CITY OF RED BLUFF, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended
June 30, 2019

Prepared by:

Red Bluff Finance Department

City of Red Bluff
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INTRODUCTORY SECTION

CITY OF RED BLUFF

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

December 10, 2019

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, 2019. 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, 2019, 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 occupancy tax and sales tax revenues leading the way with 33.7% and 17.7% increases, respectively. Overall, general fund revenue increased 15.8% over the prior year. However, 2019/20 is estimated to decrease 12.0% from the current year. This decrease is due to a large one time purchase in sales tax for 2018/19, that is not expected to recur in 2019/20, and conservative estimates in occupancy tax, as the 33.7% increase may not continue.

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. 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 69% increase in the Public Employees Retirement System (PERS) Unfunded Liability portion, and approximately $500,000 of general fund budget increases for salaries, supplies and services. These costs were offset by the increase in general fund revenues. The unexpected increase in sales tax revenue was mainly due to a large one-time purchase from a local vendor.

The budget committee is monitoring over $2.5 million in street improvement projects, and almost $9 million in capital projects, beginning in FY 17/18. These projects are designed to improve the equipment, infrastructure and facilities of the city administration, public works, water, wastewater, and community development departments. Currently, one of the eight street improvement projects have been completed, and approximately $2 million is slated for completion in FY 19/20. Also, 13 of the 33 capital projects have been completed, two have been removed from the list, and approximately $5.5 is slated for completion in FY 19/20.

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 each year by approximately 15% to 30% over the next four 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, 2018. This was the fourth 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

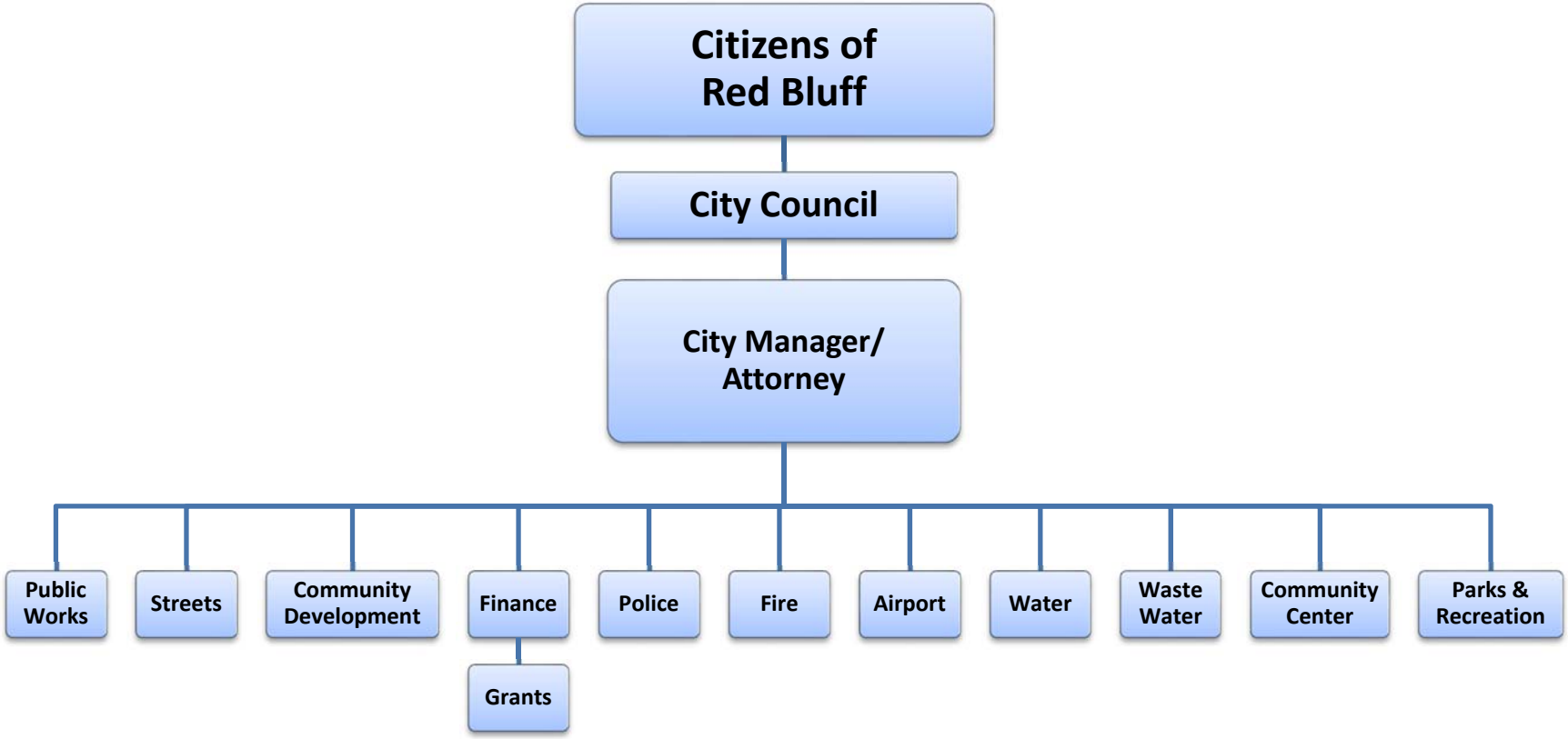
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

City of Red Bluff
ORGANIZATIONAL CHART
June 30, 2019



Council Committees: Budget Committee and Audit Committee

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

CITY COUNCIL

Mayor ..... Amanda Jenkins

Mayor Pro Tem ..... Clay Parker

Council Member ..... Daniele Eyestone

Council Member ..... Kris Deiters

Council Member ..... Johnna Jones

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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.

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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, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General 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 13 through 22 and pension disclosure schedules on pages 67 through 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

INDEPENDENT AUDITORS' REPORT
(Continued)

The combining and individual nonmajor fund financial statements 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 6, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 6, 2019
AGT CPAs & Advisors
Redding, California

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

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, 2019.

FINANCIAL HIGHLIGHTS

The assets of the City exceeded its liabilities at the close of the most recent fiscal year by $55,486,710 (net position). Of this amount, $3,806,219 (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 $8,591. Major changes include Other Post-Employment Benefits (OPEB) liability (approximately a $450,000 increase), an increase in the pension liabilities (approximately a $200,000 increase), a decrease in deferred inflows from pension (approximately $400,000), a decrease in deferred outflows from pensions (approximately $900,000), an increase in other liabilities (approximately $305,000) relating to a down payment received for the purchase of City property, and a decrease in prepaids (approximately $200,000) relating to the purchase of a new fire truck for the City.

As of the close of the current fiscal year, the City's governmental activities reported combined total net position of $28,417,372. Of this amount $(8,424,483) is unrestricted and available for use within the City's designation and policies. This deficit is the result of the GASB 68 & 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 $112,775 or 0.01% of the total General Fund expenditures. The assigned fund balance of $3,600,000 is comprised of the following: 1) assigned for contingencies - $1,169,285 or 10% of the total General Fund expenditures; and 2) assigned for uncertainties - $584,642 or 5% of the total General Fund expenditures; 3) assigned for fire apparatus and vehicles – $213,875; 4) assigned for vehicles - $250,000; 5) assigned for city buildings - $330,000; and 6) assigned for technology - $250,000; 7) assigned for ADA projects - $250,000; 8) assigned for quarter cent sales tax one-time expenses - $141,925; 9) assigned for increased CalPERS expenses - $290,485; and assigned for parks equipment and improvements – $119,788.

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.

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.

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 $55,486,710 as of June 30, 2019.

The largest portion of the City's net position $40,725,228 (73.40%) 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 $10,955,263 of the City's net position (19.74%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position $3,806,219 may be used to meet the government's ongoing obligation to citizens and creditors.

The following table provides a summary of the City's Net Position for the years ended June 30, 2019 and 2018.

CITY OF RED BLUFF'S NET POSITION

	Governmental Activities		Business-Type Activities		Total Primary Government	
June 30	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
ASSETS						
Current and other assets	$ 18,475,330	$ 17,472,132	$ 15,681,757	$ 15,161,633	$ 34,157,087	$ 32,633,765
Capital assets	26,319,561	26,567,947	14,987,013	15,443,947	41,306,574	42,011,894
TOTAL ASSETS	44,794,891	44,040,079	30,668,770	30,605,580	75,463,661	74,645,659
Deferred outflows from pensions	3,848,994	4,547,772	917,495	1,054,586	4,766,489	5,602,358
LIABILITIES						
Net OPEB liability	2,962,384	2,589,971	578,411	499,274	3,540,795	3,089,245
Net pension liability	13,464,327	13,363,283	2,845,681	2,750,871	16,310,008	16,114,154
Long-term liabilities	1,866,540	1,773,872	313,804	478,101	2,180,344	2,251,973
Other liabilities	919,866	787,695	381,377	710,450	1,301,243	1,498,145
TOTAL LIABILITIES	19,213,117	18,514,821	4,119,273	4,438,696	23,332,390	22,953,517
Deferred inflows from pensions	1,013,396	1,297,687	397,654	501,512	1,411,050	1,799,199
NET POSITION						
Net investment in capital assets	25,886,592	26,567,947	14,838,636	15,150,132	40,725,228	41,718,079
Restricted	10,955,263	10,712,625	-	-	10,955,263	10,712,625
Unrestricted	(8,424,483)	(8,505,229)	12,230,702	11,569,826	3,806,219	3,064,597
TOTAL NET POSITION	$ 28,417,372	$ 28,775,343	$ 27,069,338	$ 26,719,958	$ 55,486,710	$ 55,495,301

As of June 30, 2019, the City is able to report positive balances in all three categories of net position for the government as a whole.

