension liability (asset)	0.1603%	0.1606%	0.1558%	0.0891%
City's proportionate share of the net pension liability (asset)	\$ 9,580,019	\$ 8,317,270	\$ 6,417,679	\$ 5,545,207
City's covered payroll	\$ 2,721,214	\$ 2,492,878	\$ 2,332,037	\$ 2,220,989
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	352.05%	333.64%	275.20%	367.05%
Plan fiduciary net position as a percentage of the total pension liability	72.42%	73.41%	78.40%	81.42%

See the accompanying notes to the required supplementary information.



# City of Red Bluff

## SCHEDULE OF THE CITY'S PENSION CONTRIBUTIONS

Miscellaneous	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	\$ 495,908	\$ 201,977	\$ 235,886	\$ 201,470
Contributions in relation to the contractually required contribution	(495,908)	(201,977)	(235,886)	(201,470)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 2,844,755	\$ 2,600,676	\$ 2,502,239	\$ 2,291,278
Contributions as a percentage of covered payroll	17.43%	7.77%	9.43%	8.79%
<b>Safety</b>				
Contractually required contribution	\$ 888,434	\$ 368,918	\$ 638,660	\$ 538,795
Contributions in relation to the contractually required contribution	(888,434)	(368,918)	(638,660)	(538,795)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 2,917,933	\$ 2,492,878	\$ 2,332,037	\$ 2,220,989
Contributions as a percentage of covered payroll	30.45%	14.80%	27.39%	24.26%

See the accompanying notes to the required supplementary information.

**City of Red Bluff****SCHEDULE OF CITY'S TOTAL OTHER POSTEMPLOYMENT BENEFITS LIABILITY****June 30, 2018**

<b>Total OPEB Liability</b>	
Service cost	\$ 305,729
Interest	91,100
Changes of benefit terms	-
Difference between expected and actual experience	-
Changes of assumptions	113,416
Benefit payments	(51,619)
<b>Net Change in Total OPEB Liability</b>	<b>458,626</b>
<b>Total OPEB Liability - Beginning of Year</b>	<b>2,630,619</b>
<b>Total OPEB Liability - End of Year</b>	<b>\$ 3,089,245</b>
Covered payroll	\$ 5,762,688
Total OPEB liability as a percentage of covered payroll	53.61%

## **City of Red Bluff**

### **NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2018

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Required supplementary information schedules are intended to report information for ten years. Additional years' information will be displayed as it becomes available.

#### **Changes of Benefit Terms**

Public agencies who participate in CalPERS can make changes to their plan provisions, and such changes occur on an ongoing basis. A summary of the plan provisions that were used for a specific plan can be found in the plan's annual valuation report.

#### **Other Postemployment Benefits Liability**

The City does not have any assets accumulated in a trust to pay the other postemployment benefits and is currently funding the plan on a pay-as-you-go basis.

**COMBINING AND INDIVIDUAL NONMAJOR FUND  
FINANCIAL STATEMENTS**

## City of Red Bluff

### NONMAJOR GOVERNMENTAL FUNDS

#### SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

*Traffic Safety Fund:* This fund accounts for revenues and expenditures restricted for traffic safety improvement by police.

*Charter – PEG Fees Fund:* This fund accounts for revenues and expenditures restricted for promoting public, education, and governmental television programming.

*Public Safety Fund:* This fund accounts for the revenues and expenditures restricted for public safety by police and fire.

*Broadcasting Labor Fund:* This fund accounts for revenues and expenditures restricted for labor costs associated with installing equipment for publicizing City Council meetings.

*Proposition 30 Fund:* This fund accounts for revenues and expenditures restricted for public safety use by police.

*Asset Forfeiture Fund:* This fund accounts for the seizure of funds by police officers.

*Local Transportation Fund (LTF):* This fund accounts for LTF revenues and expenditures restricted for use in maintenance, repairs, and improvements of the street system of the City.

*Special Gas Tax Fund:* This fund accounts for gas tax revenues and expenditures restricted for use in maintenance, repairs, and improvements of the street system of the City.

*Intermodal Surface Transportation Efficiency Act (ISTEA) / Regional Surface Transportation Program (RSTP) Revenue Fund:* This fund accounts for ISTEA and RSTP revenues and expenditures restricted for use in maintenance, repairs, and improvements of the street system of the City

*Grants Fund:* This fund accounts for revenues and expenditures restricted for grant use by the State and Federal governments.

*SB1186 Fund:* This fund accounts for revenues and expenditures restricted for use as stated in California Senate Bill 1186, for the purpose of increasing disability access and compliance with construction-related accessibility requirements for commercial businesses.

*Road Maintenance and Rehabilitation Act Fund (RMRA):* This fund accounts for revenues and expenditures restricted for use as stated in California Senate Bill 1, the Road Repair and Accountability Act of 2017, for the purpose of improving local and state roadway systems.

*Transportation Fund:* This fund accounts for the operations and maintenance of the City's streets with taxes and grant revenue restricted for transportation.

## City of Red Bluff

### NONMAJOR GOVERNMENTAL FUNDS

(Continued)

#### CAPITAL PROJECTS FUNDS

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

*General Plan Update Fund:* This fund accounts for the revenues and expenditures for the general plan updated by the planning department of the City.

*Transportation City Design Fund:* This fund accounts for revenue and expenditures for City design/development of streets.

*Waste Water Treatment Plant Capital Reserve Fund:* This fund accounts for revenues and expenditures for capital improvements of the Waste Water Treatment Plant.

*Flood Protection Capital Improvement Fund:* This fund accounts for impact fees restricted for improvements of the flood protection system of the City.

*Fire Protection Capital Improvement Fund:* This fund accounts for impact fees restricted for improvements of the fire protection facilities and equipment of the City.

*Police Protection Capital Improvement Fund:* This fund accounts for impact fees restricted for improvements of the police protection facilities and equipment of the City.

*City Administration and Equipment Capital Improvement Fund:* This fund accounts for impact fees restricted for improvements of the general municipal facilities of the City.

*Meadowbrook Street Capital Projects Fund:* This fund accounts for revenues and expenditures restricted for repairs and maintenance of Meadowbrook Street.

*Waste Water Treatment Plant Capital Improvement Fund:* This fund accounts for impact fees restricted for improvements of the Waste Water Treatment Plant.

*Waste Water Collection System Capital Improvement Fund:* This fund accounts for impact fees restricted for improvements of the Waste Water Collection System.

*Water Capital Improvement Fund:* This fund accounts for impact fees restricted for improvements of the water system of the City.

*Airport Capital Improvement Fund:* This fund accounts for impact fees restricted for improvements of the airport of the City.

*Parks and Recreation Facilities Capital Improvement Fund:* This fund accounts for impact fees restricted for improvements of the parks and recreation facilities of the City.

# City of Red Bluff

## COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

	Special Revenue				
	Traffic Safety Fund	Charter - PEG Fees Fund	Public Safety Fund	Broadcasting Labor Fund	Balance Forward
June 30, 2018					
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 213,635	\$ -	\$ 2,417	\$ 216,052
Receivables:					
Accounts	-	-	-	-	-
Interest	29	197	83	2	311
Loans	-	-	-	-	-
Due from other governments	4,815	-	12,110	-	16,925
Due from other funds	-	-	-	-	-
<b>TOTAL ASSETS</b>	\$ 4,844	\$ 213,832	\$ 12,193	\$ 2,419	\$ 233,288
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	-
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	4,844	-	12,193	-	17,037
<b>Total Liabilities</b>	4,844	-	12,193	-	17,037
<b>Fund Balances (Deficit)</b>					
Nonspendable	-	-	-	-	-
Restricted	-	205,831	-	1,850	207,681
Committed	-	-	-	-	-
Assigned	-	8,001	-	569	8,570
Unassigned	-	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	-	213,832	-	2,419	216,251
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$ 4,844	\$ 213,832	\$ 12,193	\$ 2,419	\$ 233,288

# City of Red Bluff

## COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

June 30, 2018	Special Revenue				
	Balance Brought Forward	Proposition 30 Fund	Asset Forfeiture Fund	Local Transportation Fund	Balance Forward
<b>ASSETS</b>					
Cash and cash equivalents	\$ 216,052	\$ 22,982	\$ 16,055	\$ 164,673	\$ 419,762
Receivables:					
Accounts	-	-	-	-	-
Interest	311	21	15	152	499
Loans	-	-	-	-	-
Due from other governments	16,925	-	-	-	16,925
Due from other funds	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 233,288</b>	<b>\$ 23,003</b>	<b>\$ 16,070</b>	<b>\$ 164,825</b>	<b>\$ 437,186</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 516	\$ -	\$ 17,511	\$ 18,027
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	16,070	-	16,070
Due to other funds	17,037	-	-	-	17,037
<b>Total Liabilities</b>	<b>17,037</b>	<b>516</b>	<b>16,070</b>	<b>17,511</b>	<b>51,134</b>
<b>Fund Balances (Deficit)</b>					
Nonspendable	-	-	-	-	-
Restricted	207,681	20,002	-	144,860	372,543
Committed	-	-	-	-	-
Assigned	8,570	2,485	-	2,454	13,509
Unassigned	-	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>216,251</b>	<b>22,487</b>	<b>-</b>	<b>147,314</b>	<b>386,052</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 233,288</b>	<b>\$ 23,003</b>	<b>\$ 16,070</b>	<b>\$ 164,825</b>	<b>\$ 437,186</b>



# City of Red Bluff

## COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Special Revenue				
	Balance Brought Forward	Special Gas Tax Fund	ISTEA/RSTP Revenue Fund	Grants Fund	Balance Forward
June 30, 2018					
<b>ASSETS</b>					
Cash and cash equivalents	\$ 419,762	\$ 12,190	\$ 119,118	\$ 322,321	\$ 873,391
Receivables:					
Accounts	-	-	-	-	-
Interest	499	9	110	298	916
Loans	-	-	-	-	-
Due from other governments	16,925	-	312,127	28,105	357,157
Due from other funds	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 437,186</b>	<b>\$ 12,199</b>	<b>\$ 431,355</b>	<b>\$ 350,724</b>	<b>\$ 1,231,464</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 18,027	\$ -	\$ -	\$ 5,000	\$ 23,027
Accrued payroll and benefits	-	12,033	-	-	12,033
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Other liabilities	16,070	-	-	146,061	162,131
Due to other funds	17,037	-	-	-	17,037
<b>Total Liabilities</b>	<b>51,134</b>	<b>12,033</b>	<b>-</b>	<b>151,061</b>	<b>214,228</b>
<b>Fund Balances (Deficit)</b>					
Nonspendable	-	-	-	-	-
Restricted	372,543	83	428,932	197,163	998,721
Committed	-	-	-	-	-
Assigned	13,509	83	2,423	2,500	18,515
Unassigned	-	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>386,052</b>	<b>166</b>	<b>431,355</b>	<b>199,663</b>	<b>1,017,236</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 437,186</b>	<b>\$ 12,199</b>	<b>\$ 431,355</b>	<b>\$ 350,724</b>	<b>\$ 1,231,464</b>

# City of Red Bluff

## COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

June 30, 2018	Special Revenue				
	Balance Brought Forward	SB1186 Fund	RMRA Fund	Transportation Fund	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 873,391	\$ 11,252	\$ 52,717	\$ 85,182	\$ 1,022,542
Receivables:					
Accounts	-	-	-	7,201	7,201
Interest	916	10	49	-	975
Loans	-	-	-	-	-
Due from other governments	357,157	-	12,240	13,405	382,802
Due from other funds	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,231,464</b>	<b>\$ 11,262</b>	<b>\$ 65,006</b>	<b>\$ 105,788</b>	<b>\$ 1,413,520</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 23,027	\$ -	\$ -	\$ 13,216	\$ 36,243
Accrued payroll and benefits	12,033	-	-	2,304	14,337
Accrued interest payable	-	-	-	21	21
Customer/employee deposits	-	-	-	-	-
Other liabilities	162,131	-	-	57	162,188
Due to other funds	17,037	-	-	-	17,037
<b>Total Liabilities</b>	<b>214,228</b>	<b>-</b>	<b>-</b>	<b>15,598</b>	<b>229,826</b>
<b>Fund Balances (Deficit)</b>					
Nonspendable	-	-	-	-	-
Restricted	998,721	11,193	64,885	70,460	1,145,259
Committed	-	-	-	-	-
Assigned	18,515	69	121	19,730	38,435
Unassigned	-	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>1,017,236</b>	<b>11,262</b>	<b>65,006</b>	<b>90,190</b>	<b>1,183,694</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,231,464</b>	<b>\$ 11,262</b>	<b>\$ 65,006</b>	<b>\$ 105,788</b>	<b>\$ 1,413,520</b>

# City of Red Bluff

## COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Capital Projects					
	General Plan Update Fund	Transportation City Design Fund	Waste Water Treatment Plant Capital Reserve Fund	Flood Protection Capital Improvement Fund		Balance Forward
June 30, 2018						
<b>ASSETS</b>						
Cash and cash equivalents	\$ 89,255	\$ 63,010	\$ 849,319	\$ 212,703	\$	1,214,287
Receivables:						
Accounts	-	-	-	-		-
Interest	82	63	784	196		1,125
Loans	-	-	-	-		-
Due from other governments	-	-	-	-		-
Due from other funds	-	-	-	-		-
<b>TOTAL ASSETS</b>	<b>\$ 89,337</b>	<b>\$ 63,073</b>	<b>\$ 850,103</b>	<b>\$ 212,899</b>	<b>\$</b>	<b>1,215,412</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ 48,701	\$ -	\$ -	\$	48,701
Accrued payroll and benefits	-	-	-	-		-
Accrued interest payable	-	-	-	-		-
Customer/employee deposits	-	-	-	-		-
Other liabilities	-	-	-	-		-
Due to other funds	-	-	-	-		-
<b>Total Liabilities</b>	<b>-</b>	<b>48,701</b>	<b>-</b>	<b>-</b>		<b>48,701</b>
<b>Fund Balances (Deficit)</b>						
Nonspendable	-	-	-	-		-
Restricted	-	-	-	202,118		202,118
Committed	85,113	6,086	813,210	-		904,409
Assigned	4,224	8,286	36,893	10,781		60,184
Unassigned	-	-	-	-		-
<b>Total Fund Balances (Deficit)</b>	<b>89,337</b>	<b>14,372</b>	<b>850,103</b>	<b>212,899</b>		<b>1,166,711</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 89,337</b>	<b>\$ 63,073</b>	<b>\$ 850,103</b>	<b>\$ 212,899</b>	<b>\$</b>	<b>1,215,412</b>