Analysis of the City's Operations

The following table provides a summary of the City's operations for the years ended June 30, 2019 and 2018.

CITY OF RED BLUFF'S STATEMENT OF ACTIVITIES

	Governmental Activities		Business-Type Activities		Total Primary Government	
Years Ended June 30	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues:						
Charges for services	$ 620,411	$ 678,914	$ 5,834,741	$ 5,807,528	$ 6,455,152	$ 6,486,442
Operating grants and contributions	1,437,725	1,513,461	45,050	97,710	1,482,775	1,611,171
Capital grants and contributions	64,970	449,658	37,928	111,640	102,898	561,298
General Revenues:						
Sales taxes	5,399,869	4,444,998	-	-	5,399,869	4,444,998
Property taxes	1,661,525	1,492,031	105,576	105,298	1,767,101	1,597,329
Motel taxes	1,473,204	977,215	-	-	1,473,204	977,215
Special gas taxes	277,846	289,366	-	-	277,846	289,366
Franchise taxes	399,784	378,888	-	-	399,784	378,888
Other taxes	215,329	252,212	-	-	215,329	252,212
Motor vehicle license fees	1,298,324	1,199,422	-	-	1,298,324	1,199,422
Impact fees	53,692	112,997	-	-	53,692	112,997
Investment earnings	218,846	201,797	318,285	172,188	537,131	373,985
Gain on sale of assets	5,000	-	-	-	5,000	-
Total Revenues	13,126,525	11,990,959	6,341,580	6,294,364	19,468,105	18,285,323
Expenses						
General Government:						
City administration	375,257	766,534	-	-	375,257	766,534
Finance	536,268	507,501	-	-	536,268	507,501
Community promotion and economic development	65,224	91,609	-	-	65,224	91,609
Human resources	193,442	187,749	-	-	193,442	187,749
Engineering and administration	181,824	173,262	-	-	181,824	173,262
Government buildings	519,926	404,680	-	-	519,926	404,680
General government	244,478	212,508	-	-	244,478	212,508
Public Safety:						
Fire	2,982,813	2,337,619	-	-	2,982,813	2,337,619
Police	6,375,624	6,234,793	-	-	6,375,624	6,234,793
Parks and recreation	627,982	538,507	-	-	627,982	538,507
Transportation and streets	2,107,137	2,294,797	-	-	2,107,137	2,294,797
Grants and program income	-	149,233	-	-	-	149,233
Community development	-	-	360,923	314,442	360,923	314,442
Waste water	-	-	2,585,023	2,409,070	2,585,023	2,409,070
Water	-	-	1,712,325	1,807,750	1,712,325	1,807,750
Airport	-	-	250,246	236,729	250,246	236,729
Community center	-	-	358,204	252,542	358,204	252,542
Total Expenses	14,209,975	13,898,792	5,266,721	5,020,533	19,476,696	18,919,325
Excess (deficiency) before transfers	(1,083,450)	(1,907,833)	1,074,859	1,273,831	(8,591)	(634,002)
Transfers	725,479	828,038	(725,479)	(828,038)	-	-
Change in Net Position (Expense) revenue - net	(357,971)	(1,079,795)	349,380	445,793	(8,591)	(634,002)
Net Position - Beg. of Year	28,775,343	30,754,346	26,719,958	26,668,923	55,495,301	57,423,269
Prior Period Adjustment	-	(899,208)	-	(394,758)	-	(1,293,966)
Net Position - End of Year	$ 28,417,372	$ 28,775,343	$ 27,069,338	$ 26,719,958	$ 55,486,710	$ 55,495,301

The governmental activities net position decreased $357,971. The following are significant changes from the prior year:

1) Sales tax revenue increased by $995,000 due to a one-time purchase that was a significant amount, and increased sales activity due to significant fires in neighboring towns created an increase in population. Other revenue that increased due to fires are motel tax revenue. Property Tax and Motor Vehicle License fees also increased by $100,000 each, due to commercial building improvements and increased fees, respectively.
2) City Admin expenses decreased by $391,300 due to decreased pension expenses from fluctuations in estimates.
3) Community promotion decreased by $26,400 due to no special assessment on the Downtown Business District in FY 2018/19.
4) Govt. Buildings expenses increased by $115,250 and transportation decreased by $187,700 mainly due to decrease transportation revenue causing Govt. Buildings to bear more of the cost of personnel for streets maintenance.
5) Fire expenses increased by $645,000 mainly due to pension increase from fluctuations in estimates.
6) Police expenses increased by $100,000 due to pension expense increases from fluctuations in estimates.
7) Parks and Recreation increased due to pension expense increases from fluctuations in estimates.
8) Grants and program income revenues and expenses decreased by $385,000 and $115,000, respectively, due to decreased activity in the CDBG grant as the grant was completed the prior year.

The business activities net position increased $349,380. The following are significant changes from the prior year.

1) Capital grants and contributions revenues decreased by $75,000 due to the completion of the FAA grant project.
2) Investment earnings revenue increased by $145,000 due to increased cash balances and increased interest rates.
3) Community Development expenses increased by $46,000 due to pension expense increases from fluctuations in estimates.
4) Wastewater expenses increased by $176,000 due to pension expense increases from fluctuations in estimates and an increase in WWTP Operations Contract increases.
5) Water expenses decreased by $95,000 due to pension expense decreases from fluctuations in estimates and decreases in supplies and service purchases.
6) Community Center expenses increased by $100,000 due a new roof and PERS costs.
7) Operating transfers out decreased by $100,000 due to the update of the cost allocation plan.

Overall the primary government net position has not changed significantly from the prior year. From the significant changes stated above, it can be noted that pension costs can fluctuate significantly from year to year, based on current events, employee turnover, economy, inflation rates, etc.

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, 2019.

	General Fund	Traffic Control Capital Improvement Fund	Grants/ Program Income Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues	$ 11,528,257	$ 48,315	$ 41,554	$ 1,420,414	$ 13,038,540
Expenditures	11,835,903	397,526	4,412	905,308	13,143,149
Other financing sources (uses) - net	1,152,365	-	-	29,237	1,181,602
Change in Fund Balances	844,719	(349,211)	37,142	544,343	1,076,993
Fund Balance - July 1, 2018	2,868,972	2,523,656	4,071,131	5,338,248	14,802,007
Fund Balance - June 30, 2019	$ 3,713,691	$ 2,174,445	$ 4,108,273	$ 5,882,591	$ 15,879,000

The main reason for the general fund increase in fund balance is sales tax revenue increased by $995,000 due to a one-time purchase that was a significant amount, and increased sales activity due to significant fires in neighboring towns created an increase in population and activity. Other revenue that increased due to fires are motel tax revenue. Property Tax and Motor Vehicle License fees also increased by $100,000 each, due to commercial building improvements and increased fees, respectively. The budget committee approved expenditures of the traffic control improvement fund during the year for the South Jackson Street sidewalk and repaving project. The CDBG grant was finalized/completed during the prior year. Non-major governmental funds balance increased mainly due to RSTP funds received from the state which has 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 the City's contingency reserve, economic uncertainty reserve, and capital asset reserve, as stated in the City's reserve policy. The general fund increased the assigned fund balance by $1,000,000 over the prior year. The City is still at its goal of 10% of annual expenditures assigned for the contingency reserve, 5% of annual expenditures assigned for the economic uncertainty reserve, and assigning fund balance for the capital asset reserve. The current assigned fund balance of $3,600,000 is detailed as follows: $1,169,285 assigned for the contingency reserve; $584,642 assigned for the economic uncertainty reserve; $250,000 assigned for vehicle reserve; $330,000 assigned for building reserve; $250,000 assigned for technology reserve; $250,000 assigned for ADA reserve; $119,788 assigned for parks reserve; $213,875 assigned for Fire Department vehicles reserve; an additional $290,485 assigned for CalPERS increases in the economic uncertainty reserve; and an additional $141,925 assigned for quarter cent sales tax expenses in the vehicle reserve.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $15,879,135. Approximately 22.88% 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 $5,087,765 and Water Fund $6,887,665. All Other Enterprise Funds had unrestricted net position of $255,272.

General Fund Budgetary Highlights

In the General Fund, the City budgeted for a reduction in the fund balance of $845,326 which was a result of authorized budgeted expenditures exceeding appropriations. Actual revenues were $11,528,257 with final budget being $10,122,357 with a favorable variance of $1,405,900 and actual expenditures being more than budgeted expenditures with a unfavorable variance of $(128,429). This unfavorable variance is due to the debt financed purchased of the fire truck of $456,123.

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 $406,442 and $579,663, respectively. The increases were due to new grants and donations which increased revenue and expenditures by the same amount, and increases in Machinery & Equipment, Overtime, and supplies & services expenditures. General Fund expenditures overall were $128,429 over budget.

The City's total budgeted revenue at final budget was $10,122,357. The majority of the revenue received over budgeted was sales taxes and motel 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, 2019, amounts to $41,306,574 (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.