# City of Red Bluff

## COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

					Capital Projects				
					City				
					Administration and Equipment Capital				
					Improvement Fund				
					Balance Brought Forward	Fire Protection Capital Improvement Fund	Police Protection Capital Improvement Fund	City Administration and Equipment Capital Improvement Fund	Balance Forward
June 30, 2018									
<b>ASSETS</b>									
Cash and cash equivalents	\$	1,214,287	\$	-	\$	871	\$	30,864	\$ 1,246,022
Receivables:									
Accounts		-		-		-		-	-
Interest		1,125		-		1		29	1,155
Loans		-		-		-		-	-
Due from other governments		-		-		-		-	-
Due from other funds		-		-		-		-	-
<b>TOTAL ASSETS</b>	\$	1,215,412	\$	-	\$	872	\$	30,893	\$ 1,247,177
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities</b>									
Accounts payable	\$	48,701	\$	-	\$	-	\$	-	\$ 48,701
Accrued payroll and benefits		-		-		-		-	-
Accrued interest payable		-		34		-		-	34
Customer/employee deposits		-		-		-		-	-
Other liabilities		-		-		-		-	-
Due to other funds		-		36,900		-		-	36,900
<b>Total Liabilities</b>		48,701		36,934		-		-	85,635
<b>Fund Balances (Deficit)</b>									
Nonspendable		-		-		-		-	-
Restricted		202,118		-		291		26,851	229,260
Committed		904,409		-		-		-	904,409
Assigned		60,184		-		581		4,042	64,807
Unassigned		-		(36,934)		-		-	(36,934)
<b>Total Fund Balances (Deficit)</b>		1,166,711		(36,934)		872		30,893	1,161,542
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$	1,215,412	\$	-	\$	872	\$	30,893	\$ 1,247,177

# City of Red Bluff

## COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Capital Projects				
	Balance Brought Forward	Meadowbrook Street Capital Projects Fund	Waste Water Treatment Plant Capital Improvement Fund	Waste Water Collection System Capital Improvement Fund	Balance Forward
June 30, 2018					
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,246,022	\$ 43,458	\$ 987,631	\$ 879,398	\$ 3,156,509
Receivables:					
Accounts	-	-	-	-	-
Interest	1,155	40	912	812	2,919
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,247,177</b>	<b>\$ 43,498</b>	<b>\$ 988,543</b>	<b>\$ 880,210</b>	<b>\$ 3,159,428</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 48,701	\$ -	\$ -	\$ -	\$ 48,701
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	34	-	-	-	34
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	36,900	-	-	-	36,900
<b>Total Liabilities</b>	<b>85,635</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85,635</b>
<b>Fund Balances (Deficit)</b>					
Nonspendable	-	-	-	-	-
Restricted	229,260	41,418	950,311	846,963	2,067,952
Committed	904,409	-	-	-	904,409
Assigned	64,807	2,080	38,232	33,247	138,366
Unassigned	(36,934)	-	-	-	(36,934)
<b>Total Fund Balances (Deficit)</b>	<b>1,161,542</b>	<b>43,498</b>	<b>988,543</b>	<b>880,210</b>	<b>3,073,793</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,247,177</b>	<b>\$ 43,498</b>	<b>\$ 988,543</b>	<b>\$ 880,210</b>	<b>\$ 3,159,428</b>

# City of Red Bluff

## COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Capital Projects				
	Balance Brought Forward	Water Capital Improvement Fund	Airport Capital Improvement Fund	Parks and Recreation Facilities Capital Improvement Fund	Balance Forward
June 30, 2018					
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,156,509	\$ 980,673	\$ 78,483	\$ 21,138	\$ 4,236,803
Receivables:					
Accounts	-	-	-	-	-
Interest	2,919	906	72	20	3,917
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 3,159,428</b>	<b>\$ 981,579</b>	<b>\$ 78,555</b>	<b>\$ 21,158</b>	<b>\$ 4,240,720</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 48,701	\$ -	\$ -	\$ -	\$ 48,701
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	34	-	-	-	34
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	531	531
Due to other funds	36,900	-	-	-	36,900
<b>Total Liabilities</b>	<b>85,635</b>	<b>-</b>	<b>-</b>	<b>531</b>	<b>86,166</b>
<b>Fund Balances (Deficit)</b>					
Nonspendable	-	-	-	-	-
Restricted	2,067,952	939,473	76,236	18,889	3,102,550
Committed	904,409	-	-	-	904,409
Assigned	138,366	42,106	2,319	1,738	184,529
Unassigned	(36,934)	-	-	-	(36,934)
<b>Total Fund Balances (Deficit)</b>	<b>3,073,793</b>	<b>981,579</b>	<b>78,555</b>	<b>20,627</b>	<b>4,154,554</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 3,159,428</b>	<b>\$ 981,579</b>	<b>\$ 78,555</b>	<b>\$ 21,158</b>	<b>\$ 4,240,720</b>

# City of Red Bluff

## COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

		Capital Projects			
		Balance		Total	Total
June 30, 2018		Brought Forward			Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$	4,236,803	\$	4,236,803	\$ 5,259,345
Receivables:					
Accounts		-		-	7,201
Interest		3,917		3,917	4,892
Loans		-		-	-
Due from other governments		-		-	382,802
Due from other funds		-		-	-
<b>TOTAL ASSETS</b>	\$	4,240,720	\$	4,240,720	\$ 5,654,240
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$	48,701	\$	48,701	\$ 84,944
Accrued payroll and benefits		-		-	14,337
Accrued interest payable		34		34	55
Customer/employee deposits		-		-	-
Other liabilities		531		531	162,719
Due to other funds		36,900		36,900	53,937
<b>Total Liabilities</b>		86,166		86,166	315,992
<b>Fund Balances (Deficit)</b>					
Nonspendable		-		-	-
Restricted		3,102,550		3,102,550	4,247,809
Committed		904,409		904,409	904,409
Assigned		184,529		184,529	222,964
Unassigned		(36,934)		(36,934)	(36,934)
<b>Total Fund Balances (Deficit)</b>		4,154,554		4,154,554	5,338,248
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$	4,240,720	\$	4,240,720	\$ 5,654,240

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2018	Special Revenue				
	Traffic Safety Fund	Charter - PEG Fees Fund	Public Safety Fund	Broadcasting Labor Fund	Balance Forward
<b>Revenues</b>					
Other taxes	\$ -	\$ -	\$ 96,562	\$ -	\$ 96,562
Fines, forfeitures, and penalties	29,306	-	-	-	29,306
Use of money and property	272	2,311	733	26	3,342
Intergovernmental revenue	-	-	-	-	-
Other revenues	-	9,961	-	-	9,961
<b>Total Revenues</b>	<b>29,578</b>	<b>12,272</b>	<b>97,295</b>	<b>26</b>	<b>139,171</b>
<b>Expenditures</b>					
Current:					
General government	-	-	-	-	-
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>29,578</b>	<b>12,272</b>	<b>97,295</b>	<b>26</b>	<b>139,171</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	(29,578)	-	(97,295)	-	(126,873)
<b>Total Other Financing Sources (Uses)</b>	<b>(29,578)</b>	<b>-</b>	<b>(97,295)</b>	<b>-</b>	<b>(126,873)</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>12,272</b>	<b>-</b>	<b>26</b>	<b>12,298</b>
<b>Fund Balances (Deficit) - Beginning of Year</b>	<b>-</b>	<b>201,560</b>	<b>-</b>	<b>2,393</b>	<b>203,953</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ -</b>	<b>\$ 213,832</b>	<b>\$ -</b>	<b>\$ 2,419</b>	<b>\$ 216,251</b>



# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (Continued)

Year Ended June 30, 2018	Special Revenue				
	Balance Brought Forward	Proposition 30 Fund	Asset Forfeiture Fund	Local Transportation Fund	Balance Forward
<b>Revenues</b>					
Other taxes	\$ 96,562	\$ -	\$ -	\$ -	96,562
Fines, forfeitures, and penalties	29,306	-	-	-	29,306
Use of money and property	3,342	581	-	1,289	5,212
Intergovernmental revenue	-	-	-	295,655	295,655
Other revenues	9,961	-	-	-	9,961
<b>Total Revenues</b>	<b>139,171</b>	<b>581</b>	<b>-</b>	<b>296,944</b>	<b>436,696</b>
<b>Expenditures</b>					
Current:					
General government	-	457	-	-	457
Police public safety	-	15,805	-	-	15,805
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	211,970	211,970
Grants and program income	-	-	-	-	-
Capital outlay	-	17,057	-	-	17,057
Debt service:					
Principal	-	8,157	-	-	8,157
Interest	-	198	623	-	821
<b>Total Expenditures</b>	<b>-</b>	<b>41,674</b>	<b>623</b>	<b>211,970</b>	<b>254,267</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>139,171</b>	<b>(41,093)</b>	<b>(623)</b>	<b>84,974</b>	<b>182,429</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	(126,873)	-	-	-	(126,873)
<b>Total Other Financing Sources (Uses)</b>	<b>(126,873)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(126,873)</b>
<b>Net Change in Fund Balances</b>	<b>12,298</b>	<b>(41,093)</b>	<b>(623)</b>	<b>84,974</b>	<b>55,556</b>
<b>Fund Balances (Deficit) - Beginning of Year</b>	<b>203,953</b>	<b>63,580</b>	<b>623</b>	<b>62,340</b>	<b>330,496</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 216,251</b>	<b>\$ 22,487</b>	<b>\$ -</b>	<b>\$ 147,314</b>	<b>\$ 386,052</b>

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (Continued)

Year Ended June 30, 2018	Special Revenue				
	Balance Brought Forward	Special Gas Tax Fund	ISTEA/RSTP Revenue Fund	Grants Fund	Balance Forward
<b>Revenues</b>					
Other taxes	\$ 96,562	\$ -	\$ -	\$ -	96,562
Fines, forfeitures, and penalties	29,306	-	-	-	29,306
Use of money and property	5,212	83	1,544	2,399	9,238
Intergovernmental revenue	295,655	302,531	313,585	59,552	971,323
Other revenues	9,961	1,379	-	-	11,340
<b>Total Revenues</b>	<b>436,696</b>	<b>303,993</b>	<b>315,129</b>	<b>61,951</b>	<b>1,117,769</b>
<b>Expenditures</b>					
Current:					
General government	457	-	-	-	457
Police public safety	15,805	-	-	-	15,805
Parks and recreation	-	-	-	-	-
Transportation and streets	211,970	283,805	-	-	495,775
Grants and program income	-	-	-	5,000	5,000
Capital outlay	17,057	20,022	2,102	54,552	93,733
Debt service:					
Principal	8,157	-	-	-	8,157
Interest	821	-	-	-	821
<b>Total Expenditures</b>	<b>254,267</b>	<b>303,827</b>	<b>2,102</b>	<b>59,552</b>	<b>619,748</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>182,429</b>	<b>166</b>	<b>313,027</b>	<b>2,399</b>	<b>498,021</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	(126,873)	-	-	-	(126,873)
<b>Total Other Financing Sources (Uses)</b>	<b>(126,873)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(126,873)</b>
<b>Net Change in Fund Balances</b>	<b>55,556</b>	<b>166</b>	<b>313,027</b>	<b>2,399</b>	<b>371,148</b>
<b>Fund Balances (Deficit) - Beginning of Year</b>	<b>330,496</b>	<b>-</b>	<b>118,328</b>	<b>197,264</b>	<b>646,088</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 386,052</b>	<b>\$ 166</b>	<b>\$ 431,355</b>	<b>\$ 199,663</b>	<b>\$ 1,017,236</b>

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (Continued)

Year Ended June 30, 2018	Special Revenue				
	Balance Brought Forward	SB1186 Fund	RMRA Fund	Transportation Fund	Total
<b>Revenues</b>					
Other taxes	\$ 96,562	\$ -	\$ -	\$ 84,642	\$ 181,204
Fines, forfeitures, and penalties	29,306	-	-	-	29,306
Use of money and property	9,238	69	121	-	9,428
Intergovernmental revenue	971,323	11,193	64,885	-	1,047,401
Other revenues	11,340	-	-	-	11,340
<b>Total Revenues</b>	<b>1,117,769</b>	<b>11,262</b>	<b>65,006</b>	<b>84,642</b>	<b>1,278,679</b>
<b>Expenditures</b>					
Current:					
General Government	457	-	-	-	457
Police public safety	15,805	-	-	-	15,805
Parks and recreation	-	-	-	-	-
Transportation and streets	495,775	-	-	244,090	739,865
Grants and program income	5,000	-	-	-	5,000
Capital outlay	93,733	-	-	-	93,733
Debt service:					
Principal	8,157	-	-	-	8,157
Interest	821	-	-	507	1,328
<b>Total Expenditures</b>	<b>619,748</b>	<b>-</b>	<b>-</b>	<b>244,597</b>	<b>864,345</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>498,021</b>	<b>11,262</b>	<b>65,006</b>	<b>(159,955)</b>	<b>414,334</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	194,027	194,027
Transfers out	(126,873)	-	-	(83,642)	(210,515)
<b>Total Other Financing Sources (Uses)</b>	<b>(126,873)</b>	<b>-</b>	<b>-</b>	<b>110,385</b>	<b>(16,488)</b>
<b>Net Change in Fund Balances</b>	<b>371,148</b>	<b>11,262</b>	<b>65,006</b>	<b>(49,570)</b>	<b>397,846</b>
<b>Fund Balances (Deficit) - Beginning of Year</b>	<b>646,088</b>	<b>-</b>	<b>-</b>	<b>139,760</b>	<b>785,848</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 1,017,236</b>	<b>\$ 11,262</b>	<b>\$ 65,006</b>	<b>\$ 90,190</b>	<b>\$ 1,183,694</b>

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (Continued)

Year Ended June 30, 2018	Capital Projects				
	General Plan Update Fund	Transportation City Design Fund	Waste Water Treatment Plant Capital Reserve Fund	Flood Protection Capital Improvement Fund	Balance Forward
<b>Revenues</b>					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	992	1,422	9,445	2,336	14,195
Intergovernmental revenue	-	-	-	-	-
Other revenues	-	-	-	9,324	9,324
<b>Total Revenues</b>	992	1,422	9,445	11,660	23,519
<b>Expenditures</b>					
Current:					
General government	-	11,069	-	-	11,069
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	-	108,490	-	-	108,490
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total Expenditures</b>	-	119,559	-	-	119,559
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	992	(118,137)	9,445	11,660	(96,040)
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-	-	-
<b>Net Change in Fund Balances</b>	992	(118,137)	9,445	11,660	(96,040)
<b>Fund Balances (Deficit) - Beginning of Year</b>	88,345	132,509	840,658	201,239	1,262,751
<b>Fund Balances (Deficit) - End of Year</b>	\$ 89,337	\$ 14,372	\$ 850,103	\$ 212,899	\$ 1,166,711

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (Continued)

	Capital Projects				
	Balance Brought Forward	Fire Protection Capital Improvement Fund	Police Protection Capital Improvement Fund	City Administration and Equipment Capital Improvement Fund	Balance Forward
Year Ended June 30, 2018					
<b>Revenues</b>					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	14,195	-	254	334	14,783
Intergovernmental revenue	-	-	-	-	-
Other revenues	9,324	3,846	4,112	3,179	20,461
<b>Total Revenues</b>	<b>23,519</b>	<b>3,846</b>	<b>4,366</b>	<b>3,513</b>	<b>35,244</b>
<b>Expenditures</b>					
Current:					
General government	11,069	-	-	-	11,069
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	108,490	-	32,291	-	140,781
Debt service:					
Principal	-	-	-	-	-
Interest	-	490	-	-	490
<b>Total Expenditures</b>	<b>119,559</b>	<b>490</b>	<b>32,291</b>	<b>-</b>	<b>152,340</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(96,040)</b>	<b>3,356</b>	<b>(27,925)</b>	<b>3,513</b>	<b>(117,096)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(96,040)</b>	<b>3,356</b>	<b>(27,925)</b>	<b>3,513</b>	<b>(117,096)</b>
<b>Fund Balances (Deficit) - Beginning of Year</b>	<b>1,262,751</b>	<b>(40,290)</b>	<b>28,797</b>	<b>27,380</b>	<b>1,278,638</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 1,166,711</b>	<b>\$ (36,934)</b>	<b>\$ 872</b>	<b>\$ 30,893</b>	<b>\$ 1,161,542</b>