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

Water: New well monitoring system (CIP) - $40,000; new tractor - $96,000; new truck - $37,350.

Wastewater: Pipe camera - $122,500, new lift station monitoring system (CIP) - $60,000; 2 new trucks - $67,000.

Airport: Runway project completed.

Fire: New breathing apparatus - $180,000; new fire truck and enforcer pumper - $656,620

Police: 3 new Dodge Charger police cars - $128,000; evidence building completed.

Parks & Recreation: New playground equipment for Forward Park - $43,750.

Public Works: Wood chipper - $34,700; S. Jackson Street improvement completed.

CAPITAL ASSETS AT YEAR END
NET OF ACCUMULATED DEPRECIATION

	Governmental Activities		Business-Type Activities		Total Primary Government	
Years Ended June 30	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Land	$ 305,206	$ 305,206	$ 910,368	$ 910,368	$ 1,215,574	$ 1,215,574
Buildings	480,283	133,211	128,883	130,585	609,166	263,796
Improvements	2,181,286	1,870,649	6,771,227	7,234,145	8,952,513	9,104,794
Equipment	494,778	366,071	778,747	773,947	1,273,525	1,140,018
Vehicles	919,921	282,200	258,305	105,137	1,178,226	387,337
Infrastructure	21,312,712	22,090,739	5,274,566	4,869,146	26,587,278	26,959,885
Construction in progress	625,375	1,519,871	864,917	1,420,619	1,490,292	2,940,490
Total	$ 26,319,561	$ 26,567,947	$ 14,987,013	$ 15,443,947	$ 41,306,574	$ 42,011,894

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had a total loans/leases payable of $885,346. At the end of the current fiscal year, the City had a total leave/OPEB/Pension liabilities of $21,145,801. Additional information is located in the Notes to the Financial Statements, Note 5. Long-Term Liabilities.

There was one addition to debt payable this year, a new fire truck lease. Next year is the last year for both loans payable and for the Ford lease. The City will only have the fire truck lease thereafter.

OUTSTANDING DEBT AT YEAR END

	Governmental Activities		Business-Type Activities		Total Primary Government	
Years Ended June 30	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Leave/OPEB/Pension	$ 17,556,282	$ 17,140,126	$ 3,589,519	$ 3,434,431	$ 21,145,801	$ 20,574,557
Notes payable	736,969	587,000	148,377	293,815	885,346	880,815
Total	$ 18,293,251	$ 17,727,126	$ 3,737,896	$ 3,728,246	$ 22,031,147	$ 21,455,372

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 2019-20 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 increased liability reported for OPEB and Pension expense.
7. Forecasted expenditures exceeding revenues in the coming years.

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, 2019	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS			
Assets			
Cash and cash equivalents	$ 9,337,125	$ 14,870,548	$ 24,207,673
Investments	1,993,837	-	1,993,837
Receivables:			
Taxes	311,034	-	311,034
Accounts - net	22,925	728,816	751,741
Interest	1,439,630	19,887	1,459,517
Due from other governments	1,423,231	22,135	1,445,366
Prepaid expenses	916	4,749	5,665
Prepaid pension expense	261,576	-	261,576
Internal balances	(35,622)	35,622	-
Loans receivable	3,720,678	-	3,720,678
Nondepreciable capital assets	930,581	1,775,285	2,705,866
Depreciable capital assets - net	25,388,980	13,211,728	38,600,708
Total Assets	44,794,891	30,668,770	75,463,661
Deferred Outflows of Resources			
Deferred outflows from other postemployment benefits	139,242	27,891	167,133
Deferred outflows from pensions	3,709,752	889,604	4,599,356
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 48,643,885	$ 31,586,265	$ 80,230,150

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

City of Red Bluff

STATEMENT OF NET POSITION
(Continued)

June 30, 2019	Governmental Activities	Business-Type Activities	Total
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION			
Liabilities			
Accounts payable	$ 113,558	$ 164,573	$ 278,131
Accrued interest payable	12,400	5,677	18,077
Accrued payroll and benefits	305,131	48,147	353,278
Customer/employee deposits	1,000	145,601	146,601
Other liabilities	487,777	17,379	505,156
Long-term liabilities:			
Due within one year			
Loans, leases, compensated absences	610,422	189,733	800,155
Due in more than one year			
Loans, leases, compensated absences	1,256,118	124,071	1,380,189
Net other postemployment benefits liability	2,962,384	578,411	3,540,795
Net pension liability	13,464,327	2,845,681	16,310,008
Total Liabilities	19,213,117	4,119,273	23,332,390
Deferred Inflows of Resources			
Deferred inflows from pension	1,013,396	397,654	1,411,050
Net Position			
Net investment in capital assets	25,886,592	14,838,636	40,725,228
Restricted for:			
Grant programs and program income	4,314,621	-	4,314,621
Impact fee development	5,440,584	-	5,440,584
Transportation	919,275	-	919,275
Other	280,783	-	280,783
Unrestricted	(8,424,483)	12,230,702	3,806,219
Total Net Position	28,417,372	27,069,338	55,486,710
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	$ 48,643,885	$ 31,586,265	$ 80,230,150

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

City of Red Bluff

STATEMENT OF ACTIVITIES

Year Ended June 30, 2019	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary Government					
Governmental activities:					
General government:					
City administration	$ 375,257	$ -	$ -	$ -	$ (375,257)
Finance	536,268	-	-	-	(536,268)
Community promotion and economic development	65,224	-	24,648	-	(40,576)
Human resources	193,442	-	-	-	(193,442)
Engineering and administration	181,824	-	-	-	(181,824)
Government buildings	519,926	-	-	5,516	(514,410)
General government	244,478	451,138	42,925	5,040	254,625
Public safety:					
Fire	2,982,813	15,102	266,168	12,442	(2,689,101)
Police	6,375,624	84,829	339,734	25,120	(5,925,941)
Parks and recreation	627,982	69,342	11,491	16,852	(530,297)
Transportation and streets	2,107,137	-	752,759	-	(1,354,378)
Total Governmental Activities	14,209,975	620,411	1,437,725	64,970	(12,086,869)
Business-type activities:					
Community development	360,923	428,062	-	-	67,139
Waste water	2,585,023	2,935,002	-	-	349,979
Water	1,712,325	2,227,451	-	-	515,126
Airport	250,246	124,068	-	37,928	(88,250)
Community center	358,204	120,158	45,050	-	(192,996)
Total Business-Type Activities	5,266,721	5,834,741	45,050	37,928	650,998
Total Primary Government	$ 19,476,696	$ 6,455,152	$ 1,482,775	$ 102,898	$ (11,435,871)

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

City of Red Bluff

STATEMENT OF ACTIVITIES
(Continued)

Year Ended June 30, 2019	Governmental Activities	Business-Type Activities	Total
Change in Net Position			
(Expense) revenue - net	$ (12,086,869)	$ 650,998	$ (11,435,871)
General Revenues and Transfers			
General revenues:			
Taxes:			
Sales taxes	5,399,869	-	5,399,869
Property taxes	1,661,525	105,576	1,767,101
Motel taxes	1,473,204	-	1,473,204
Special gas taxes	277,846	-	277,846
Franchise taxes	399,784	-	399,784
Other taxes	215,329	-	215,329
Motor vehicle license fees	1,298,324	-	1,298,324
Impact fees	53,692	-	53,692
Investment earnings	218,846	318,285	537,131
Gain (loss) on sale of assets	5,000	-	5,000
Transfers	725,479	(725,479)	-
Total General Revenues and Transfers	11,728,898	(301,618)	11,427,280
Change in Net Position	(357,971)	349,380	(8,591)
Net Position - Beginning of Year	28,775,343	26,719,958	55,495,301
Net Position - End of Year	$ 28,417,372	$ 27,069,338	$ 55,486,710

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

City of Red Bluff

BALANCE SHEET – GOVERNMENTAL FUNDS

June 30, 2019	General Fund	Traffic Control Capital Improvement Fund	Grants/ Program Income Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 755,755	$ 2,171,909	$ 387,892	$ 6,021,569	$ 9,337,125
Investments	1,993,837	-	-	-	1,993,837
Receivables:					
Taxes	311,034	-	-	-	311,034
Accounts	15,745	-	-	7,180	22,925
Interest	2,401	2,536	1,427,615	7,078	1,439,630
Loans	-	-	3,720,678	-	3,720,678
Prepaids	916	-	-	-	916
Due from other governments	1,332,154	-	-	91,077	1,423,231
Due from other funds	17,053	-	-	-	17,053
TOTAL ASSETS	$ 4,428,895	$ 2,174,445	$ 5,536,185	$ 6,126,904	$ 18,266,429
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	$ 78,585	$ -	$ 750	$ 34,223	$ 113,558
Accrued payroll and benefits	300,356	-	-	4,775	305,131
Accrued interest payable	-	-	-	126	126
Customer/employee deposits	1,000	-	-	-	1,000
Other liabilities	335,263	-	-	152,514	487,777
Due to other funds	-	-	-	52,675	52,675
Total Liabilities	715,204	-	750	244,313	960,267
Deferred Inflows of Resources					
Interest on notes receivable	-	-	1,427,162	-	1,427,162
Fund Balances (Deficit)					
Nonspendable	916	-	-	-	916
Restricted	-	2,014,723	4,090,639	4,689,250	10,794,612
Committed	-	-	-	904,409	904,409
Assigned	3,600,000	159,722	17,634	324,595	4,101,951
Unassigned	112,775	-	-	(35,663)	77,112
Total Fund Balances	3,713,691	2,174,445	4,108,273	5,882,591	15,879,000
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 4,428,895	$ 2,174,445	$ 5,536,185	$ 6,126,904	$ 18,266,429