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (Continued)

	Capital Projects				
	Balance Brought Forward	Meadowbrook Street Capital Projects Fund	Waste Water Treatment Plant Capital Improvement Fund	Waste Water Collection System Capital Improvement Fund	Balance Forward
Year Ended June 30, 2018					
<b>Revenues</b>					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	14,783	483	10,961	9,758	35,985
Intergovernmental revenue	-	-	-	-	-
Other revenues	20,461	-	9,004	8,672	38,137
<b>Total Revenues</b>	<b>35,244</b>	<b>483</b>	<b>19,965</b>	<b>18,430</b>	<b>74,122</b>
<b>Expenditures</b>					
Current:					
General government	11,069	-	-	-	11,069
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	140,781	-	-	-	140,781
Debt service:					
Principal	-	-	-	-	-
Interest	490	-	-	-	490
<b>Total Expenditures</b>	<b>152,340</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>152,340</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(117,096)</b>	<b>483</b>	<b>19,965</b>	<b>18,430</b>	<b>(78,218)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(117,096)</b>	<b>483</b>	<b>19,965</b>	<b>18,430</b>	<b>(78,218)</b>
<b>Fund Balances (Deficit) - Beginning of Year</b>	<b>1,278,638</b>	<b>43,015</b>	<b>968,578</b>	<b>861,780</b>	<b>3,152,011</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 1,161,542</b>	<b>\$ 43,498</b>	<b>\$ 988,543</b>	<b>\$ 880,210</b>	<b>\$ 3,073,793</b>

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (Continued)

	Capital Projects				
	Balance Brought Forward	Water Capital Improvement Fund	Airport Capital Improvement Fund	Parks and Recreation Facilities Capital Improvement Fund	Balance Forward
Year Ended June 30, 2018					
<b>Revenues</b>					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	35,985	13,977	803	416	51,181
Intergovernmental revenue	-	-	-	-	-
Other revenues	38,137	6,553	16,279	5,439	66,408
<b>Total Revenues</b>	<b>74,122</b>	<b>20,530</b>	<b>17,082</b>	<b>5,855</b>	<b>117,589</b>
<b>Expenditures</b>					
Current:					
General government	11,069	-	230	-	11,299
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	8,271	8,271
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	140,781	-	-	39,457	180,238
Debt service:					
Principal	-	-	-	-	-
Interest	490	-	-	-	490
<b>Total Expenditures</b>	<b>152,340</b>	<b>-</b>	<b>230</b>	<b>47,728</b>	<b>200,298</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(78,218)</b>	<b>20,530</b>	<b>16,852</b>	<b>(41,873)</b>	<b>(82,709)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(78,218)</b>	<b>20,530</b>	<b>16,852</b>	<b>(41,873)</b>	<b>(82,709)</b>
<b>Fund Balances (Deficit) - Beginning of Year</b>	<b>3,152,011</b>	<b>961,049</b>	<b>61,703</b>	<b>62,500</b>	<b>4,237,263</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 3,073,793</b>	<b>\$ 981,579</b>	<b>\$ 78,555</b>	<b>\$ 20,627</b>	<b>\$ 4,154,554</b>

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS (Continued)

		Capital Projects		
		Balance Brought Forward	Total	Total Nonmajor Governmental Funds
Year Ended June 30, 2018				
Revenues				
Other taxes	\$	-	\$ -	\$ 181,204
Fines, forfeitures, and penalties		-	-	29,306
Use of money and property		51,181	51,181	60,609
Intergovernmental revenue		-	-	1,047,401
Other revenues		66,408	66,408	77,748
Total Revenues		117,589	117,589	1,396,268
Expenditures				
Current:				
General government		11,299	11,299	11,756
Police public safety	- -	-	-	15,805
Parks and recreation		8,271	8,271	8,271
Transportation and streets		-	-	739,865
Grants and program income		-	-	5,000
Capital outlay		180,238	180,238	273,971
Debt service:				
Principal		-	-	8,157
Interest		490	490	1,818
Total Expenditures		200,298	200,298	1,064,643
Excess (Deficiency) of Revenues Over (Under) Expenditures				
		(82,709)	(82,709)	331,625
Other Financing Sources (Uses)				
Transfers in		-	-	194,027
Transfers out		-	-	(210,515)
Total Other Financing Sources (Uses)		-	-	(16,488)
Net Change in Fund Balances				
		(82,709)	(82,709)	315,137
Fund Balances (Deficit) - Beginning of Year				
		4,237,263	4,237,263	5,023,111
Fund Balances (Deficit) - End of Year				
	\$	4,154,554	\$ 4,154,554	\$ 5,338,248



# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR SPECIAL REVENUE FUNDS

Year Ended June 30, 2018	Traffic Safety Fund				Charter - PEG Fees Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
<b>Revenues</b>								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	21,420	21,420	29,306	7,886	-	-	-	-
Use of money and property	80	80	272	192	1,000	1,000	2,311	1,311
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	17,500	17,500	9,961	(7,539)
<b>Total Revenues</b>	<b>21,500</b>	<b>21,500</b>	<b>29,578</b>	<b>8,078</b>	<b>18,500</b>	<b>18,500</b>	<b>12,272</b>	<b>(6,228)</b>
<b>Expenditures</b>								
Current:								
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>21,500</b>	<b>21,500</b>	<b>29,578</b>	<b>8,078</b>	<b>18,500</b>	<b>18,500</b>	<b>12,272</b>	<b>(6,228)</b>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(21,500)	(21,500)	(29,578)	(8,078)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(21,500)</b>	<b>(21,500)</b>	<b>(29,578)</b>	<b>(8,078)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,500</b>	<b>18,500</b>	<b>12,272</b>	<b>(6,228)</b>
<b>Fund Balances (Deficit) - Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>201,560</b>	<b>201,560</b>	<b>201,560</b>	<b>-</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 220,060</b>	<b>\$ 220,060</b>	<b>\$ 213,832</b>	<b>\$ (6,228)</b>

## City of Red Bluff

### COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Year Ended June 30, 2018	Public Safety fund				Broadcasting Labor Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
<b>Revenues</b>								
Other taxes	\$ 95,650	\$ 95,650	\$ 96,562	\$ 912	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	150	150	733	583	4	4	26	22
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	95,800	95,800	97,295	1,495	4	4	26	22
<b>Expenditures</b>								
Current:								
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	2,390	2,390	-	2,390
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-	2,390	2,390	-	2,390
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	95,800	95,800	97,295	1,495	(2,386)	(2,386)	26	2,412
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(95,800)	(95,800)	(97,295)	(1,495)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	(95,800)	(95,800)	(97,295)	(1,495)	-	-	-	-
<b>Net Change in Fund Balances</b>	-	-	-	-	(2,386)	(2,386)	26	2,412
<b>Fund Balances (Deficit) - Beginning of Year</b>	-	-	-	-	2,393	2,393	2,393	-
<b>Fund Balances (Deficit) - End of Year</b>	\$ -	\$ -	\$ -	\$ -	\$ 7	\$ 7	\$ 2,419	\$ 2,412

## City of Red Bluff

### COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Year Ended June 30, 2018	Proposition 30 Fund				Asset Forfeiture Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
<b>Revenues</b>								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	200	200	581	381	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	200	200	581	381	-	-	-	-
<b>Expenditures</b>								
Current:								
General government	-	-	457	(457)	-	-	-	-
Police public safety	-	12,614	15,805	(3,191)	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	6,000	23,057	17,057	6,000	-	-	-	-
Debt service:								
Principal	6,200	6,200	8,157	(1,957)	-	-	-	-
Interest	500	500	198	302	-	-	623	(623)
<b>Total Expenditures</b>	12,700	42,371	41,674	697	-	-	623	(623)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(12,500)	(42,171)	(41,093)	1,078	-	-	(623)	(623)
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-	-	-	-	-	-
<b>Net Change in Fund Balances</b>	(12,500)	(42,171)	(41,093)	1,078	-	-	(623)	(623)
<b>Fund Balances (Deficit) - Beginning of Year</b>	63,580	63,580	63,580	-	623	623	623	-
<b>Fund Balances (Deficit) - End of Year</b>	\$ 51,080	\$ 21,409	\$ 22,487	\$ 1,078	\$ 623	\$ 623	\$ -	(623)

## City of Red Bluff

### COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Year Ended June 30, 2018	Local Transportation Fund				Special Gas Tax Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
<b>Revenues</b>								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	180	180	1,289	1,109	70	70	83	13
Intergovernmental revenue	215,000	215,000	295,655	80,655	398,352	301,074	302,531	1,457
Other revenues	-	-	-	-	-	-	1,379	1,379
<b>Total Revenues</b>	215,180	215,180	296,944	81,764	398,422	301,144	303,993	2,849
<b>Expenditures</b>								
Current:								
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	253,000	253,000	211,970	41,030	315,381	315,381	283,805	31,576
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	98,500	20,000	20,022	(22)
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	253,000	253,000	211,970	41,030	413,881	335,381	303,827	31,554
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(37,820)	(37,820)	84,974	122,794	(15,459)	(34,237)	166	34,403
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-	-	-	-	-	-
<b>Net Change in Fund Balances</b>	(37,820)	(37,820)	84,974	122,794	(15,459)	(34,237)	166	34,403
<b>Fund Balances (Deficit) - Beginning of Year</b>	62,340	62,340	62,340	-	-	-	-	-
<b>Fund Balances (Deficit) - End of Year</b>	\$ 24,520	\$ 24,520	\$ 147,314	\$ 122,794	\$ (15,459)	\$ (34,237)	\$ 166	\$ 34,403

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Year Ended June 30, 2018	ISTEA/RSTP Revenue Fund				Grants Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
<b>Revenues</b>								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	100	100	1,544	1,444	-	-	2,399	2,399
Intergovernmental revenue	240,907	240,907	313,585	72,678	177,253	177,253	59,552	(117,701)
Other revenues	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	241,007	241,007	315,129	74,122	177,253	177,253	61,951	(115,302)
<b>Expenditures</b>								
Current:								
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	5,000	5,000	5,000	-
Capital outlay	349,146	349,146	2,102	347,044	172,253	172,253	54,552	117,701
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	349,146	349,146	2,102	347,044	177,253	177,253	59,552	117,701
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(108,139)	(108,139)	313,027	421,166	-	-	2,399	2,399
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-	-	-	-	-	-
<b>Net Change in Fund Balances</b>	(108,139)	(108,139)	313,027	421,166	-	-	2,399	2,399
<b>Fund Balances (Deficit) - Beginning of Year</b>	118,328	118,328	118,328	-	197,264	197,264	197,264	-
<b>Fund Balances (Deficit) - End of Year</b>	\$ 10,189	\$ 10,189	\$ 431,355	\$ 421,166	\$ 197,264	\$ 197,264	\$ 199,663	\$ 2,399

## City of Red Bluff

### COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Year Ended June 30, 2018	SB1186				RMRA Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
<b>Revenues</b>								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	-	-	69	69	-	-	121	121
Intergovernmental revenue	-	-	11,193	11,193	-	97,278	64,885	(32,393)
Other revenues	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	11,262	11,262	-	97,278	65,006	(32,272)
<b>Expenditures</b>								
Current:								
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	78,500	-	78,500
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-	-	78,500	-	78,500
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	-	11,262	11,262	-	18,778	65,006	46,228
<b>Other Financing Sources (Uses)</b>								
Transfers In	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	-	-	-	-	-	-	-	-
<b>Net Change in Fund Balances</b>	-	-	11,262	11,262	-	18,778	65,006	46,228
<b>Fund Balances (Deficit) - Beginning of Year</b>	-	-	-	-	-	-	-	-
<b>Fund Balances (Deficit) - End of Year</b>	\$ -	\$ -	\$ 11,262	\$ 11,262	\$ -	\$ 18,778	\$ 65,006	\$ 46,228

## City of Red Bluff

### COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR SPECIAL REVENUE FUNDS (Continued)

Year Ended June 30, 2018	Transportation Fund			
	Budgeted Amounts		Actual	Variance
	Original	Final		With Final Budget
<b>Revenues</b>				
Other taxes	\$ 61,000	\$ 61,000	\$ 84,642	\$ 23,642
Fines, forfeitures, and penalties	-	-	-	-
Use of money and property	1,300	1,300	-	(1,300)
Intergovernmental revenue	-	-	-	-
Other revenues	-	-	-	-
<b>Total Revenues</b>	<b>62,300</b>	<b>62,300</b>	<b>84,642</b>	<b>22,342</b>
<b>Expenditures</b>				
Current:				
Parks and recreation	-	-	-	-
Transportation and streets	328,367	328,367	244,090	84,277
Grants and program income	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	507	(507)
<b>Total Expenditures</b>	<b>328,367</b>	<b>328,367</b>	<b>244,597</b>	<b>83,770</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(266,067)</b>	<b>(266,067)</b>	<b>(159,955)</b>	<b>106,112</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	194,027	194,027	194,027	-
Transfers out	-	-	(83,642)	(83,642)
<b>Total Other Financing Sources (Uses)</b>	<b>194,027</b>	<b>194,027</b>	<b>110,385</b>	<b>(83,642)</b>
<b>Net Change in Fund Balances</b>	<b>(72,040)</b>	<b>(72,040)</b>	<b>(49,570)</b>	<b>22,470</b>
<b>Fund Balances (Deficit) - Beginning of Year</b>	<b>139,760</b>	<b>139,760</b>	<b>139,760</b>	<b>-</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ 67,720</b>	<b>\$ 67,720</b>	<b>\$ 90,190</b>	<b>\$ 22,470</b>

## **City of Red Bluff**

### **NONMAJOR PROPRIETARY FUNDS**

#### **NONMAJOR PROPRIETARY FUNDS**

Nonmajor proprietary funds are used to account for revenues and expenses that are related to various municipal services offered by the City.

*Community Development Fund:* This fund accounts for the revenues and expenses related to the operation and maintenance of the building and planning facilities of the City.

*Airport Fund:* This fund accounts for the revenues and expenses related to the operation and maintenance of the airport facilities of the City.

*Community Center Fund:* This fund accounts for the revenues and expenses related to the operation and maintenance of the community center facilities of the City.