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, 2019

Total Fund Balances Included in the Balance Sheet - Governmental Funds		$ 15,879,000
Assets recorded within the Statement of Net Position not reported in the funds:		
Prepaid pension expenses		261,576
Nondepreciable capital assets		930,581
Depreciable capital assets	$ 65,916,524	
Accumulated depreciation	(40,527,544)	25,388,980
Deferred inflows of resources recorded within the funds not reported in the Statement of Net Position:		
Interest on notes receivable		1,427,288
Liabilities recorded within the Statement of Net Position not reported in the funds:		
Accrued interest payable		(12,400)
Net pension liability		(13,464,327)
Compensated absences		(1,129,571)
Long-term obligations		(736,969)
Other postemployment benefits obligation		(2,962,384)
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		139,242
Deferred outflows of resources relating to pensions		3,709,752
Deferred inflows of resources relating to pensions		(1,013,396)
Net Position Reported Within the Statement of Net Position - Governmental Activities		$ 28,417,372

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, 2019	General Fund	Traffic Control Capital Improvement Fund	Grants/ Program Income Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Sales taxes	$ 5,399,869	$ -	$ -	$ -	$ 5,399,869
Property taxes	1,661,525	-	-	-	1,661,525
Motel taxes	1,473,204	-	-	-	1,473,204
Franchise taxes	399,784	-	-	-	399,784
Other taxes	34,695	-	-	180,634	215,329
Licenses and permits	425,605	-	-	-	425,605
Fines, forfeitures, and penalties	20,179	-	-	26,990	47,169
Use of money and property	4,948	43,663	3,718	107,029	159,358
Intergovernmental revenue	1,792,656	-	-	1,057,497	2,850,153
Charges for current services	107,427	-	-	-	107,427
Other revenues	208,365	4,652	37,836	49,040	299,893
Total Revenues	11,528,257	48,315	41,554	1,421,190	13,039,316
Expenditures					
Current:					
General government	1,877,983	-	-	16,987	1,894,970
Fire public safety	2,634,641	-	-	-	2,634,641
Police public safety	5,483,543	-	-	-	5,483,543
Parks and recreation	436,547	-	-	-	436,547
Transportation and streets	-	-	-	713,345	713,345
Grants and program income	-	-	4,412	5,000	9,412
Capital outlay	1,050,088	397,526	-	169,363	1,616,977
Debt service:					
Principal	306,154	-	-	-	306,154
Interest	46,947	-	-	1,389	48,336
Total Expenditures	11,835,903	397,526	4,412	906,084	13,143,925
Excess (Deficiency) of Revenues Over (Under) Expenditures	(307,646)	(349,211)	37,142	515,106	(104,609)
Other Financing Sources (Uses)					
Transfers in	875,501	-	-	194,027	1,069,528
Transfers out	(179,259)	-	-	(164,790)	(344,049)
Capital lease	456,123	-	-	-	456,123
Total Other Financing Sources (Uses)	1,152,365	-	-	29,237	1,181,602
Net Change in Fund Balances	844,719	(349,211)	37,142	544,343	1,076,993
Fund Balances - Beginning of Year	2,868,972	2,523,656	4,071,131	5,338,248	14,802,007
Fund Balances - End of Year	$ 3,713,691	$ 2,174,445	$ 4,108,273	$ 5,882,591	$ 15,879,000

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, 2019

Total Net Change in Fund Balance Included in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds		$ 1,076,993
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	$ 1,616,977	
Depreciation expense	(1,865,361)	(248,384)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Interest income		47,986
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		306,154
Debt proceeds		(456,123)
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		(319,253)
Pension costs		(568,690)
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		(253,955)
Compensated absences expense		57,301
Net Change in Net Position Reported Within the Statement of Activities - Governmental Activities		$ (357,971)

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

	General Fund				Grants/Program Income Fund			
	Budgeted Amounts			Variance with Final	Budgeted Amounts			Variance with Final
Year Ended June 30, 2019	Original	Final	Actual	Budget	Original	Final	Actual	Budget
Revenues								
Sales taxes	$ 4,608,000	$ 4,608,000	$ 5,399,869	$ 791,869	$ -	$ -	$ -	$ -
Property taxes	1,644,242	1,644,242	1,661,525	17,283	-	-	-	-
Motel taxes	930,000	930,000	1,473,204	543,204	-	-	-	-
Franchise taxes	345,000	345,000	399,784	54,784	-	-	-	-
Other taxes	44,000	44,000	34,695	(9,305)	-	-	-	-
Licenses and permits	409,417	409,417	425,605	16,188	-	-	-	-
Fines, forfeitures, and penalties	18,700	18,700	20,179	1,479	-	-	-	-
Use of money and property	-	-	4,948	4,948	200	200	3,718	3,518
Intergovernmental revenue	1,463,028	1,816,345	1,792,656	(23,689)	-	-	-	-
Charges for current services	136,278	136,278	107,427	(28,851)	-	-	-	-
Other revenues	117,250	170,375	208,365	37,990	-	-	37,836	37,836
Total Revenues	9,715,915	10,122,357	11,528,257	1,405,900	200	200	41,554	41,354
Expenditures								
Current:								
General government	1,955,991	1,980,991	1,877,983	103,008	-	-	-	-
Fire public safety	2,480,830	2,637,474	2,634,641	2,833	-	-	-	-
Police public safety	5,419,885	5,508,847	5,483,543	25,304	-	-	-	-
Parks and recreation	466,960	479,560	436,547	43,013	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	12,000	12,000	4,412	7,588
Capital outlay	501,000	787,412	1,050,088	(262,676)	-	-	-	-
Debt service:								
Principal	303,145	303,145	306,154	(3,009)	-	-	-	-
Interest	-	10,045	46,947	(36,902)	-	-	-	-
Total Expenditures	11,127,811	11,707,474	11,835,903	(128,429)	12,000	12,000	4,412	7,588
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,411,896)	(1,585,117)	(307,646)	1,277,471	(11,800)	(11,800)	37,142	48,942
Other Financing Sources (Uses)								
Transfers in	708,820	857,041	875,501	18,460	-	-	-	-
Transfers out	(142,250)	(249,570)	(179,259)	70,311	-	-	-	-
Capital lease	-	-	456,123	456,123	-	-	-	-
Total Other Financing Sources (Uses)	566,570	607,471	1,152,365	544,894	-	-	-	-
Net Change in Fund Balances	(845,326)	(977,646)	844,719	1,822,365	(11,800)	(11,800)	37,142	48,942
Fund Balances - Beginning of Year	2,868,972	2,868,972	2,868,972	-	4,071,131	4,071,131	4,071,131	-
Fund Balances - End of Year	$ 2,023,646	$ 1,891,326	$ 3,713,691	$ 1,822,365	$ 4,059,331	$ 4,059,331	$ 4,108,273	$ 48,942

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

City of Red Bluff

STATEMENT OF NET POSITION – PROPRIETARY FUNDS

June 30, 2019	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Total
ASSETS AND DEFERRED OUTFLOWS				
Current Assets				
Cash and cash equivalents	$ 5,917,877	$ 8,001,330	$ 951,341	$ 14,870,548
Receivables:				
Accounts - net	396,344	327,301	5,171	728,816
Interest	8,532	10,058	1,297	19,887
Due from other governments	-	-	22,135	22,135
Due from other funds	-	35,622	-	35,622
Prepaid expenses	-	4,749	-	4,749
Total Current Assets	6,322,753	8,379,060	979,944	15,681,757
Noncurrent Assets				
Nondepreciable capital assets	1,093,247	295,112	386,926	1,775,285
Depreciable capital assets - net	4,096,614	7,064,554	2,050,560	13,211,728
Total Noncurrent Assets	5,189,861	7,359,666	2,437,486	14,987,013
Total Assets	11,512,614	15,738,726	3,417,430	30,668,770
Deferred Outflows of Resouces				
Deferred outflows from other postemployment benefits	9,173	10,210	8,508	27,891
Deferred outflows from pensions	350,165	373,910	165,529	889,604
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 11,871,952	$ 16,122,846	$ 3,591,467	$ 31,586,265
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION				
Current Liabilities				
Accounts payable	$ 50,493	$ 70,271	$ 43,809	$ 164,573
Accrued interest payable	3,236	2,269	172	5,677
Accrued payroll and benefits	17,112	19,858	11,177	48,147
Customer/employee deposits	-	140,720	4,881	145,601
Other liabilities	50	17	17,312	17,379
Compensated absences payable - current	15,711	16,003	9,642	41,356
Bonds and loan payable - current	140,392	-	7,985	148,377
Total Current Liabilities	226,994	249,138	94,978	571,110
Noncurrent Liabilities				
Net other postemployment benefits liability	183,954	215,159	179,298	578,411
Net pension liability	1,120,113	1,196,070	529,498	2,845,681
Compensated absences - net	47,133	48,010	28,928	124,071
Total Noncurrent Liabilities	1,351,200	1,459,239	737,724	3,548,163
Total Liabilities	1,578,194	1,708,377	832,702	4,119,273
Deferred Inflows of Resouces				
Deferred inflows from pension	156,524	167,138	73,992	397,654
Net Position				
Net investment in capital assets	5,049,469	7,359,666	2,429,501	14,838,636
Unrestricted	5,087,765	6,887,665	255,272	12,230,702
Total Net Position	10,137,234	14,247,331	2,684,773	27,069,338
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	$ 11,871,952	$ 16,122,846	$ 3,591,467	$ 31,586,265