# City of Red Bluff

## COMBINING STATEMENT OF NET POSITION – NONMAJOR PROPRIETARY FUNDS

June 30, 2018	Nonmajor Enterprise			
	Community Development Fund	Airport Fund	Community Center Fund	Total
<b>ASSETS AND DEFERRED OUTFLOWS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 843,383	\$ 2,182	\$ -	\$ 845,565
Receivables:				
Accounts - net	-	5,265	4,632	9,897
Interest	894	27	-	921
Due from other governments	232	56,756	67,710	124,698
<b>Total Current Assets</b>	<b>844,509</b>	<b>64,230</b>	<b>72,342</b>	<b>981,081</b>
<b>Noncurrent Assets</b>				
Nondepreciable capital assets	-	1,051,989	7,550	1,059,539
Depreciable capital assets - net	45,847	1,523,129	10,633	1,579,609
<b>Total Noncurrent Assets</b>	<b>45,847</b>	<b>2,575,118</b>	<b>18,183</b>	<b>2,639,148</b>
<b>Total Assets</b>	<b>890,356</b>	<b>2,639,348</b>	<b>90,525</b>	<b>3,620,229</b>
<b>Deferred Outflows of Resources</b>				
Deferred outflows from other postemployment benefits	2,074	-	3,111	5,185
Deferred outflows from pensions	96,156	-	86,294	182,450
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 988,586</b>	<b>\$ 2,639,348</b>	<b>\$ 179,930</b>	<b>\$ 3,807,864</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 35,141	\$ 8,897	\$ 17,003	\$ 61,041
Accrued interest payable	-	-	120	120
Accrued payroll and benefits	4,924	-	5,983	10,907
Customer/employee deposits	1,395	-	6,578	7,973
Other liabilities	33	10,081	8,983	19,097
Due to other funds	-	104,254	39,041	143,295
Compensated absences payable - current	5,631	-	3,204	8,835
Bonds and loans payable - current	7,533	-	-	7,533
<b>Total Current Liabilities</b>	<b>54,657</b>	<b>123,232</b>	<b>80,912</b>	<b>258,801</b>
<b>Noncurrent Liabilities</b>				
Net other postemployment benefits liability	62,409	-	93,614	156,023
Net pension liability	254,831	-	228,695	483,526
Compensated absences payable - net	16,892	-	9,612	26,504
Bonds and loans payable - net	7,985	-	-	7,985
<b>Total Noncurrent Liabilities</b>	<b>342,117</b>	<b>-</b>	<b>331,921</b>	<b>674,038</b>
<b>Total Liabilities</b>	<b>396,774</b>	<b>123,232</b>	<b>412,833</b>	<b>932,839</b>
<b>Deferred Inflows of Resources</b>				
Deferred inflows from pension	46,458	-	41,693	88,151
<b>Net Position</b>				
Net investment in capital assets	30,329	2,575,118	18,183	2,623,630
Unrestricted	515,025	(59,002)	(292,779)	163,244
<b>Total Net Position</b>	<b>545,354</b>	<b>2,516,116</b>	<b>(274,596)</b>	<b>2,786,874</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	<b>\$ 988,586</b>	<b>\$ 2,639,348</b>	<b>\$ 179,930</b>	<b>\$ 3,807,864</b>

# City of Red Bluff

## COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – NONMAJOR PROPRIETARY FUNDS

Year Ended June 30, 2018	Nonmajor Enterprise			
	Community Development Fund	Airport Fund	Community Center Fund	Totals
<b>Operating Revenues</b>				
Charges for current services:				
Permits and fees	\$ 397,284	\$ -	\$ -	397,284
Rental revenue	-	116,916	124,530	241,446
Other revenue	-	18,072	7,818	25,890
<b>Total Operating Revenues</b>	397,284	134,988	132,348	664,620
<b>Operating Expenses</b>				
Cost of power and transportation	-	26,153	57,385	83,538
Maintenance, operations, and administration	309,098	18,703	193,312	521,113
Depreciation expense	5,344	191,586	646	197,576
<b>Total Operating Expenses</b>	314,442	236,442	251,343	802,227
<b>Operating Income (Loss)</b>	82,842	(101,454)	(118,995)	(137,607)
<b>Nonoperating Revenues (Expenses)</b>				
Intergovernmental revenues	2,111	-	97,710	99,821
Property taxes	-	105,298	-	105,298
Investment income	10,552	-	-	10,552
Interest expense	-	(287)	(1,199)	(1,486)
<b>Total Nonoperating Revenues (Expenses)</b>	12,663	105,011	96,511	214,185
<b>Income Before Capital Contributions and Operating Transfers</b>	95,505	3,557	(22,484)	76,578
Capital Contributions	-	111,640	-	111,640
Transfers in	-	-	90,805	90,805
Transfers out	(125,161)	(131,591)	-	(256,752)
<b>Change in Net Position</b>	(29,656)	(16,394)	68,321	22,271
<b>Total Net Position - Beginning of Year</b>	575,010	2,532,510	(342,917)	2,764,603
<b>Total Net Position - End of Year</b>	\$ 545,354	\$ 2,516,116	\$ (274,596)	\$ 2,786,874

# City of Red Bluff

## COMBINING STATEMENT OF CASH FLOWS – NONMAJOR PROPRIETARY FUNDS

June 30, 2016

Year Ended June 30, 2018	Community Development Fund	Airport Fund	Community Center Fund	Total Other Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$ 396,934	\$ 131,182	\$ 130,045	\$ 658,161
Cash paid to employees (including employee benefits)	(153,519)	-	(215,164)	(368,683)
Cash paid to suppliers	(169,187)	(55,832)	(91,411)	(316,430)
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>74,228</b>	<b>75,350</b>	<b>(176,530)</b>	<b>(26,952)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Property taxes received	-	105,298	-	105,298
Cash received from (paid to) other funds	-	(2,990)	4,392	1,402
Transfers in	-	-	90,805	90,805
Transfers out	(125,161)	(131,591)	-	(256,752)
<b>Net Cash Provided (Used) By Noncapital Financing Activities</b>	<b>(125,161)</b>	<b>(29,283)</b>	<b>95,197</b>	<b>(59,247)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Intergovernmental revenue received	1,879	66,024	90,030	157,933
Payments for the purchase of capital assets	(50,941)	(111,741)	(7,551)	(170,233)
Debt proceeds received	23,982	-	-	23,982
Principal payments on debt	(8,464)	-	-	(8,464)
Interest paid	-	(327)	(1,146)	(1,473)
<b>Net Cash Provided (Used) By Capital and Related Financing Activities</b>	<b>(33,544)</b>	<b>(46,044)</b>	<b>81,333</b>	<b>1,745</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	10,106	-	-	10,106
<b>Net Cash Provided (Used) By Investing Activities</b>	<b>10,106</b>	<b>-</b>	<b>-</b>	<b>10,106</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(74,371)</b>	<b>23</b>	<b>-</b>	<b>(74,348)</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>917,754</b>	<b>2,159</b>	<b>-</b>	<b>919,913</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 843,383</b>	<b>\$ 2,182</b>	<b>\$ -</b>	<b>\$ 845,565</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 82,842	\$ (101,454)	\$ (118,995)	\$ (137,607)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	5,344	191,586	646	197,576
Changes in:				
Accounts receivable	-	(3,806)	(1,411)	(5,217)
Deferred outflows from other postemployment benefits	(2,074)	-	(3,111)	(5,185)
Deferred outflows from pensions	(16,779)	-	4,659	(12,120)
Accounts payable	83	(7,848)	11,254	3,489
Accrued payroll and benefits	149	-	(612)	(463)
Customer/employee deposits	(350)	-	(892)	(1,242)
Other liabilities	28	(3,128)	5,422	2,322
Net other post employment benefits liability	9,265	-	13,898	23,163
Net pension liability	(5,929)	-	(70,092)	(76,021)
Compensated absences payable	3,511	-	(3,623)	(112)
Deferred inflows from pensions	(1,862)	-	(13,673)	(15,535)
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>\$ 74,228</b>	<b>\$ 75,350</b>	<b>\$ (176,530)</b>	<b>\$ (26,952)</b>

## **STATISTICAL SECTION**

**City of Red Bluff**  
STATISTICAL SECTION (UNAUDITED)

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

**Page  
Number**

**FINANCIAL TRENDS**

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

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**REVENUE CAPACITY**

*These schedules contain information to help the reader assess the government's most significant local revenue sources, the sales tax.*

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## City of Red Bluff

### STATISTICAL SECTION (UNAUDITED)

(Continued)

#### **Page Number**

#### **DEBT CAPACITY**

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

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#### **DEMOGRAPHIC AND ECONOMIC INFORMATION**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

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#### **OPERATING INFORMATION**

*These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

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The Governmental Accounting Standards Board Statement No. 34 required governments with less than \$10 million in annual revenues to comply with increased reporting standards starting in fiscal years beginning after June 15, 2003. Statistical schedules reflect information from FY 2005-2006 to present where ten years of data is required.

# City of Red Bluff

## NET POSITION

Last Ten Fiscal Years (Accrual Basis of Accounting)

	2008-2009	2009-2010	2010-2011	2011-2012**	2012-2013	2013-2014*	2014-2015	2015-2016	2016-2017	2017-2018
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 36,615,441	\$ 35,014,910	\$ 33,797,383	\$ 33,280,481	\$ 30,983,036	\$ 29,608,502	\$ 28,525,737	\$ 27,884,748	\$ 26,806,257	\$ 26,567,947
Restricted	7,627,082	8,156,518	9,857,681	9,228,313	10,235,224	9,840,230	10,910,942	10,465,626	10,620,467	10,712,625
Unrestricted	1,091,390	712,231	653,482	453,041	638,560	(8,236,458)	(8,144,522)	(7,270,399)	(6,672,378)	(8,505,229)
<b>Total governmental activities net position</b>	<b>\$ 45,333,913</b>	<b>\$ 43,883,659</b>	<b>\$ 44,308,546</b>	<b>\$ 42,961,835</b>	<b>\$ 41,856,820</b>	<b>\$ 31,212,274</b>	<b>\$ 31,292,157</b>	<b>\$ 31,079,975</b>	<b>\$ 30,754,346</b>	<b>\$ 28,775,343</b>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 11,224,038	\$ 10,839,850	\$ 10,503,399	\$ 10,012,583	\$ 15,109,831	\$ 14,665,508	\$ 14,556,258	\$ 14,424,080	\$ 14,803,046	\$ 15,150,132
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	9,841,325	10,892,361	10,074,792	11,246,388	8,267,400	8,402,921	9,695,587	10,819,817	11,865,877	11,569,826
<b>Total business-type activities net position</b>	<b>\$ 21,065,363</b>	<b>\$ 21,732,211</b>	<b>\$ 20,578,191</b>	<b>\$ 21,258,971</b>	<b>\$ 23,377,231</b>	<b>\$ 23,068,429</b>	<b>\$ 24,251,845</b>	<b>\$ 25,243,897</b>	<b>\$ 26,668,923</b>	<b>\$ 26,719,958</b>
<b>Primary Government:</b>										
Net investment in capital assets	\$ 47,839,479	\$ 45,854,760	\$ 44,300,782	\$ 43,293,064	\$ 46,092,867	\$ 44,274,010	\$ 43,081,995	\$ 42,308,828	\$ 41,609,303	\$ 41,718,079
Restricted	7,627,082	8,156,518	9,857,681	9,228,313	10,235,224	9,840,230	10,910,942	10,465,626	10,620,467	10,712,625
Unrestricted	10,932,715	11,604,592	10,728,274	11,699,429	8,905,960	166,463	1,551,065	3,549,418	5,193,499	3,064,597
<b>Total primary government net position</b>	<b>\$ 66,399,276</b>	<b>\$ 65,615,870</b>	<b>\$ 64,886,737</b>	<b>\$ 64,220,806</b>	<b>\$ 65,234,051</b>	<b>\$ 54,280,703</b>	<b>\$ 55,544,002</b>	<b>\$ 56,323,872</b>	<b>\$ 57,423,269</b>	<b>\$ 55,495,301</b>

\* The City restated the restricted and unrestricted net position to reflect the implementation of GASB 68, which requires the net pension liability to be reported in the Statement of Net Position.

\*\* The City reclassified restricted and unrestricted governmental net position to conform with prior and current year classifications.

Source: City of Red Bluff Financial Reports

**City of Red Bluff**  
**STATEMENT OF ACTIVITIES**  
**Last Ten Fiscal Years (Accrual Basis of Accounting)**

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
<b>Expenses:</b>										
Governmental activities:										
General government										
City administration	\$ 458,924	\$ 380,284	\$ 387,444	\$ 367,942	\$ 398,463	\$ 356,920	\$ 393,618	\$ 472,291	\$ 533,939	\$ 766,534
Finance	446,742	434,417	423,246	376,869	400,727	407,240	455,859	457,445	465,684	507,501
Community promotion and economic development	132,541	109,490	112,101	88,570	107,225	102,792	99,330	97,611	93,420	91,609
Human resources	195,398	176,027	182,810	171,011	119,776	114,370	139,099	125,048	128,960	187,749
Engineering and administration	367,083	226,142	202,983	234,566	132,156	121,491	92,074	105,265	176,189	173,262
Government buildings	132,983	132,928	123,508	133,317	107,852	147,159	148,608	186,650	358,403	404,680
General government	163,055	182,391	163,765	181,628	191,725	171,826	297,374	53,313	114,071	212,508
Public safety:										
Fire	2,104,130	1,852,232	1,729,515	1,745,768	1,847,624	1,779,441	1,948,383	2,092,629	3,008,573	2,337,619
Police	4,223,961	3,947,641	3,627,431	3,895,358	4,180,695	4,430,643	4,847,057	4,993,565	4,727,324	6,234,793
Parks and recreation	600,549	533,155	474,044	436,223	423,235	429,042	221,909	287,670	564,815	538,507
Transportation and streets	2,198,789	2,016,520	2,030,618	2,031,628	2,000,901	2,197,832	2,386,819	2,437,016	1,772,811	2,294,797
Senior nutrition program	312,929	293,341	293,014	299,842	251,390	-	-	-	-	-
Grants & program income	147,136	258,987	98,606	55,359	74,919	185,102	305,553	251,425	990,726	149,233
<b>Total governmental activities expenses</b>	<b>11,484,220</b>	<b>10,543,555</b>	<b>9,849,085</b>	<b>10,018,081</b>	<b>10,236,688</b>	<b>10,443,858</b>	<b>11,335,683</b>	<b>11,559,928</b>	<b>12,934,915</b>	<b>13,898,792</b>
Business-type activities:										
Community development	481,906	392,331	358,918	383,690	359,033	332,345	280,094	313,412	201,601	314,442
Waste water	1,547,524	1,556,988	1,546,492	1,684,254	1,691,332	1,807,789	2,148,694	2,261,824	2,397,433	2,409,070
Water	1,294,398	1,310,841	1,306,676	1,343,581	1,223,665	1,310,922	1,354,882	1,429,373	1,630,846	1,807,750
Airport	180,926	166,101	322,376	224,963	182,889	204,006	181,269	174,170	2,952,281	236,729
Community center	257,441	250,015	251,027	252,374	247,415	259,764	295,266	293,399	310,670	252,542
<b>Total business-type activities expenses</b>	<b>3,762,195</b>	<b>3,676,276</b>	<b>3,785,489</b>	<b>3,888,862</b>	<b>3,704,334</b>	<b>3,914,826</b>	<b>4,260,205</b>	<b>4,472,178</b>	<b>7,492,831</b>	<b>5,020,533</b>
<b>Total primary government expenses</b>	<b>15,246,415</b>	<b>14,219,831</b>	<b>13,634,574</b>	<b>13,906,943</b>	<b>13,941,022</b>	<b>14,358,684</b>	<b>15,595,888</b>	<b>16,032,106</b>	<b>20,427,746</b>	<b>18,919,325</b>