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, 2019	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Totals
Operating Revenues				
Charges for current services:				
Waste water and water charges	$ 2,935,002	$ 2,227,451	$ -	$ 5,162,453
Permits and fees	-	-	427,860	427,860
Rental revenue	-	-	214,212	214,212
Other revenue	-	-	30,014	30,014
Total Operating Revenues	2,935,002	2,227,451	672,086	5,834,539
Operating Expenses				
Cost of power and transportation	298,414	366,203	87,932	752,549
Maintenance, operations, and administration	1,838,373	1,011,881	663,515	3,513,769
Depreciation expense	426,312	329,343	215,399	971,054
Total Operating Expenses	2,563,099	1,707,427	966,846	5,237,372
Operating Income (Loss)	371,903	520,024	(294,760)	597,167
Nonoperating Revenues (Expenses)				
Intergovernmental revenues	-	-	45,252	45,252
Property taxes	-	-	105,576	105,576
Investment income	139,768	159,565	18,952	318,285
Interest expense	(21,924)	(4,898)	(2,527)	(29,349)
Total Nonoperating Revenues (Expenses)	117,844	154,667	167,253	439,764
Income Before Capital Contributions and Operating Transfers	489,747	674,691	(127,507)	1,036,931
Capital contributions	-	-	37,928	37,928
Transfers in	-	-	151,391	151,391
Transfers out	(425,539)	(287,418)	(163,913)	(876,870)
Change in Net Position	64,208	387,273	(102,101)	349,380
Total Net Position - Beginning of Year	10,073,026	13,860,058	2,786,874	26,719,958
Total Net Position - End of Year	$ 10,137,234	$ 14,247,331	$ 2,684,773	$ 27,069,338

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, 2019	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 2,957,540	$ 2,265,964	$ 673,720	$ 5,897,224
Cash paid to employees (including employee benefits)	(660,094)	(719,789)	(357,171)	(1,737,054)
Cash paid to suppliers	(1,675,633)	(664,849)	(341,106)	(2,681,588)
Net Cash Provided (Used) By Operating Activities	621,813	881,326	(24,557)	1,478,582
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes received	-	-	105,576	105,576
Cash received from (paid to) other funds	-	315,628	(143,295)	172,333
Transfers in	-	-	151,391	151,391
Transfers out	(425,539)	(287,418)	(163,913)	(876,870)
Net Cash Provided (Used) By Noncapital Financing Activities	(425,539)	28,210	(50,241)	(447,570)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Intergovernmental revenue received	-	-	185,743	185,743
Payments for the purchase of capital assets	(325,615)	(174,768)	(13,737)	(514,120)
Principal paid	(137,905)	-	(7,533)	(145,438)
Interest paid	(23,285)	(2,859)	(1,653)	(27,797)
Net Cash Provided (Used) By Capital and Related Financing Activities	(486,805)	(177,627)	162,820	(501,612)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	137,713	156,784	17,754	312,251
Net Cash Provided (Used) By Investing Activities	137,713	156,784	17,754	312,251
Net Increase (Decrease) in Cash and Cash Equivalents	(152,818)	888,693	105,776	841,651
Cash and Cash Equivalents - Beginning of Year	6,070,695	7,112,637	845,565	14,028,897
Cash and Cash Equivalents - End of Year	$ 5,917,877	$ 8,001,330	$ 951,341	$ 14,870,548

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, 2019	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	$ 371,903	$ 520,024	$ (294,760)	$ 597,167
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	426,312	329,343	215,399	971,054
Changes in:				
Accounts receivable	22,538	29,328	4,726	56,592
Prepaid expense	-	(4,749)	-	(4,749)
Deferred outflows from other postemployment benefits	(3,987)	(3,987)	(3,323)	(11,297)
Deferred outflows from pensions	46,787	84,680	16,921	148,388
Accounts payable	(289,692)	(26,600)	(17,232)	(333,524)
Accrued payroll and benefits	(548)	(286)	270	(564)
Customer/employee deposits	-	9,185	(3,092)	6,093
Other liabilities	(19)	(4)	(1,785)	(1,808)
Net other postemployment benefits liabililty	27,931	27,931	23,275	79,137
Net pension liability	68,117	(19,279)	45,972	94,810
Compensated absences payable	(12,263)	(9,827)	3,231	(18,859)
Deferred inflows from pensions	(35,266)	(54,433)	(14,159)	(103,858)
Net Cash Provided (used) By Operating Activities	$ 621,813	$ 881,326	$ (24,557)	$ 1,478,582

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.

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.

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 capital projects fund accounts for the impact fees restricted for the improvements of the traffic network of the City.

Grants/Program Income Fund: This special revenue 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 enterprise 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 enterprise 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.

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.

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 activities and the statements of revenues, expenditures/expenses, and changes in fund balances/net position. 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, 2019, for the water and waste water departments were $72 and $247, 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.

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:

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

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.

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.

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 $10,955,263 of restricted net position, of which $5,440,584 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.

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, 2019		
Cash in banks and on hand	$	5,297,446
Umpqua public funds money market account		5,207,486
Certificates of deposit		8,915,000
State of California - Local Agency Investment Fund (LAIF)		4,787,741
Total Cash and Cash Equivalents	$	24,207,673

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, 2019, 1.77% of LAIF's investment portfolio was invested in structured notes and other asset-backed securities. In addition, PMIA's weighted average maturities was 0.61 years at June 30, 2019. (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.)

3. INVESTMENTS

Investment activity is summarized as follows:

June 30, 2019	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	$ 994,192
Federal Farm Credit Bank	1.92%	April 19, 2022	1,000,000	999,544	999,645
Total Investment Activities			$ 2,000,000	$ 2,001,084	$ 1,993,837

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, 2019, 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:

Issurer	Investment Type		Amount
Federal Farm Credit Bank	Federal Agency Securities	$	1,993,837

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*.

4. CAPITAL ASSETS

Capital asset activity is summarized as follows:

Governmental Activities:

Year Ended June 30, 2019	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	$ 305,206	$ -	$ -	$ -	$ 305,206
Construction in progress	1,519,871	18,664	-	(913,160)	625,375
Total Nondepreciable Capital Assets	1,825,077	18,664	-	(913,160)	930,581
Depreciable Capital Assets					
Buildings	1,986,188	32,036	-	350,207	2,368,431
Improvements	3,976,760	49,339	-	464,661	4,490,760
Equipment	1,679,632	249,555	-	-	1,929,187
Vehicles	2,911,834	783,629	-	-	3,695,463
Infrastructure	52,850,639	483,752	-	98,292	53,432,683
Total Depreciable Capital Assets	63,405,053	1,598,311	-	913,160	65,916,524
Less: Accumulated Depreciation					
Buildings	1,852,977	35,171	-	-	1,888,148
Improvements	2,106,111	203,363	-	-	2,309,474
Equipment	1,313,561	120,848	-	-	1,434,409
Vehicles	2,629,634	145,908	-	-	2,775,542
Infrastructure	30,759,900	1,360,071	-	-	32,119,971
Total Less: Accumulated Depreciation	38,662,183	1,865,361	-	-	40,527,544
Depreciable Capital Assets - Net	24,742,870	(267,050)	-	913,160	25,388,980
Governmental Capital Assets - Net	$ 26,567,947	$ (248,386)	$ -	$ -	$ 26,319,561

Depreciation expense was charged to functions as follows:

Year Ended June 30, 2019	
Governmental Activities	
General Government	$ 64,916
Fire	101,190
Police	162,943
Parks and recreation	139,689
Transportation and streets	1,396,623
Total Governmental Activities Depreciation Expense	$ 1,865,361

Business-Type Activities:

Year Ended June 30, 2019	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	$ 910,368	$ -	$ -	$ -	$ 910,368
Construction in progress	1,420,619	116,911	-	(672,613)	864,917
Total Nondepreciable Capital Assets	2,330,987	116,911	-	(672,613)	1,775,285
Depreciable Capital Assets					
Buildings	1,467,760	11,210	-	-	1,478,970
Improvements	17,815,160	46,640	-	-	17,861,800
Equipment	1,716,736	138,102	-	7,550	1,862,388
Vehicles	774,364	200,278	-	-	974,642
Infrastructure	13,050,370	979	-	665,063	13,716,412
Total Depreciable Capital Assets	34,824,390	397,209	-	672,613	35,894,212
Less: Accumulated Depreciation					
Buildings	1,337,175	12,912	-	-	1,350,087
Improvements	10,581,015	509,558	-	-	11,090,573
Equipment	942,789	140,852	-	-	1,083,641
Vehicles	669,227	47,110	-	-	716,337
Infrastructure	8,181,224	260,622	-	-	8,441,846
Total Less: Accumulated Depreciation	21,711,430	971,054	-	-	22,682,484
Depreciable Capital Assets - Net	13,112,960	(573,845)	-	672,613	13,211,728
Business-Type Capital Assets - Net	$ 15,443,947	$ (456,934)	$ -	$ -	$ 14,987,013