# City of Red Bluff

## STATEMENT OF ACTIVITIES

Last Ten Fiscal Years (Accrual Basis of Accounting)

(Continued)

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services:										
General government	375,388	333,813	322,662	321,851	374,250	380,997	390,026	400,832	423,257	476,866
Public safety										
Fire	18,058	13,100	11,234	5,397	13,391	6,528	41,494	7,858	11,423	29,063
Police	136,070	102,519	81,542	83,719	82,080	91,386	81,411	77,959	89,356	92,027
Parks & recreation	84,395	85,332	70,191	73,434	61,678	62,068	54,493	86,132	85,626	80,958
Grants & program income	47,069	7,065	46,017	3,370	15,359	8,507	4,895	110,263	-	-
Operating grants and contributions	1,439,100	1,248,148	822,403	848,830	1,079,441	749,627	902,343	870,914	2,073,783	1,513,461
Capital grants and contributions	382,270	292,130	152,536	204,997	400,427	32,149	191,479	162,907	32,143	449,658
<b>Total governmental activities program revenues</b>	<b>2,482,350</b>	<b>2,082,107</b>	<b>1,506,585</b>	<b>1,541,598</b>	<b>2,026,626</b>	<b>1,331,262</b>	<b>1,666,141</b>	<b>1,716,865</b>	<b>2,715,588</b>	<b>2,642,033</b>
Business-type activities:										
Charges for services:										
Community development	329,009	311,218	279,902	250,870	369,002	471,603	536,699	519,261	458,409	399,395
Waste water	2,194,460	2,109,942	2,102,029	2,216,395	2,893,933	2,917,443	2,915,534	2,909,695	3,152,427	2,919,265
Water	2,160,972	1,960,408	1,985,521	2,087,017	2,312,459	2,315,557	2,137,292	2,003,215	2,212,746	2,221,532
Airport	71,971	96,501	116,005	122,929	120,826	128,133	130,101	121,416	113,790	134,988
Community center	71,202	78,453	84,918	75,750	82,482	104,768	124,712	124,139	127,425	132,348
Operating grants and contributions	91,288	77,914	80,971	85,940	67,586	77,175	83,318	76,457	90,030	97,710
Capital grants and contributions	903,638	5,598	191,012	78,033	12,920	10,128	36,348	31,330	462,227	111,640
<b>Total business-type activities program revenues</b>	<b>5,822,540</b>	<b>4,640,034</b>	<b>4,840,358</b>	<b>4,916,934</b>	<b>5,859,208</b>	<b>6,024,807</b>	<b>5,964,004</b>	<b>5,785,513</b>	<b>6,617,054</b>	<b>6,016,878</b>
<b>Total primary government program revenues</b>	<b>8,304,890</b>	<b>6,722,141</b>	<b>6,346,943</b>	<b>6,458,532</b>	<b>7,885,834</b>	<b>7,356,069</b>	<b>7,630,145</b>	<b>7,502,378</b>	<b>9,332,642</b>	<b>8,658,911</b>
<b>Net (expense)/revenue:</b>										
Governmental activities	(9,001,870)	(8,461,448)	(8,342,500)	(8,476,483)	(8,210,062)	(9,112,596)	(9,669,542)	(9,843,063)	(10,219,327)	(11,256,759)
Business-type activities	2,060,345	963,758	1,054,869	1,028,072	2,154,874	2,109,981	1,703,799	1,313,335	1,831,223	996,345
<b>Total primary government net expense</b>	<b>(6,941,525)</b>	<b>(7,497,690)</b>	<b>(7,287,631)</b>	<b>(7,448,411)</b>	<b>(6,055,188)</b>	<b>(7,002,615)</b>	<b>(7,965,743)</b>	<b>(8,529,728)</b>	<b>(8,388,104)</b>	<b>(10,260,414)</b>

# City of Red Bluff

## STATEMENT OF ACTIVITIES

Last Ten Fiscal Years (Accrual Basis of Accounting)

(Continued)

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Taxes:										
Sales taxes	2,703,311	2,328,891	2,460,266	2,627,222	2,795,660	2,972,009	3,386,116	4,471,064	4,352,561	4,444,998
Property taxes	1,544,955	1,462,204	1,354,960	1,324,799	1,273,648	1,330,013	1,396,361	1,409,976	1,538,737	1,492,031
Motel taxes	562,008	555,234	596,603	594,254	711,274	720,122	835,533	928,374	939,306	977,215
Special gas taxes	232,617	231,350	334,068	404,286	338,911	478,119	364,333	314,726	275,095	289,366
Franchise taxes	246,214	223,635	287,059	291,559	303,909	306,342	324,229	346,867	359,147	378,888
Other taxes	268,152	232,246	173,406	263,808	203,453	219,093	221,998	220,719	235,859	252,212
Motor vehicle license fees	1,101,409	1,037,000	1,114,162	1,030,288	959,291	979,512	992,407	1,057,086	1,138,014	1,199,422
Impact fees	181,331	123,586	47,108	154	230,787	8,551	1,454,334	204,968	264,947	112,997
Investment earnings	186,576	150,343	107,097	140,233	133,603	130,680	145,522	170,436	177,092	201,797
Gain/loss on sale of asset	(68,543)	8,766	-	-	-	1,200	30,560	184	-	-
Transfers	409,104	430,658	457,303	453,169	154,511	541,691	598,032	506,481	612,940	828,038
<b>Total governmental activities</b>	<b>7,367,134</b>	<b>6,783,913</b>	<b>6,932,032</b>	<b>7,129,772</b>	<b>7,105,047</b>	<b>7,687,332</b>	<b>9,749,425</b>	<b>9,630,881</b>	<b>9,893,698</b>	<b>10,176,964</b>
Business-type activities:										
Taxes	56,410	63,666	41,544	57,190	56,428	67,617	-	59,973	71,582	105,298
Investment earnings	156,799	70,082	42,225	48,687	61,469	62,019	77,649	125,225	135,161	172,188
Gain on sale of assets	-	-	-	-	-	-	-	-	-	-
Transfers	(409,104)	(430,658)	(457,303)	(453,169)	(154,511)	(541,691)	(598,032)	(506,481)	(612,940)	(828,038)
<b>Total business-type activities</b>	<b>(195,895)</b>	<b>(296,910)</b>	<b>(373,534)</b>	<b>(347,292)</b>	<b>(36,614)</b>	<b>(412,055)</b>	<b>(520,383)</b>	<b>(321,283)</b>	<b>(406,197)</b>	<b>(550,552)</b>
<b>Total primary government</b>	<b>7,171,239</b>	<b>6,487,003</b>	<b>6,558,498</b>	<b>6,782,480</b>	<b>7,068,433</b>	<b>7,275,277</b>	<b>9,229,042</b>	<b>9,309,598</b>	<b>9,487,501</b>	<b>9,626,412</b>
<b>Change in Net Position:</b>										
Governmental activities	(1,634,736)	(1,677,535)	(1,410,468)	(1,346,711)	(1,105,015)	(1,425,264)	79,883	(212,182)	(325,629)	(1,079,795)
Business-type activities	1,864,450	666,848	681,335	680,780	2,118,260	1,697,926	1,183,416	992,052	1,425,026	445,793
<b>Total primary government</b>	<b>\$ 229,714</b>	<b>\$ (1,010,687)</b>	<b>\$ (729,133)</b>	<b>\$ (665,931)</b>	<b>\$ 1,013,245</b>	<b>\$ 272,662</b>	<b>\$ 1,263,299</b>	<b>\$ 779,870</b>	<b>\$ 1,099,397</b>	<b>\$ (634,002)</b>

Source: City of Red Bluff Financial Reports

# City of Red Bluff

## FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
<b>General Fund:</b>										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	850,825	193,990	-	-	-	-	-	-	-	-
Nonspendable	-	-	1,869	-	9,057	539	-	-	1,524	200,000
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	400,000	400,000	700,000	850,000	1,400,000	2,498,000	2,953,000	2,600,000
Unassigned	-	-	25,567	72,905	30,102	42,950	32,922	22,128	40,070	68,972
<b>Total general fund</b>	<b>\$ 850,825</b>	<b>\$ 193,990</b>	<b>\$ 427,436</b>	<b>\$ 472,905</b>	<b>\$ 739,159</b>	<b>\$ 893,489</b>	<b>\$ 1,432,922</b>	<b>\$ 2,520,128</b>	<b>\$ 2,994,594</b>	<b>\$ 2,868,972</b>
<b>All Other Governmental Funds:</b>										
Reserved	\$ 3,801,442	\$ 4,078,818	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	5,023,977	5,253,878	-	-	-	-	-	-	-	-
Nonspendable**	-	-	-	-	-	-	-	-	-	-
Restricted*	-	-	9,845,523	9,979,008	999,380	9,561,683	10,799,948	10,301,972	10,394,940	10,712,625
Committed*	-	-	1,131,410	1,131,410	1,086,144	1,321,899	1,057,287	1,038,783	1,023,968	904,409
Assigned	-	-	12,298	27,043	60,250	90,890	132,782	191,745	263,071	352,935
Unassigned	-	-	(30,563)	(71,464)	(69,626)	(70,650)	(55,343)	(47,901)	(40,290)	(36,934)
<b>Total all other governmental funds</b>	<b>\$ 8,825,419</b>	<b>\$ 9,332,696</b>	<b>\$ 10,958,668</b>	<b>\$ 11,065,997</b>	<b>\$ 2,076,148</b>	<b>\$ 10,903,822</b>	<b>\$ 11,934,674</b>	<b>\$ 11,484,599</b>	<b>\$ 11,641,689</b>	<b>\$ 11,933,035</b>
<b>Total Governmental Funds:</b>										
Reserved	\$ 3,801,442	\$ 4,078,818	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	5,874,802	5,447,868	-	-	-	-	-	-	-	-
Nonspendable**	-	-	1,869	-	9,057	539	-	-	1,524	200,000
Restricted	-	-	9,845,523	9,979,008	999,380	9,561,683	10,799,948	10,301,972	10,394,940	10,712,625
Committed	-	-	1,131,410	1,131,410	1,086,144	1,321,899	1,057,287	1,038,783	1,023,968	904,409
Assigned	-	-	412,298	427,043	760,250	940,890	1,532,782	2,689,745	3,216,071	2,952,935
Unassigned	-	-	(4,996)	1,441	(39,524)	(27,700)	(22,421)	(25,773)	(220)	32,038
<b>Total all other governmental funds</b>	<b>\$ 9,676,244</b>	<b>\$ 9,526,686</b>	<b>\$ 11,386,104</b>	<b>\$ 11,538,902</b>	<b>\$ 2,815,307</b>	<b>\$ 11,797,311</b>	<b>\$ 13,367,596</b>	<b>\$ 14,004,727</b>	<b>\$ 14,636,283</b>	<b>\$ 14,802,007</b>

\*FY 2011 reclassified to conform to prior and current year classifications.

\*\* FY 2011 through FY 2016 reclassified to conform to prior and current year classifications.

Source: City of Red Bluff Financial Reports

# City of Red Bluff

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
<b>Revenues:</b>										
Sales tax	\$ 2,757,611	\$ 2,199,252	\$ 2,460,266	\$ 2,627,222	\$ 2,795,660	\$ 2,972,009	\$ 3,386,116	\$ 4,471,064	\$ 4,352,561	\$ 4,444,998
Property tax	1,544,955	1,462,204	1,354,960	1,324,799	1,273,648	1,330,013	1,396,361	1,409,976	1,538,737	1,492,031
Motel tax	562,008	555,234	596,603	594,254	711,274	720,122	835,533	928,374	939,306	977,215
Franchise tax	246,214	223,635	287,059	291,559	303,909	306,342	324,229	346,867	359,147	378,888
Other taxes	215,809	218,954	159,480	248,779	187,840	195,985	204,512	202,061	216,299	242,251
Licenses and permits	301,238	290,205	299,058	296,088	359,517	361,808	390,072	402,631	418,791	407,951
Fines, forfeitures, and penalties	112,941	78,686	55,930	55,354	48,549	59,028	48,277	44,306	46,281	52,455
Use of money and property	119,453	42,942	31,237	26,137	41,968	35,111	43,235	62,133	76,543	93,769
Intergovernmental revenue	3,045,121	2,687,922	2,250,249	2,290,720	2,629,884	2,172,264	2,334,436	2,383,984	3,420,253	3,333,040
Charges for current services	113,035	105,746	92,273	89,616	86,966	87,478	100,901	107,719	119,180	154,689
Other revenues	477,715	333,542	318,339	259,577	446,312	154,424	1,651,574	438,972	408,699	305,664
<b>Total revenues</b>	<b>9,496,100</b>	<b>8,198,322</b>	<b>7,905,454</b>	<b>8,104,105</b>	<b>8,885,527</b>	<b>8,394,584</b>	<b>10,715,246</b>	<b>10,798,087</b>	<b>11,895,797</b>	<b>11,882,951</b>
<b>Expenditures:</b>										
Current:										
General government	1,732,432	1,479,716	1,445,089	1,456,587	1,303,999	1,261,014	1,325,612	1,461,645	1,759,720	1,856,718
Fire public safety	1,940,701	1,695,134	1,472,877	1,587,931	1,883,035	1,670,002	1,804,086	2,073,642	2,358,334	2,552,505
Police public safety	4,036,688	3,885,703	3,440,872	3,708,039	5,593,288	4,000,627	4,203,081	4,295,756	4,756,752	5,054,444
Parks and recreation	492,893	433,124	382,394	354,834	304,834	325,701	330,534	395,027	370,533	439,388
Transportation and streets	862,465	723,868	567,078	653,311	679,055	851,368	928,607	1,051,201	757,283	739,865
Senior Nutrition program	308,281	289,701	286,465	294,267	292,339	-	-	-	-	-
Grants and program income	151,431	164,033	95,320	36,979	74,917	176,802	133,166	87,916	990,726	149,255
Capital outlay	607,936	293,764	607,822	271,559	438,909	345,076	640,530	912,668	586,275	1,445,583
Debt Service:										
Principal	34,496	35,969	37,505	39,107	60,000	248,000	307,904	334,157	254,920	275,000
Interest	6,280	4,807	3,272	1,862	25,702	71,681	69,473	55,425	42,638	32,507
Debt issuance costs	-	-	-	-	59,555	-	-	-	-	-
<b>Total expenditures</b>	<b>10,173,603</b>	<b>9,005,819</b>	<b>8,338,694</b>	<b>8,404,476</b>	<b>10,715,633</b>	<b>8,950,271</b>	<b>9,742,993</b>	<b>10,667,437</b>	<b>11,877,181</b>	<b>12,545,265</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(677,503)</b>	<b>(807,497)</b>	<b>(433,240)</b>	<b>(300,371)</b>	<b>(1,830,106)</b>	<b>(555,687)</b>	<b>972,253</b>	<b>130,650</b>	<b>18,616</b>	<b>(662,314)</b>
<b>Other financing sources (uses):</b>										
Operating transfers in *	7,039,636	7,611,562	1,885,560	1,477,078	1,493,342	1,640,816	961,858	889,879	954,292	1,157,226
Operating transfers out *	(6,630,532)	(7,180,904)	(1,428,257)	(1,023,909)	(1,338,831)	(1,099,125)	(363,826)	(383,398)	(341,352)	(329,188)
Debt proceeds **	-	-	-	-	1,948,000	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>409,104</b>	<b>430,658</b>	<b>457,303</b>	<b>453,169</b>	<b>2,102,511</b>	<b>541,691</b>	<b>598,032</b>	<b>506,481</b>	<b>612,940</b>	<b>828,038</b>
<b>Total prior period adjustments</b>	<b>-</b>	<b>227,281</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ (268,399)</b>	<b>\$ (149,558)</b>	<b>\$ 24,063</b>	<b>\$ 152,798</b>	<b>\$ 272,405</b>	<b>\$ (13,996)</b>	<b>\$ 1,570,285</b>	<b>\$ 637,131</b>	<b>\$ 631,556</b>	<b>\$ 165,724</b>
Debt service as a percentage of non capital expenditures	0.43%	0.47%	0.53%	0.50%	0.83%	3.71%	4.15%	3.99%	2.64%	2.77%

\*The City removed interfund transfers in fiscal year 2011.