Depreciation expense was charged to functions as follows:

Year Ended June 30, 2019	
Business-Type Activities	
Community development	$ 8,120
Waste water	426,312
Water	329,343
Airport	204,968
Community center	2,311
Total Business-Type Activities Depreciation Expense	$ 971,054

5. LONG-TERM LIABILITIES

Activity

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

Year Ended June 30, 2019	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Loans payable:					
CalPERS Refunding loan	$ 587,000	$ -	$ 283,000	$ 304,000	$ 304,000
Capital leases:					
PNC Lease - Fire Truck	-	456,123	23,154	432,969	24,029
Other liabilities:					
Compensated absences	1,186,872	519,176	576,477	1,129,571	282,393
Other postemployment benefits	2,589,971	372,413	-	2,962,384	-
Net pension liability	13,363,283	101,044	-	13,464,327	-
Total Other Liabilities	17,140,126	992,633	576,477	17,556,282	282,393
Total Governmental Activities	17,727,126	1,448,756	882,631	18,293,251	610,422
Business-Type Activities					
Loans payable:					
State Revolving Fund loan	278,298	-	137,905	140,393	140,393
Capital leases:					
Ford lease agreement	15,517	-	7,533	7,984	7,984
Other liabilities:					
Compensated absences	184,286	97,413	116,272	165,427	41,356
Other postemployment benefits	499,274	79,137	-	578,411	-
Net pension liability	2,750,871	94,810	-	2,845,681	-
Total Other Liabilities	3,434,431	271,360	116,272	3,589,519	41,356
Total Business-Type Activities	3,728,246	271,360	261,710	3,737,896	189,733
Total Long-Term Liabilities	$ 21,455,372	$ 1,720,116	$ 1,144,341	$ 22,031,147	$ 800,155

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 $303,144, while total pledged revenues were $12,403,758. Total principal and interest remaining on the loan is $312,892, which is the amount of the remaining dedicated source of revenues pledged.

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 $2,935,002. Total principal and interest remaining on the loan is $142,923 which is the amount of the remaining dedicated source of revenues pledged.

Capital Leases

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 $5,148 as of June 30, 2019. The lease is payable in three 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 $8,464, including interest in the amount of $479. The present value of the remaining payments is $7,985.

In September 2017, the City entered into a capital lease for the purchase of a fire truck and related equipment with a cost of $656,123 and accumulated depreciation of $43,775 as of June 30, 2019. The lease was payable in one down payment of $200,000 and 15 annual installments of $40,396, including interest at 3.0%. The down payment was paid in September 2017 and the installment repayment began in September 2018. Principal and interest paid in the current year were $40,396. Total remaining payments under the lease are $565,539, including interest in the amount of $132,570. The present value of the remaining payments is $432,969.

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.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019, were as follows:

Year Ending June 30	Governmental-Type Activities	Business-Type Activities
2020	$ 40,396	$ 8,464
2021	40,396	-
2022	40,396	-
2023	40,396	-
2024	40,396	-
Thereafter	363,559	-
Total Minimum Lease Payments	565,539	8,464
Less: Amount representing interest	(132,570)	(480)
Present Value of Minimum Lease Payments	$ 432,969	$ 7,984

Long-Term Debt Summary

Governmental Activities:

Year Ending June 30	Principal	Interest	Total
2020	$ 328,029	$ 25,258	$ 353,287
2021	24,938	15,458	40,396
2022	25,880	14,515	40,395
2023	26,859	13,537	40,396
2024	27,874	12,522	40,396
Thereafter	303,389	60,172	363,561
Total	$ 736,969	$ 141,462	$ 878,431

Business-Type Activities:

Year Ending June 30	Principal	Interest	Total
2020	$ 148,377	$ 3,010	$ 151,387

Interest Expense

The total interest incurred for the year ended June 30, 2019, on long-term debt was $43,333. 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.

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, 2019, 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, 2019, including incurred but not reported claims (IBNRs). Claims paid for the workers' compensation and general liability programs for the fiscal year ended June 30, 2019, were $191,016 and $25,627, respectively.

As of June 30, 2019, the JPA reported that the City had a surplus in the workers' compensation program in the amount of $290,660. 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 $272,864. This amount has not been included in the City's financial statements.

7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Balances

The following is a summary of interfund balances:

June 30, 2019	Due From Other Funds	Due to Other Funds	Internal Balances
Governmental Activities			
General Fund	$ 17,053	$ -	$ 17,053
Nonmajor governmental	-	52,675	(52,675)
Total Governmental Activities	17,053	52,675	(35,622)
Business-Type Activities			
Water	35,622	-	35,622
Total Business-Type Activities	35,622	-	35,622
Total Government-Wide Statement	$ 52,675	$ 52,675	$ -

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, 2019	Transfers In	Transfers Out	Net Transfers
Governmental Activities			
General	$ 875,501	$ 179,259	$ 696,242
Nonmajor governmental	194,027	164,790	29,237
Total Governmental Activities	1,069,528	344,049	725,479
Business-Type Activities			
Waste water	-	425,539	(425,539)
Water	-	287,418	(287,418)
Nonmajor enterprise	151,391	163,913	(12,522)
Total Business-Type Activities	151,391	876,870	(725,479)
Total Government-Wide Statement	$ 1,220,919	$ 1,220,919	$ -

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.

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, 2019, is as follows:

		Miscellaneous
Hire Date	**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	9.41%	6.84%

			Safety - Police
Hire Date	**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	20.56%	18.67%	12.14%

		Safety - Fire
Hire Date	**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	16.70%	12.14%

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, 2019 were $461,685 and $890,021, 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, 2019, the City reported a net pension liability of $16,310,008 for its proportionate share of the net pension liability. This breakdown of the net pension liability between the miscellaneous and safety is $6,594,232 and $9,715,776, respectively. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, rolled forward to June 30, 2018, 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, 2017, the City's employer allocation factor was 0.0016592 for the miscellaneous plans and 0.0016404 for the safety plans.

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

For the year ended June 30, 2019, the City recognized pension expense of $2,560,250. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Plan June 30, 2019		**Deferred Outflows Resources**		**Deferred Inflows Resources**
Deferred contributions	$	585,672	$	-
Differences between expected and actual experience		253,009		86,099
Differences due to changes in actuarial assumptions		751,761		184,242
Differences due to differences in proportions		438,417		80,996
Differences between projected and actual earnings on pension plan investments		32,602		-
Differences between projected and actual contributions		-		570,137
Total	$	2,061,461	$	921,474

Safety Plan June 30, 2019		**Deferred Outflows Resources**		**Deferred Inflows Resources**
Deferred contributions	$	1,016,599	$	-
Differences between expected and actual experience		208,760		793
Differences due to changes in actuarial assumptions		953,287		128,616
Differences due to differences in proportions		293,472		68,366
Differences between projected and actual earnings on pension plan investments		65,777		-
Differences between projected and actual contributions		-		291,801
Total	$	2,537,895	$	489,576

Amounts of $585,672 and $1,016,599 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, 2020. 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:

Miscellaneous Plan

Year Ending June 30		
2020	$	592,428
2021		225,442
2022		(204,243)
2023		(59,312)
2024		-
Thereafter		-
Total	$	554,315

Safety Plan

Year Ending June 30		
2020	$	842,205
2021		495,861
2022		(239,048)
2023		(67,298)
2024		-
Thereafter		-
Total	$	1,031,720

Actuarial Assumptions

The total pension liability in the June 30, 2017, actuarial valuation for each plan for CalPERS was determined using the following actuarial assumptions, applied to all periods included in the measurement:

June 30, 2019	
Valuation date	June 30, 2017
Measurement date	June 30, 2018
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

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, 2017 valuation were derived from the June 30, 2017, funding valuation report.

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-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.

	Target Allocation	Rate of Return Years 1-10*	Rate of Return Years 11+**
Asset Class			
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%
Total	100%		

*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	$ 10,385,316	$ 6,594,232	$ 3,464,755
Plan's Net Pension Liability - Safety	14,702,993	9,715,776	5,629,645
Total	$ 25,088,309	$ 16,310,008	$ 9,094,400

Pension Plan Fiduciary Net Position

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

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, 2019	
Inactive Plan Members or beneficiaries currently receiving benefit payments	12
Active plan members	97
Total	109

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, 2019, the City paid $64,029 on behalf of its retirees.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2019, 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.

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, 2019	
Valuation date	June 30, 2018
Measurement date	June 30, 2019
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	2.92% as of June 30, 2018
	2.79% as of June 30, 2019
General inflation rate	2.75%
Salary increases	3.25%
Assumed wage inflation	3.00%
Healthcare cost trend rate	7.5% decreasing to 5.0%

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 2.79%. The discount rate was based on the published change in return for the applicable municipal bond index.