\*\*The City used the 2013 debt proceeds to pay off CalPERS Side Fund expense of \$170,213 for Fire Public Safety and \$1,718,232 for Police Public Safety which is included in expenditures above.

Source: City of Red Bluff Financial Reports

## City of Red Bluff

### GENERAL FUND BALANCE COMPARED TO ANNUAL APPROPRIATIONS

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Fund Balance</u>	<u>Annual Appropriations</u>	<u>Balance as % of Appropriations</u>
2008-2009	\$ 850,825	\$ 7,908,807	10.8%
2009-2010	\$ 193,990	\$ 7,369,321	2.6%
2010-2011	\$ 427,436	\$ 6,697,526	6.4%
2011-2012	\$ 472,905	\$ 7,180,971	6.6%
2012-2013	\$ 739,159	\$ 7,403,914	10.0%
2013-2014	\$ 893,489	\$ 7,970,359	11.2%
2014-2015	\$ 1,432,922	\$ 8,168,133	17.5%
2015-2016	\$ 2,520,128	\$ 8,219,603	30.7%
2016-2017	\$ 2,994,594	\$ 8,381,776	35.7%
2017-2018	\$ 2,868,972	\$ 8,164,134	35.1%

Source: City of Red Bluff Financial Report

## City of Red Bluff

### GENERAL FUND REVENUES BY SOURCE

Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses and Permits	Fines, Forfeitures, and Penalties	Use of Money and Property	Intergovernmental Revenues	Charges for Current Services	Other Revenues	Total
2008-2009	\$ 5,145,312	\$ 301,238	\$ 26,372	\$ 51,828	\$ 1,510,799	\$ 113,035	\$ 186,421	\$ 7,335,005
2009-2010	\$ 4,477,604	\$ 290,205	\$ 27,004	\$ 14,323	\$ 1,394,122	\$ 105,746	\$ 188,875	\$ 6,497,879
2010-2011	\$ 4,733,518	\$ 299,058	\$ 18,269	\$ 8,410	\$ 1,382,415	\$ 92,273	\$ 211,054	\$ 6,744,997
2011-2012	\$ 4,873,079	\$ 296,088	\$ 14,875	\$ 1,654	\$ 1,426,480	\$ 89,616	\$ 221,003	\$ 6,922,795
2012-2013	\$ 5,127,344	\$ 359,517	\$ 20,983	\$ 1,178	\$ 1,363,113	\$ 86,966	\$ 184,553	\$ 7,143,654
2013-2014	\$ 5,364,067	\$ 361,808	\$ 23,851	\$ 870	\$ 1,308,564	\$ 87,478	\$ 122,554	\$ 7,269,192
2014-2015	\$ 5,985,702	\$ 390,072	\$ 18,160	\$ 1,027	\$ 1,354,833	\$ 100,901	\$ 152,223	\$ 8,002,918
2015-2016	\$ 7,201,586	\$ 402,631	\$ 21,658	\$ 1,356	\$ 1,471,726	\$ 107,719	\$ 102,020	\$ 9,308,696
2016-2017	\$ 7,241,674	\$ 418,791	\$ 25,055	\$ 2,292	\$ 1,833,173	\$ 119,180	\$ 123,515	\$ 9,763,680
2017-2018	\$ 7,354,179	\$ 407,951	\$ 23,149	\$ 2,897	\$ 2,009,670	\$ 154,689	\$ 181,327	\$ 10,133,862

Note: The schedule above includes only those revenues recorded in the General Fund.

Source: City of Red Bluff Financial Report

## City of Red Bluff

### GENERAL FUND TAX REVENUES BY SOURCE

Last Ten Fiscal Years

Fiscal Year	Sales and Use Tax	General Property Tax	Transient Occupancy Tax	Franchise Tax	Other Taxes		Licenses and Permits	
					Property Transfer Tax	Downtown Business Improvement	Business License	Other Licenses/ Permits
2008-2009	\$ 2,757,611	\$ 1,544,955	\$ 562,008	\$ 246,214	\$ 15,733	\$ 18,791	\$ 289,926	\$ 11,312
2009-2010	\$ 2,199,252	\$ 1,462,204	\$ 555,234	\$ 223,635	\$ 16,450	\$ 20,829	\$ 278,091	\$ 12,114
2010-2011	\$ 2,460,266	\$ 1,354,960	\$ 596,603	\$ 287,059	\$ 15,168	\$ 19,462	\$ 286,452	\$ 12,606
2011-2012	\$ 2,627,222	\$ 1,324,799	\$ 594,254	\$ 291,559	\$ 15,837	\$ 19,408	\$ 280,486	\$ 15,602
2012-2013	\$ 2,795,660	\$ 1,273,648	\$ 711,274	\$ 303,909	\$ 23,030	\$ 19,823	\$ 343,580	\$ 15,937
2013-2014	\$ 2,972,009	\$ 1,330,013	\$ 720,122	\$ 306,342	\$ 17,110	\$ 18,471	\$ 346,594	\$ 15,214
2014-2015	\$ 3,386,116	\$ 1,396,361	\$ 835,533	\$ 324,229	\$ 22,951	\$ 20,512	\$ 373,700	\$ 16,372
2015-2016	\$ 4,471,064	\$ 1,409,976	\$ 928,374	\$ 346,867	\$ 26,692	\$ 18,613	\$ 384,685	\$ 17,946
2016-2017	\$ 4,352,561	\$ 1,538,737	\$ 939,306	\$ 359,147	\$ 32,142	\$ 19,781	\$ 396,215	\$ 22,576
2017-2018	\$ 4,444,998	\$ 1,492,031	\$ 977,215	\$ 378,888	\$ 42,683	\$ 18,364	\$ 387,656	\$ 20,295

**Note:**

The schedule above includes only those revenues recorded in the General Fund. Sales tax is the City's largest own-source revenue.

Sales tax rates for the City are the Bradley Burns Local 1% tax rate and the Add-On 1/4% tax rate.

Add-on 1/4% tax rate is collected/recorded April 1, 2015 to March 31, 2031.

Source: City of Red Bluff Financial Report

## City of Red Bluff

### GOVERNMENTAL FUNDS EXPENDITURES BY FUNCTION

Last Ten Fiscal Years

Fiscal Year	General Government	Fire Public Safety	Police Public Safety	Parks and Recreation	Transportation and Streets	Senior Nutrition Program	Grants and Program Income	Capital Outlay	Debt Service	Total
2008-2009	\$ 1,732,432	\$ 1,940,701	\$ 4,036,688	\$ 492,893	\$ 862,465	\$ 308,281	\$ 151,431	\$ 607,936	\$ 40,776	\$ 10,173,603
2009-2010	\$ 1,479,716	\$ 1,695,134	\$ 3,885,703	\$ 433,124	\$ 723,868	\$ 289,701	\$ 164,033	\$ 293,764	\$ 40,776	\$ 9,005,819
2010-2011	\$ 1,445,089	\$ 1,472,877	\$ 3,440,872	\$ 382,394	\$ 567,078	\$ 286,465	\$ 95,320	\$ 607,822	\$ 40,777	\$ 8,338,694
2011-2012	\$ 1,456,587	\$ 1,587,931	\$ 3,708,039	\$ 354,834	\$ 653,311	\$ 294,267	\$ 36,979	\$ 271,559	\$ 40,969	\$ 8,404,476
2012-2013	\$ 1,303,999	\$ 1,713,035	\$ 3,875,288	\$ 304,834	\$ 679,055	\$ 292,339	\$ 74,917	\$ 438,909	\$ 145,257	\$ 8,827,633
CalPERS Side Refunding	\$ -	\$ 170,000	\$ 1,718,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,888,000
Total 2012-2013	\$ 1,303,999	\$ 1,883,035 (1	\$ 5,593,288 (2	\$ 304,834	\$ 679,055	\$ 292,339	\$ 74,917	\$ 438,909	\$ 145,257	\$ 10,715,633
2013-2014	\$ 1,261,014	\$ 1,670,002	\$ 4,000,627	\$ 325,701	\$ 860,727	\$ -	\$ 185,102	\$ 471,421	\$ 364,518	\$ 9,139,112
2014-2015	\$ 1,325,612	\$ 1,804,086	\$ 4,203,081	\$ 330,534	\$ 928,607	\$ -	\$ 133,166	\$ 640,530	\$ 377,377	\$ 9,742,993
2015-2016	\$ 1,366,888	\$ 2,073,642	\$ 4,295,756	\$ 395,027	\$ 1,048,406	\$ -	\$ 87,916	\$ 1,031,130	\$ 389,582	\$ 10,688,347
2016-2017	\$ 1,759,720	\$ 2,358,334	\$ 4,756,752	\$ 370,533	\$ 757,283	\$ -	\$ 990,726	\$ 586,275	\$ 297,558	\$ 11,877,181
2017-2018	\$ 1,856,718	\$ 2,552,505	\$ 5,054,444	\$ 439,388	\$ 739,865	\$ -	\$ 149,255	\$ 1,445,583	\$ 307,507	\$ 12,545,265

The schedule above includes only those expenditures recorded in the general fund, special revenue, debt service, and capital projects funds.

(1) Amount includes a one time expense of \$170,000 of CalPERS Side Refunding which inflates this amount beyond normal operating costs.

(2) Amount include a one time expense of \$1,718,000 of CalPERS Side Refunding which inflates this amount beyond normal operating costs.

Source: City of Red Bluff Financial Report



## City of Red Bluff

### PROPERTY TAX RATES (DIRECT AND OVERLAPPING GOVERNMENTS)

Last Ten Fiscal Years

Fiscal Year	City of Red Bluff Rates			Overlapping Rates		Total Direct and Overlapping Rates (4)
	Basic Countywide Levy (1)	City's Share of Basic Levy (2)	Total Direct Tax Rate (3)	Red Bluff High	Shasta Community College	
2008-2009	1.0000%	0.22879%	0.17000%	0.0000%	0.0091%	1.0091%
2009-2010	1.0000%	0.22879%	0.17010%	0.0000%	0.0101%	1.0101%
2010-2011	1.0000%	0.22879%	0.16800%	0.0000%	0.0095%	1.0095%
2011-2012	1.0000%	0.22879%	0.16790%	0.0000%	0.0162%	1.0162%
2012-2013	1.0000%	0.22879%	0.17790%	0.0000%	0.0054%	1.0054%
2013-2014	1.0000%	0.22879%	0.17810%	0.0000%	0.0088%	1.0088%
2014-2015	1.0000%	0.22879%	0.17527%	0.0000%	0.0107%	1.0107%
2015-2016	1.0000%	0.22879%	0.17764%	0.0000%	0.0051%	1.0051%
2016-2017	1.0000%	0.22879%	0.17378%	0.0000%	0.0057%	1.0057%
2017-2018	1.0000%	0.22879%	0.17102%	0.0294%	0.0185%	1.0479%

(1) On June 6, 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount.

This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

(2) City's share of 1% levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio figures.

(3) Because basic and debt rates vary by tax rate area, individual rates cannot be summed. The total direct rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information and excludes revenues from aircraft.

(4) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners.

Source: Tehama County Auditor/Controller's Office

## City of Red Bluff

### ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years

Fiscal Year	Secured Roll Assessed Value	Unsecured Roll Assessed Value	Nonunitary Assessed Value	Total Net Assessed Value	Percent Change
2008-2009	\$ 821,901,789	\$ 59,977,180	\$ 1,617,685	\$ 883,496,654	5.73%
2009-2010	\$ 784,132,064	\$ 64,121,500	\$ 1,617,685	\$ 849,871,249	-3.81%
2010-2011	\$ 733,031,690	\$ 56,582,319	\$ 1,564,842	\$ 791,178,851	-6.91%
2011-2012	\$ 716,360,214	\$ 55,839,454	\$ 1,564,942	\$ 773,764,610	-2.20%
2012-2013	\$ 679,645,266	\$ 57,748,827	\$ 1,564,942	\$ 738,959,035	-4.50%
2013-2014	\$ 696,620,089	\$ 58,382,220	\$ 1,564,942	\$ 756,567,251	2.38%
2014-2015	\$ 704,067,230	\$ 59,432,383	\$ 1,318,125	\$ 764,817,738	1.09%
2015-2016	\$ 740,926,728	\$ 62,194,249	\$ 1,318,125	\$ 804,439,102	5.18%
2016-2017	\$ 784,434,144	\$ 63,465,839	\$ 1,318,125	\$ 849,218,108	5.57%
2017-2018	\$ 818,336,781	\$ 74,043,382	\$ 1,311,830	\$ 893,691,993	5.24%

#### Note:

In 1978, the voters of the State of California passed Proposition 13 which limited property taxes to a maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed valuation may be increased by an "inflation factor" (limited to a maximum increase of 2%). Usually property is only reassessed at the time that it is sold to a new owner. Proposition 8 allows for reassessment when market conditions change. This reassessment resulted in decreased assessed values in recent years. The assess value shown above represents only currently available data with respect to the actual market value of taxable property.

Source: Tehama County Assessor's Annual Reports

## City of Red Bluff

### PRINCIPAL SECURED PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2018				2009			
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Walmart Stores, Inc.	1	\$ 27,471,523	1	3.07%	\$ 10,423,152	4	1.18%	
Helibro LLC	2	20,675,310	2	2.31%	-	n/a	0.00%	
Kumar Hospitality, Inc.	3	16,952,329	3	1.90%	8,690,190	5	0.98%	
Belle Mill Retail Partners LLC	4	12,047,000	4	1.35%	13,259,999	1	1.50%	
Home Depot	5	8,078,990	5	0.90%	11,845,397	2	1.34%	
Raleys	6	7,499,973	6	0.84%	7,092,857	7	0.80%	
Cabernet Apartments ETAL	7	6,699,783	7	0.75%	8,313,572	6	0.94%	
Tehama Medical Arts LLC	8	6,474,949	8	0.72%	-	n/a	0.00%	
Assisted Living Facilities	9	6,177,574	9	0.69%	-	n/a	0.00%	
P J Helicopters, Inc.	10	5,921,362	10	0.66%	11,084,620	3	1.25%	
Southern Cascade Properties		-	n/a	0.00%	6,256,454	8	0.71%	
Price Family LLC		-	n/a	0.00%	6,044,666	9	0.68%	
Ninomiya Nursery Gilroy		-	n/a	0.00%	5,876,969	10	0.67%	
Sum of Ten Largest Property Valuation		117,998,793		13.20%	88,887,876		10.06%	
Other Taxpayers		775,693,200		86.80%	794,608,778		89.94%	
Total Property Valuations - Net of Exemptions		\$ 893,691,993		100.00%	\$ 883,496,654		100.00%	

Source: Tehama County Auditor/Controller's Office & HdL's "2008/09 and 2017/18 Top Property Taxpayers-Secured."

## City of Red Bluff

### BASIC PROPERTY VALUE TABLE SUMMARIZED BY USE

As of June 30, 2018

Category	Parcels	Assessed Value		Net Taxable Value	
Residential	4,000	\$ 543,939,290	54.1%	\$ 491,740,930	55.0%
Commercial	526	\$ 262,344,650	26.1%	\$ 259,917,895	29.1%
Industrial	79	\$ 35,161,316	3.5%	\$ 35,161,316	3.9%
Dry Farm	4	\$ 194,371	0.0%	\$ 194,371	0.0%
Govt. Owned	4	\$ 715,409	0.1%	\$ 715,409	0.1%
Institutional	45	\$ 59,125,975	5.9%	\$ 5,541,659	0.6%
Miscellaneous	20	\$ 758,908	0.1%	\$ 602,427	0.1%
Recreational	12	\$ 8,803,978	0.9%	\$ 8,489,874	0.9%
Vacant	300	\$ 11,542,284	1.1%	\$ 11,243,604	1.3%
Exempt	275	\$ -	0.0%	\$ -	0.0%
SBE Nonunitary	[9]	\$ 1,311,830	0.1%	\$ 1,311,830	0.1%
Cross Reference	[183]	\$ 4,729,296	0.5%	\$ 4,729,296	0.5%
Unsecured	[976]	\$ 76,105,560	7.6%	\$ 74,043,382	8.3%
<b>TOTALS</b>	<b>5,265</b>	<b>\$ 1,004,732,867</b>	<b>100.0%</b>	<b>\$ 893,691,993</b>	<b>100.0%</b>

Data Source: Tehama County Assessor 2017/18 Combined Tax Rolls

### Single Family Residential Full Value Sales (01/01/2016 - 06/30/2018)

Year	Full Value Sales	Average Price	Median Price	Median % Change
2016	180	\$ 154,913	\$ 153,000	
2017	200	\$ 158,732	\$ 159,750	4.41%
2018	95	\$ 179,106	\$ 179,000	12.05%

\* Sales not included in the analysis are quit claim deeds, trust transfers, timeshares, and partial sales.

Data Source: Tehama County Recorder

Data compiled by HdL, Coren & Cone

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

## City of Red Bluff

### PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Collections to Tax Levy
2008-2009	\$ 1,544,955	\$ 1,544,955	100%	\$ -	\$ 1,544,955	100%
2009-2010	\$ 1,462,204	\$ 1,462,204	100%	\$ -	\$ 1,462,204	100%
2010-2011	\$ 1,354,960	\$ 1,354,960	100%	\$ -	\$ 1,354,960	100%
2011-2012	\$ 1,324,799	\$ 1,324,799	100%	\$ -	\$ 1,324,799	100%
2012-2013	\$ 1,273,648	\$ 1,273,648	100%	\$ -	\$ 1,273,648	100%
2013-2014	\$ 1,330,013	\$ 1,330,013	100%	\$ -	\$ 1,330,013	100%
2014-2015	\$ 1,396,361	\$ 1,396,361	100%	\$ -	\$ 1,396,361	100%
2015-2016	\$ 1,409,976	\$ 1,409,976	100%	\$ -	\$ 1,409,976	100%
2016-2017	\$ 1,538,737	\$ 1,538,737	100%	\$ -	\$ 1,538,737	100%
2017-2018	\$ 1,492,031	\$ 1,492,031	100%	\$ -	\$ 1,492,031	100%

The City participates in the County "Teeter Plan" method of property tax

## City of Red Bluff

### TAXABLE PROPERTY VALUES (ROLL SUMMARY)

As of June 30, 2018

	Secured	Nonunitary Utilities	Unsecured
Parcels	4,990	9	976
TRAs	21	1	12
<b>Values</b>			
Land	\$ 222,862,867	\$ 1,311,830	\$ 1,371,135
Improvements	663,318,233	-	3,720,872
Personal property	31,792,481	-	26,747,890
Fixtures	9,341,896	-	10,660,589
Aircraft	-	-	33,605,074
<b>Total Values</b>	<b>927,315,477</b>	<b>1,311,830</b>	<b>42,500,486</b>
<b>Exemptions</b>			
Real estate	89,273,236	-	-
Personal property	15,877,124	-	916,136
Fixtures	3,828,336	-	737,550
Aircraft	-	-	408,492
Homeowners*	13,208,300	-	-
<b>Total Exemptions</b>	<b>108,978,696</b>	<b>-</b>	<b>1,653,686</b>
<b>Total Net Values</b>	<b>\$ 818,336,781</b>	<b>\$ 1,311,830</b>	<b>\$ 40,846,800</b>

Combined Values	Total
Total Values	\$ 971,127,793
Total Exemptions	\$ 110,632,382
Net Total Values	\$ 860,495,411
Net Aircraft Values	\$ 33,196,582

\* Note: Homeowner exemptions are not included in total exemptions

Totals do not include aircraft values or aircraft exemptions

Data Source: Tehama County Assessor 2017/18 Combined Tax Rolls

## City of Red Bluff

### ASSESSED VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Category	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Residential	\$ 520,436,882	\$ 475,343,273	\$ 436,208,869	\$ 437,042,328	\$ 416,542,159	\$ 414,200,942	\$ 425,652,465	\$ 461,044,374	\$ 470,843,087	\$ 491,740,930
Commercial	230,592,015	234,531,799	211,554,681	204,339,800	182,089,869	209,413,795	199,323,043	218,216,076	250,687,235	259,917,895
Industrial	37,926,611	37,576,041	29,194,594	28,010,421	26,039,963	25,409,557	24,710,396	30,414,376	32,424,487	35,161,316
Dry Farm	171,755	174,153	616,204	620,815	333,692	337,974	342,107	187,701	190,562	194,371
Govt. owned	261,947	267,185	461,648	738,764	273,929	616,718	504,192	686,282	690,647	715,409
Institutional	4,506,379	4,595,483	1,614,080	1,565,194	1,459,189	1,512,791	1,533,029	4,809,444	4,856,231	5,541,659
Irrigated	-	-	417,245	173,857	177,334	180,880	181,701	-	-	-
Miscellaneous	607,430	2,097,808	4,692,730	6,140,725	16,046,052	10,199,439	17,216,109	657,456	642,246	602,427
Recreational	7,323,291	7,068,114	5,852,355	5,949,671	5,160,623	5,231,513	5,310,943	8,392,086	8,509,162	8,489,874
Vacant	14,228,893	16,803,612	36,873,772	26,245,929	26,179,149	24,342,469	24,258,735	11,553,503	10,896,341	11,243,604
SBE nonunitary	1,617,685	1,617,685	1,564,842	1,564,942	1,564,942	1,564,942	1,318,125	1,318,125	1,318,125	1,311,830
Cross reference	5,846,586	5,674,596	5,545,512	5,532,710	5,343,307	5,174,011	5,034,510	4,965,430	4,694,146	4,729,296
Unsecured	59,977,180	64,121,500	56,582,319	55,839,454	57,748,827	58,382,220	59,432,383	62,194,249	85,230,689	74,043,382
Totals	\$ 883,496,654	\$ 849,871,249	\$ 791,178,851	\$ 773,764,610	\$ 738,959,035	\$ 756,567,251	\$ 764,817,738	\$ 804,439,102	\$ 870,982,958	\$ 893,691,993
Total Direct Rate	0.17003	0.17009	0.16797	0.16517	0.17516	0.17536	0.17527	0.17764	0.17378	0.17102

#### Notes:

Exempt values are not included in Total.

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the 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 of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value 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.

Data Source: Tehama County Assessor 2008/09 - 2017/18 Combined Tax Rolls via HdL, Coren & Cone

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

**City of Red Bluff****SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS**

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Special Assessment Billings</u>	<u>Special Assessment Collected</u>
2008-2009	\$ 24,400	\$ 18,791
2009-2010	\$ 25,596	\$ 20,829
2010-2011	\$ 24,542	\$ 19,462
2011-2012	\$ 23,450	\$ 19,408
2012-2013	\$ 23,373	\$ 19,823
2013-2014	\$ 22,671	\$ 18,471
2014-2015	\$ 22,287	\$ 20,512
2015-2016	\$ 21,450	\$ 18,613
2016-2017	\$ 21,475	\$ 19,781
2017-2018	\$ 22,614	\$ 18,364



## City of Red Bluff

### RATIO OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds	Loans	Capital Leases	Revenue Bonds	Loans			
2008-2009	\$ -	\$ -	\$ -	\$ 112,582	\$ 315,000	\$ 7,074,884	\$ 7,502,466	3.05%	545
2009-2010	\$ -	\$ -	\$ -	\$ 76,612	\$ 165,000	\$ 6,819,949	\$ 7,061,561	2.97%	514
2010-2011	\$ -	\$ -	\$ -	\$ 39,107	\$ -	\$ 6,558,872	\$ 6,597,979	2.74%	477
2011-2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,290,522	\$ 6,290,522	2.57%	448
2012-2013	\$ -	\$ -	\$ 1,888,000	\$ -	\$ -	\$ 932,042	\$ 2,820,042	1.12%	199
2013-2014	\$ -	\$ -	\$ 1,640,000	\$ 120,080	\$ -	\$ 805,924	\$ 2,566,004	1.06%	182
2014-2015	\$ -	\$ -	\$ 1,378,000	\$ 72,710	\$ -	\$ 677,532	\$ 2,128,242	0.90%	149
2015-2016	\$ -	\$ -	\$ 1,095,000	\$ 21,920	\$ -	\$ 546,825	\$ 1,663,745	0.72%	118
2016-2017	\$ -	\$ -	\$ 850,000	\$ 12,000	\$ -	\$ 413,760	\$ 1,275,760	0.54%	91
2017-2018	\$ -	\$ -	\$ 587,000	\$ -	\$ -	\$ 293,815	\$ 880,815	0.38%	64

Source:

City of Red Bluff Financial Report

U.S. Census Bureau

State of California, Department of Finance, Demographic Research Unit

Note: Personal income and per capita based on the calendar year information ending during that fiscal year.

Also See Note 4 of Financials

## City of Red Bluff

### RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Debt	Less: Amount Available in Debt Service Fund	Total	Percentage of Assessed Value	Per Capita	City Population	Net Assessed Value
2008-2009	\$ -	\$ -	\$ -	0.00%	\$ -	13,764	\$ 883,496,654
2009-2010	\$ -	\$ -	\$ -	0.00%	\$ -	13,726	\$ 849,871,249
2010-2011	\$ -	\$ -	\$ -	0.00%	\$ -	13,825	\$ 791,178,851
2011-2012	\$ -	\$ -	\$ -	0.00%	\$ -	14,032	\$ 773,764,610
2012-2013	\$ -	\$ -	\$ -	0.00%	\$ -	14,186	\$ 738,959,035
2013-2014	\$ -	\$ -	\$ -	0.00%	\$ -	14,131	\$ 756,567,251
2014-2015	\$ -	\$ -	\$ -	0.00%	\$ -	14,238	\$ 764,817,738
2015-2016	\$ -	\$ -	\$ -	0.00%	\$ -	14,048	\$ 804,439,102
2016-2017	\$ -	\$ -	\$ -	0.00%	\$ -	14,070	\$ 870,982,958
2017-2018	\$ -	\$ -	\$ -	0.00%	\$ -	13,858	\$ 893,691,993

Source: City of Red Bluff Financial Reports

## City of Red Bluff

### RATIO OF ANNUAL DEBT SERVICE FOR BONDED DEBT TO TOTAL GENERAL EXPENDITURES

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Bonded Debt</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to General Expenditures</u>
2008-2009	\$ 315,000	\$ 168,486	\$ 8,333,639	2.02%
2009-2010	\$ 165,000	\$ 171,548	\$ 7,609,869	2.25%
2010-2011	\$ -	\$ -	\$ 6,780,558	0.00%
2011-2012	\$ -	\$ -	\$ 7,122,000	0.00%
2012-2013	\$ -	\$ -	\$ 9,227,060	0.00%
2013-2014	\$ -	\$ -	\$ 7,861,749	0.00%
2014-2015	\$ -	\$ -	\$ 8,081,108	0.00%
2105-2016	\$ -	\$ -	\$ 8,762,896	0.00%
2106-2017	\$ -	\$ -	\$ 9,929,356	0.00%
2017-2018	\$ -	\$ -	\$ 11,104,010	0.00%

Source: City of Red Bluff Financial Reports

## City of Red Bluff

### DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2018

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City	City Share of Debt
Overlapping Debt Repaid with Property Tax: Shasta Community College	<u>\$ 22,600,000</u>	3.93%	<u>\$ 888,180</u>
Sub-Total overlapping debt	22,600,000		888,180
City of Red Bluff direct debt	<u>587,000</u>	100.00%	<u>\$ 587,000</u>
Total direct and overlapping debt	<u><u>\$ 23,187,000</u></u>		<u><u>\$ 1,475,180</u></u>

\* The percentage of overlapping debt applicable is estimated using taxable assessed property values.  
Applicable percentages were estimated by determining the city's taxable assessed value and dividing it by  
the Shasta Community College taxable assessed value.

Source: Tehama County Auditor/Controller's Office

**City of Red Bluff**  
**LEGAL DEBT MARGIN INFORMATION**  
**Last Ten Fiscal Years**

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Total Assessed Valuation	\$ 883,496,654	\$ 849,871,249	\$ 791,178,851	\$ 773,764,610	\$ 738,959,035	\$ 756,567,251	\$ 764,817,738	\$ 804,439,102	\$ 870,982,958	\$ 893,691,993
Debt Limit 15% of										
Total Assessed Valuation*	\$ 132,524,498	\$ 127,480,687	\$ 118,676,828	\$ 116,064,692	\$ 110,843,855	\$ 113,485,088	\$ 114,722,661	\$ 120,665,865	\$ 130,647,444	\$ 134,053,799
Debt Applicable to Debt Limit	315,000	165,000	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 132,209,498	\$ 127,315,687	\$ 118,676,828	\$ 116,064,692	\$ 110,843,855	\$ 113,485,088	\$ 114,722,661	\$ 120,665,865	\$ 130,647,444	\$ 134,053,799
Total Net	0.24%	0.13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

\* Section 43605 of the California Government Code provides that: "A city shall not incur an indebtedness for public improvements which exceeds in the aggregate 15% of the assessed value of all real and personal property of the city. Within the meaning of this section 'indebtedness' means bonded indebtedness of the city payable from the proceeds of taxes levied upon taxable property in the City."