Changes in the Total OPEB Liability

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

Year Ended June 30, 2019		
Total OPEB Liability		
Service cost	$	333,506
Interest		99,010
Changes of benefit terms		-
Difference between expected and actual experience		-
Changes of assumptions		83,063
Benefit payments		(64,029)
Net Change in Total OPEB Liability		451,550
Total OPEB Liability - Beginning of Year		3,089,245
Total OPEB Liability - End of Year	$	3,540,795
Covered payroll	$	6,074,806
Net OPEB liability as a percentage of covered payroll		58.29%

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 2.79%, as well as the City's total OPEB liability if it was calculated using a discount rate that is one percentage point lower (1.79%) or one percentage point higher (3.79%) than the current rate:

June 30, 2019		**1% Decrease (1.79%)**		**Current Discount Rate (2.79%)**		**1% Increase (3.79%)**
Total OPEB Liability	$	4,288,834	$	3,540,795	$	2,969,336

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:

June 30, 2019		**1% Decrease (6.5%)**		**Health Cost Current Trend (7.5%)**		**1% Increase (8.5%)**
Total OPEB Liability	$	2,649,561	$	3,540,795	$	5,052,137

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

For the year ended June 30, 2019, the City recognized OPEB expense of $451,122. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

June 30, 2019		Deferred Outflows Resources		Deferred Inflows Resources
Differences due to changes in actuarial assumptions	$	167,133	$	-

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

Year Ending June 30		
2020	$	18,606
2021		18,606
2022		18,606
2023		18,606
2024		18,606
Thereafter		74,103
Total	$	167,133

10. FUND BALANCE/NET POSITION

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

June 30, 2019		
Governmental Funds		
Fire Protection Capital Improvement Fund	$	35,663
Enterprise Funds		
Community Center Fund	$	316,201

Fund balances are composed of the following:

June 30, 2019	Nonspendable	Restricted	Committed	Assigned
General Fund:				
Contingency reserve	$ -	$ -	$ -	$ 1,169,285
Economic uncertainty reserve	-	-	-	875,127
Vehicle reserve	-	-	-	605,800
Building reserve	-	-	-	330,000
Technology reserve	-	-	-	250,000
ADA reserve	-	-	-	250,000
Parks reserve	-	-	-	119,788
Prepaids	916	-	-	-
Traffic Control:				
Traffic Control Impact Fee	-	2,014,723	-	159,722
Grants/Program Income Fund:				
Long-term receivables	-	3,720,678	-	-
Grants	-	369,961	-	17,634
Other Governmental Funds:				
Waste Water Facility Impact Fees	-	962,045	-	57,863
Water Capital Impact Fees	-	947,261	-	61,594
Waste Water Collection Impact Fees	-	856,986	-	50,723
ISTEA/RSTP Revenue	-	764,688	-	9,648
Road Maintenance & Rehab Act	-	254,381	-	2,077
PEG Fees	-	205,831	-	12,224
Flood Protection Impact Fees	-	204,260	-	15,014
Grants	-	197,163	-	9,185
Airport Impact Fees	-	78,630	-	3,901
Transportation	-	69,532	-	18,447
Local Transportation	-	52,094	-	3,997
Meadow Brook Street Fees	-	41,418	-	2,938
City Admin and Equipment Impact Fees	-	17,999	-	4,665
SB1186 Revenue	-	16,233	-	299
Prop 30 (Public Safety) Revenue	-	15,601	-	2,636
Police Protection Impact Fees	-	4,342	-	650
Special Gas Tax	-	786	-	83
Park Capital Improvement Fees	-	-	-	206
Waste Water Treatment Plant Capital Reserves	-	-	813,210	53,683
Transportation - City Design Fees	-	-	6,086	8,773
General Plan Update	-	-	85,113	5,989
Total	$ 916	$ 10,794,612	$ 904,409	$ 4,101,951

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.

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, 2019, 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, 2019, expenditures exceeded appropriations by $36 in the Broadcasting Labor 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, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
City's proportion of the net pension liability (asset)	0.17497%	0.16576%	0.15638%	0.14010%	0.05814%
City's proportionate share of the net pension liability (asset)	$ 6,594,232	$ 6,534,135	$ 5,432,492	$ 3,842,872	$ 3,617,616
City's covered payroll	$ 2,844,755	$ 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	231.80%	233.33%	208.89%	153.58%	157.89%
Plan fiduciary net position as a percentage of the total pension liability	76.47%	76.06%	78.26%	78.40%	84.35%

Safety					
City's proportion of the net pension liability (asset)	0.1656%	0.1603%	0.1606%	0.1558%	0.0891%
City's proportionate share of the net pension liability (asset)	$ 9,715,776	$ 9,580,019	$ 8,317,270	$ 6,417,679	$ 5,545,207
City's covered payroll	$ 2,917,933	$ 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	332.97%	352.05%	333.64%	275.20%	367.05%
Plan fiduciary net position as a percentage of the total pension liability	73.14%	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, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	$ 585,672	$ 495,908	$ 201,977	$ 235,886	$ 201,470
Contributions in relation to the contractually required contribution	(585,672)	(495,908)	(201,977)	(235,886)	(201,470)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 2,952,187	$ 2,844,755	$ 2,600,676	$ 2,502,239	$ 2,291,278
Contributions as a percentage of covered payroll	19.84%	17.43%	7.77%	9.43%	8.79%

Safety					
Contractually required contribution	$ 1,016,599	$ 888,434	$ 368,918	$ 638,660	$ 538,795
Contributions in relation to the contractually required contribution	(1,016,599)	(888,434)	(368,918)	(638,660)	(538,795)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 3,072,572	$ 2,917,933	$ 2,492,878	$ 2,332,037	$ 2,220,989
Contributions as a percentage of covered payroll	33.09%	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, 2019	June 30, 2018
Total OPEB Liability		
Service cost	$ 333,506	$ 305,729
Interest	99,010	91,100
Changes of benefit terms	-	-
Difference between expected and actual experience	-	-
Changes of assumptions	83,063	113,416
Benefit payments	(64,029)	(51,619)
Net Change in Total OPEB Liability	451,550	458,626
Total OPEB Liability - Beginning of Year	3,089,245	2,630,619
Total OPEB Liability - End of Year	$ 3,540,795	$ 3,089,245
Covered payroll	$ 6,074,806	$ 5,762,688
Total OPEB liability as a percentage of covered payroll	58.29%	53.61%

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

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.

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

June 30, 2019	Traffic Safety Fund	Charter - PEG Fees Fund	Public Safety Fund	Broadcasting Labor Fund	Special Revenue Balance Forward
ASSETS					
Cash and cash equivalents	$ -	$ 217,801	$ -	$ -	$ 217,801
Receivables:					
Accounts	-	-	-	-	-
Interest	32	254	119	-	405
Loans	-	-	-	-	-
Due from other governments	4,710	-	12,193	-	16,903
Due from other funds	-	-	-	-	-
TOTAL ASSETS	$ 4,742	$ 218,055	$ 12,312	$ -	$ 235,109
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	4,742	-	12,312	-	17,054
Total Liabilities	4,742	-	12,312	-	17,054
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	-	205,831	-	-	205,831
Committed	-	-	-	-	-
Assigned	-	12,224	-	-	12,224
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	-	218,055	-	-	218,055
TOTAL LIABILITIES AND FUND BALANCES	$ 4,742	$ 218,055	$ 12,312	$ -	$ 235,109

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
(Continued)

June 30, 2019	Balance Brought Forward	Proposition 30 Fund	Asset Forfeiture Fund	Local Transportation Fund	Special Revenue Balance Forward
ASSETS					
Cash and cash equivalents	$ 217,801	$ 18,314	$ 18,272	$ 73,828	$ 328,215
Receivables:					
Accounts	-	-	-	76	76
Interest	405	21	21	86	533
Loans	-	-	-	-	-
Due from other governments	16,903	-	-	-	16,903
Due from other funds	-	-	-	-	-
TOTAL ASSETS	$ 235,109	$ 18,335	$ 18,293	$ 73,990	$ 345,727
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ -	$ 98	$ -	$ 17,899	$ 17,997
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	18,293	-	18,293
Due to other funds	17,054	-	-	-	17,054
Total Liabilities	17,054	98	18,293	17,899	53,344
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	205,831	15,601	-	52,094	273,526
Committed	-	-	-	-	-
Assigned	12,224	2,636	-	3,997	18,857
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	218,055	18,237	-	56,091	292,383
TOTAL LIABILITIES AND FUND BALANCES	$ 235,109	$ 18,335	$ 18,293	$ 73,990	$ 345,727

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
(Continued)

June 30, 2019	Balance Brought Forward	Special Gas Tax Fund	ISTEA/RSTP Revenue Fund	Special Revenue Grants Fund	Special Revenue Balance Forward
ASSETS					
Cash and cash equivalents	$ 328,215	$ 868	$ 773,433	$ 317,082	$ 1,419,598
Receivables:					
Accounts	76	-	-	-	76
Interest	533	1	903	370	1,807
Loans	-	-	-	-	-
Due from other governments	16,903	-	-	28,105	45,008
Due from other funds	-	-	-	-	-
TOTAL ASSETS	$ 345,727	$ 869	$ 774,336	$ 345,557	$ 1,466,489
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 17,997	$ -	$ -	$ 5,000	$ 22,997
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Other liabilities	18,293	-	-	134,209	152,502
Due to other funds	17,054	-	-	-	17,054
Total Liabilities	53,344	-	-	139,209	192,553
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	273,526	786	764,688	197,163	1,236,163
Committed	-	-	-	-	-
Assigned	18,857	83	9,648	9,185	37,773
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	292,383	869	774,336	206,348	1,273,936
TOTAL LIABILITIES AND FUND BALANCES	$ 345,727	$ 869	$ 774,336	$ 345,557	$ 1,466,489