Source: Tehama County Auditor/Controller's Office and City of Red Bluff Financial Reports

# City of Red Bluff

## PLEDGED REVENUE COVERAGE

### Last Ten Fiscal Years

Fiscal Year	CalPERS Refunding Loan						State Revolving Loan Fund and Revenue Bonds						
	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Total Debt Service	Coverage		Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	SRL Debt Debt Service	Revenue Bonds Debt Service	Total Debt Service	Coverage
2008-2009	\$ -	\$ -	\$ -	\$ -	-		\$ 2,194,460	\$ 1,442,100	\$ 752,360	\$ 142,923	\$ 168,486	\$ 311,409	2.42
2009-2010	\$ -	\$ -	\$ -	\$ -	-		\$ 2,109,942	\$ 1,452,774	\$ 657,168	\$ 142,923	\$ 171,548	\$ 314,471	2.09
2010-2011	\$ -	\$ -	\$ -	\$ -	-		\$ 2,102,029	\$ 1,459,385	\$ 642,644	\$ 142,923	\$ -	\$ 142,923	4.50
2011-2012	\$ -	\$ -	\$ -	\$ -	-		\$ 2,216,395	\$ 1,600,232	\$ 616,163	\$ 142,923	\$ -	\$ 142,923	4.31
2012-2013*	\$ 9,681,065	\$ 9,414,811	\$ 266,254	\$ 85,746	3.11		\$ 2,893,933	\$ 1,644,415	\$ 1,249,518	\$ 142,923	\$ -	\$ 142,923	8.74
2013-2014	\$ 7,950,884	\$ 7,796,554	\$ 154,330	\$ 319,214	0.48		\$ 2,917,443	\$ 1,790,688	\$ 1,126,755	\$ 142,923	\$ -	\$ 142,923	7.88
2014-2015	\$ 8,732,372	\$ 8,192,939	\$ 539,433	\$ 323,405	1.67		\$ 2,915,534	\$ 2,135,496	\$ 780,038	\$ 142,923	\$ -	\$ 142,923	5.46
2015-2016	\$ 10,004,548	\$ 8,917,342	\$ 1,087,206	\$ 333,993	3.26		\$ 2,909,695	\$ 2,251,500	\$ 658,195	\$ 142,923	\$ -	\$ 142,923	4.61
2016-2017	\$ 10,480,892	\$ 10,006,426	\$ 474,466	\$ 285,306	1.66		\$ 3,152,427	\$ 2,389,832	\$ 762,595	\$ 142,923	\$ -	\$ 142,923	5.34
2017-2018	\$ 11,097,061	\$ 11,222,683	\$ (125,622)	\$ 22,194,122	(0.01)		\$ 2,919,265	\$ 2,403,646	\$ 515,619	\$ 142,923	\$ -	\$ 142,923	3.61

Fiscal Year	CIEDB Loan					
	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Total Debt Service	Coverage	
2008-2009	\$ 2,160,972	\$ 1,160,759	\$ 1,000,213	\$ 265,593	3.77	
2009-2010	\$ 1,960,408	\$ 1,191,997	\$ 768,411	\$ 265,192	2.90	
2010-2011	\$ 1,985,521	\$ 1,196,492	\$ 789,029	\$ 264,778	2.98	
2011-2012	\$ 2,087,017	\$ 1,227,669	\$ 859,348	\$ 264,352	3.25	
2012-2013*	\$ 2,312,459	\$ 1,193,942	\$ 1,118,517	\$ 263,912	4.24	
2013-2014	\$ -	\$ -	\$ -	\$ -	-	
2014-2015	\$ -	\$ -	\$ -	\$ -	-	
2015-2016	\$ -	\$ -	\$ -	\$ -	-	
2016-2017	\$ -	\$ -	\$ -	\$ -	-	
2017-2018	\$ -	\$ -	\$ -	\$ -	-	

Source: City of Red Bluff Financial Reports

\* CalPERS Refunding Loan includes one time loan activity of \$1,948,000 in revenue and expenses

## City of Red Bluff

### GENERAL INFORMATION

As of June 30, 2018

#### Miscellaneous Information

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Year of Incorporation	1876
Population	13,858
Area in Acres	4,490
Form of Government	Council/Manager
Employees	
Full-time	99
Part-time	35
Miles of Streets	130
Number of Street Lights	822

#### Recreational Services

---

Community Center	1
Parks	10
Parks acreage	90
Baseball fields	4
Tennis courts	3
Swimming pool facilities	1
Skate park	1
Basketball courts	3

#### Public Safety Services

---

Fire Protection	
Number of stations	1
Number of firefighters	14
Number of volunteers	23
Police Protection	
Number of volunteers	10
Number of stations	1
Number of police officers	26
Number of records clerks	3
Dispatchers/ CSOs	10

#### Water and Sewer Facilities

---

Water System	
Number of connections	4,611
Length of water mains	68
Wastewater System	
Number of connections	4,611
Length of sewer lines in miles	60

**City of Red Bluff**  
**PRINCIPAL EMPLOYERS**  
 Current Year and Nine Years Ago

Employer	2018			2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
County of Tehama	1016	1	17%	822	1	15%
St. Elizabeth Hospital	525	2	9%	489	2	9%
Wal-Mart	363	3	6%	279	4	5%
Red Bluff Elementary School District	225	4	4%	288	3	5%
Red Bluff High School District	209	5	4%	207	5	4%
Tehama County Department of Education	189	6	3%	182	6	3%
City of Red Bluff	134	7	2%	152	7	3%
Raleys	110	8	2%	98	9	2%
Home Depot	100	9	2%	149	8	3%
Lassen Medical Group	99	10	2%	90	10	2%
Total Employment, City of Red Bluff	5,970			5,556		

Source: City Business License records, City Community Development Department, Employers, and a 2008 study.



**City of Red Bluff**  
**ECONOMIC INFORMATION**  
 Last Ten Fiscal Years

Calendar Year	Population	Unemployment Rate	Personal Income (In Thousands)	Per Capital Personal Income	Median Age*	% of Pop. 25+ with High School Degree*	% of Pop. 25+ with Bachelors Degree*
2008	13,764	10.7%	\$ 245,993	\$ 17,872			
2009	13,726	16.4%	\$ 237,974	\$ 17,337	35.4	78.6%	11.3%
2010	13,825	18.4%	\$ 240,845	\$ 17,421	32.7	79.3%	10.2%
2011	14,032	17.5%	\$ 244,999	\$ 17,460	33.8	81.0%	10.4%
2012	14,186	13.8%	\$ 250,738	\$ 17,675	33.1	82.9%	10.2%
2013	14,131	11.9%	\$ 241,697	\$ 17,104	33.2	80.7%	9.2%
2014	14,238	10.2%	\$ 237,262	\$ 16,664	34.1	80.9%	9.4%
2015	14,048	8.4%	\$ 232,209	\$ 16,529	35.2	84.7%	12.8%
2016	14,070	7.5%	\$ 236,191	\$ 16,786	37.9	85.3%	13.1%
2017	13,858	6.4%	\$ 233,660	\$ 16,860	36.7	86.3%	12.2%

\* Information not available for 2008

Source:

California Department of Finance, California Employment Development Department, 2000 US Census,  
 US Department of Commerce, and Bureau of Economic Analysis  
 Compiled by HdL, Coren & Cone

# City of Red Bluff

## OPERATING AND CAPITAL INDICATORS

### Last Ten Fiscal Years

Fiscal Year	Street Miles	Traffic Signals	Park Acreage	Water Wells	Sanitary Sewer Miles	Sewer Maximum Daily Treatment Capacity (Million Gallons)	Airport Runway Lengths 15L/33R (Feet)	Street Resurfacing (Tons of Asphalt)	Police Calls for Service*	Police Arrests*	Fire Dept. Service Calls	Fire Dept. Medical Emergency Calls	Number of Fire Hydrants
2008-2009	130.0	7	90	14	60	2.5	5,431	446	32,553	1,404	623	1,925	628
2009-2010	130.0	7	90	14	60	2.5	5,431	89	30,135	1,411	590	2,036	631
2010-2011	130.0	7	90	14	60	2.5	5,431	57	30,295	1,321	627	2,298	631
2011-2012	130.0	7	90	14	60	2.5	5,431	114	31,893	1,264	780	2,533	634
2012-2013	130.0	7	90	14	60	2.5	5,431	63	30,140	1,439	888	2,639	635
2013-2014	130.0	7	90	14	60	2.5	5,431	264	32,773	1,838	954	2,473	635
2014-2015	130.0	7	90	14	60	2.5	5,431	23	34,451	1,703	1,001	2,747	635
2015-2016	130.0	7	90	14	60	2.5	5,431	1,413	34,862	1,801	964	2,872	635
2016-2017	130.0	7	90	14	60	2.5	5,431	105	36,418	1,574	989	2,887	635
2017-2018	130.0	7	90	14	60	2.5	5,431	140	36,412	1,763	993	2,899	635

Source: City of Red Bluff records

\*Statistics only available in calendar year, so providing 2017 calendar year for 2017-18 fiscal year statistics.

## City of Red Bluff

### AUTHORIZED FULL-TIME AND PART-TIME POSITIONS BY DEPARTMENT Last Ten Fiscal Years

Department	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
General Government	16	16	17	10	10	8	8	9	10	10
Community Development	2	2	2	2	3	5	4	4	4	4
Fire	38	33	38	31	26	22	24	22	27	30
Police	42	40	41	36	36	33	32	32	33	39
Public Works	10	9	12	10	11	7	6	6	6	10
Sewer	4	6	6	6	5	4	4	4	4	8
Water	6	6	5	6	5	5	4	4	6	6
Parks & Recreation	16	25	35	49	49	43	49	43	35	45
Total City	134	137	156	150	145	127	131	124	125	152

Source: City of Red Bluff Personnel Department

## City of Red Bluff

### WATER AND SEWER RATES

Last Ten Fiscal Years

Fiscal Year	Water		Sewer	
	Monthly Base Rate	Consumption Rate Avg. Rate Per 100 Cu. Ft.	Monthly Base Rate	Rate Per 100 Cu. Ft. of Water Consumed
2008-2009	12.40	0.47	25.00	1.97
2009-2010	12.40	0.47	25.00	1.97
2010-2011	12.40	0.47	25.00	1.97
2011-2012	15.04	0.63	34.00	2.69
2012-2013	15.04	0.63	34.00	2.69
2013-2014	15.04	0.63	34.00	2.69
2014-2015	15.04	0.63	34.00	2.69
2015-2016	15.04	0.63	34.00	2.69
2016-2017	15.04	0.63	34.00	2.69
2017-2018	15.04	0.63	34.00	2.69

#### Notes:

Water rates are based on a 3/4" meter, which is a standard household meter size.

Water consumption rates vary with amount of water usage.

Sewer rates for a standard household are only the base rate.

Sewer rates for commercial properties are base rate plus water consumed.

Sewer consumption rate is basic rate for all commercial except bakeries and restaraunts.

Source: City of Red Bluff schedule of fees, current, and prior

## City of Red Bluff

### TOP 25 SALES TAX PRODUCERS

Last Ten Fiscal Years

#### FOR FISCAL YEAR 2017-18

Business Name	Business Category
Adobe Minimart	Service Stations
Arco AM PM	Service Stations
Arco AM PM	Service Stations
Dollar General	Variety Stores
Flyers	Service Stations
Food Maxx	Grocery Stores Liquor
Growney Motors Buick/GMC	New Motor Vehicle Dealers
Harbor Freight Tools	Building Materials
Home Depot	Building Materials
Jack in the Box	Quick-Service Restaurants
Les Schwab Tire Center	Automotive Supply Stores
McDonald's	Quick-Service Restaurants
More for Less Gas	Service Stations
One Stop Gas	Service Stations
Raleys	Grocery Stores Liquor
Red Bluff Chrysler Dodge Jeep Ram	New Motor Vehicle Dealers
Red Bluff Food Mart	Service Stations
Red Bluff Shell	Service Stations
Rina's Mini Mart	Service Stations
Taco Bell	Quick-Service Restaurants
Tractor Supply Company	Garden/Agricultural Supplies
USA Gas	Service Stations
Valero	Service Stations
Valero	Service Stations
Walmart Supercenter	Discount Dept Stores

#### FOR FISCAL YEAR 2008-09

Business Name	Business Category
Adobe Road Chevron	Service Stations
Antelope Liquors Power Gas	Service Stations
Antelope Valero	Service Stations
Arco AM PM	Service Stations
Food Maxx	Grocery Stores Liquor
Growney Motors Buick/GMC	New Motor Vehicle Dealers
Helser Chev Olds Cad & Geo	New Motor Vehicle Dealers
Home Depot	Lumber/Building Materials
Les Schwab Tire Center	Automotive Supply Stores
Liquor and Food	Convenience Stores/Liquor
Main Street Chevron	Service Stations
McDonald's	Quick-Service Restaurants
More for Less Gas	Service Stations
North Valley Distributing	Plumbing/Electrical Supplies
One Stop Gas & Food	Service Stations
Raleys	Grocery Stores Liquor
Red Bluff Ford Mercury	New Motor Vehicle Dealers
Red Bluff Shell	Service Stations
Staples	Office Supplies/Furniture
Tractor Supply	Garden/Agricultural Supplies
USA Gas	Service Stations
Valero	Service Stations
Walmart Supercenter	Discount Dept Stores
Warner Petroleum	Petroleum Prod/Equipment

Percent of Fiscal Year Total Paid By Top 25 Accounts = 69.98%

Period: July 2017 through March 2018

\* Firms Listed Alphabetically

Source: Hinderliter, de Llamas & Associates, State Board of Equalization

Percent of Fiscal Year Total Paid By Top 25 Accounts = 66.54%

Period: July 2008 through March 2009

## City of Red Bluff

### TAXABLE SALES BY CATEGORY

Last Ten Calendar Years (In Thousands of Dollars)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Apparel stores	\$ 957	\$ 905	\$ 876	\$ 1,108	\$ 1,297	\$ 1,360	\$ 1,479	\$ 2,179	\$ 2,041	\$ 2,170
Food stores	14,655	14,368	14,111	12,572	13,786	13,390	13,204	13,419	11,593	10,567
Eating and drinking places	28,456	26,125	28,277	28,632	30,388	30,790	31,960	34,441	36,396	37,515
Building materials	40,460	33,454	33,058	33,763	34,293	38,424	38,446	42,350	44,767	47,820
Auto dealers and supplies	53,594	27,187	20,380	18,266	26,944	42,610	53,799	68,583	71,996	74,473
Service stations	65,631	53,168	62,271	78,102	82,164	83,619	77,604	66,062	60,041	68,303
Other retail stores	76,148	68,070	65,609	65,525	71,369	70,573	74,281	73,757	77,893	77,993
All other outlets	56,188	42,623	46,846	45,460	45,858	48,241	52,851	64,062	67,991	66,512
<b>Total</b>	<b>\$ 336,089</b>	<b>\$ 265,900</b>	<b>\$ 271,428</b>	<b>\$ 283,428</b>	<b>\$ 306,099</b>	<b>\$ 329,007</b>	<b>\$ 343,624</b>	<b>\$ 364,853</b>	<b>\$ 372,718</b>	<b>\$ 385,353</b>

Source: State of California Board of Equalization and The HdL Companies

**Note:**

Due to confidentiality issues, the names of the ten largest revenue payers are not available.

The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

## **GAO SECTION**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and City Council  
City of Red Bluff, California

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Red Bluff (the City) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 5, 2018.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

(Continued)

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Aiello, Goodrich & Teuscher*

December 5, 2018  
Aiello, Goodrich & Teuscher  
An Accountancy Corporation  
Redding, California