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
(Continued)

June 30, 2019	Balance Brought Forward	Special Revenue			
		SB1186 Fund	RMRA Fund	Transportation Fund	Total
ASSETS					
Cash and cash equivalents	$ 1,419,598	$ 16,513	$ 210,144	$ 87,027	$ 1,733,282
Receivables:					
Accounts	76	-	-	7,104	7,180
Interest	1,807	19	245	-	2,071
Loans	-	-	-	-	-
Due from other governments	45,008	-	46,069	-	91,077
Due from other funds	-	-	-	-	-
TOTAL ASSETS	$ 1,466,489	$ 16,532	$ 256,458	$ 94,131	$ 1,833,610
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 22,997	$ -	$ -	$ 1,281	$ 24,278
Accrued payroll and benefits	-	-	-	4,775	4,775
Accrued interest payable	-	-	-	84	84
Customer/employee deposits	-	-	-	-	-
Other liabilities	152,502	-	-	12	152,514
Due to other funds	17,054	-	-	-	17,054
Total Liabilities	192,553	-	-	6,152	198,705
Fund Balances (Deficit)					
Nonspendable	-	-		-	-
Restricted	1,236,163	16,233	254,381	69,532	1,576,309
Committed	-	-		-	-
Assigned	37,773	299	2,077	18,447	58,596
Unassigned	-	-		-	-
Total Fund Balances (Deficit)	1,273,936	16,532	256,458	87,979	1,634,905
TOTAL LIABILITIES AND FUND BALANCES	$ 1,466,489	$ 16,532	$ 256,458	$ 94,131	$ 1,833,610

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
(Continued)

June 30, 2019	General Plan Update Fund	Transportation City Design Fund	Waste Water Treatment Plant Capital Reserve Fund	Flood Protection Capital Improvement Fund	Capital Projects Balance Forward
ASSETS					
Cash and cash equivalents	$ 90,996	$ 14,842	$ 865,883	$ 219,018	$ 1,190,739
Receivables:					
Accounts	-	-	-	-	-
Interest	106	17	1,010	256	1,389
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
TOTAL ASSETS	$ 91,102	$ 14,859	$ 866,893	$ 219,274	$ 1,192,128
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	204,260	204,260
Committed	85,113	6,086	813,210	-	904,409
Assigned	5,989	8,773	53,683	15,014	83,459
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	91,102	14,859	866,893	219,274	1,192,128
TOTAL LIABILITIES AND FUND BALANCES	$ 91,102	$ 14,859	$ 866,893	$ 219,274	$ 1,192,128

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
(Continued)

June 30, 2019	Balance Brought Forward	Fire Protection Capital Improvement Fund	Police Protection Capital Improvement Fund	City Administration and Equipment Capital Improvement Fund	Capital Projects Balance Forward
ASSETS					
Cash and cash equivalents	$ 1,190,739	$ -	$ 4,986	$ 32,571	$ 1,228,296
Receivables:					
Accounts	-	-	-	-	-
Interest	1,389	-	6	38	1,433
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
TOTAL ASSETS	$ 1,192,128	$ -	$ 4,992	$ 32,609	$ 1,229,729
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ -	$ -	$ -	$ 9,945	$ 9,945
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	-	42	-	-	42
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	-	35,621	-	-	35,621
Total Liabilities	-	35,663	-	9,945	45,608
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	204,260	-	4,342	17,999	226,601
Committed	904,409	-	-	-	904,409
Assigned	83,459	-	650	4,665	88,774
Unassigned	-	(35,663)	-	-	(35,663)
Total Fund Balances (Deficit)	1,192,128	(35,663)	4,992	22,664	1,184,121
TOTAL LIABILITIES AND FUND BALANCES	$ 1,192,128	$ -	$ 4,992	$ 32,609	$ 1,229,729

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
(Continued)

June 30, 2019	Balance Brought Forward	Meadowbrook Street Capital Projects Fund	Waste Water Treatment Plant Capital Improvement Fund	Waste Water Collection System Capital Improvement Fund	Capital Projects Balance Forward
ASSETS					
Cash and cash equivalents	$ 1,228,296	$ 44,304	$ 1,018,718	$ 906,650	$ 3,197,968
Receivables:					
Accounts	-	-	-	-	-
Interest	1,433	52	1,190	1,059	3,734
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
TOTAL ASSETS	$ 1,229,729	$ 44,356	$ 1,019,908	$ 907,709	$ 3,201,702
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 9,945	$ -	$ -	$ -	$ 9,945
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	42	-	-	-	42
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	35,621	-	-	-	35,621
Total Liabilities	45,608	-	-	-	45,608
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	226,601	41,418	962,045	856,986	2,087,050
Committed	904,409	-	-	-	904,409
Assigned	88,774	2,938	57,863	50,723	200,298
Unassigned	(35,663)	-	-	-	(35,663)
Total Fund Balances (Deficit)	1,184,121	44,356	1,019,908	907,709	3,156,094
TOTAL LIABILITIES AND FUND BALANCES	$ 1,229,729	$ 44,356	$ 1,019,908	$ 907,709	$ 3,201,702

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
(Continued)

June 30, 2019	Balance Brought Forward	Capital Projects: Water Capital Improvement Fund	Capital Projects: Airport Capital Improvement Fund	Capital Projects: Parks and Recreation Facilities Capital Improvement Fund	Capital Projects: Balance Forward
ASSETS					
Cash and cash equivalents	$ 3,197,968	$ 1,007,678	$ 82,435	$ 206	$ 4,288,287
Receivables:					
Accounts	-	-	-	-	-
Interest	3,734	1,177	96	-	5,007
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
TOTAL ASSETS	$ 3,201,702	$ 1,008,855	$ 82,531	$ 206	$ 4,293,294
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 9,945	$ -	$ -	$ -	$ 9,945
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	42	-	-	-	42
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	35,621	-	-	-	35,621
Total Liabilities	45,608	-	-	-	45,608
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	2,087,050	947,261	78,630	-	3,112,941
Committed	904,409	-	-	-	904,409
Assigned	200,298	61,594	3,901	206	265,999
Unassigned	(35,663)	-	-	-	(35,663)
Total Fund Balances (Deficit)	3,156,094	1,008,855	82,531	206	4,247,686
TOTAL LIABILITIES AND FUND BALANCES	$ 3,201,702	$ 1,008,855	$ 82,531	$ 206	$ 4,293,294

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
(Continued)

June 30, 2019	Capital Projects: Balance Brought Forward	Capital Projects: Total	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 4,288,287	$ 4,288,287	$ 6,021,569
Receivables:			
Accounts	-	-	7,180
Interest	5,007	5,007	7,078
Loans	-	-	-
Due from other governments	-	-	91,077
Due from other funds	-	-	-
TOTAL ASSETS	$ 4,293,294	$ 4,293,294	$ 6,126,904
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 9,945	$ 9,945	$ 34,223
Accrued payroll and benefits	-	-	4,775
Accrued interest payable	42	42	126
Customer/employee deposits	-	-	-
Other liabilities	-	-	152,514
Due to other funds	35,621	35,621	52,675
Total Liabilities	45,608	45,608	244,313
Fund Balances (Deficit)			
Nonspendable	-	-	-
Restricted	3,112,941	3,112,941	4,689,250
Committed	904,409	904,409	904,409
Assigned	265,999	265,999	324,595
Unassigned	(35,663)	(35,663)	(35,663)
Total Fund Balances (Deficit)	4,247,686	4,247,686	5,882,591
TOTAL LIABILITIES AND FUND BALANCES	$ 4,293,294	$ 4,293,294	$ 6,126,904

City of Red Bluff

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

					Special Revenue
Year Ended June 30, 2019	Traffic Safety Fund	Charter - PEG Fees Fund	Public Safety Fund	Broadcasting Labor Fund	Balance Forward
Revenues					
Other taxes	$ -	$ -	$ 101,249	$ -	$ 101,249
Fines, forfeitures, and penalties	26,990	-	-	-	26,990
Use of money and property	263	4,223	1,081	24	5,591
Intergovernmental revenue	-	-	-	-	-
Other revenues	-	-	-	-	-
Total Revenues	27,253	4,223	102,330	24	133,830
Expenditures					
Current:					
General government	-	-	-	2,443	2,443
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	-	-	-	2,443	2,443
Excess (Deficiency) of Revenues Over (Under) Expenditures	27,253	4,223	102,330	(2,419)	131,387
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	(27,253)	-	(102,330)	-	(129,583)
Total Other Financing Sources (Uses)	(27,253)	-	(102,330)	-	(129,583)
Net Change in Fund Balances	-	4,223	-	(2,419)	1,804
Fund Balances (Deficit) - Beginning of Year	-	213,832	-	2,419	216,251
Fund Balances (Deficit) - End of Year	$ -	$ 218,055	$ -	$ -	$ 218,055

City of Red Bluff

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

					Special Revenue
Year Ended June 30, 2019	Balance Brought Forward	Proposition 30 Fund	Asset Forfeiture Fund	Local Transportation Fund	Balance Forward
Revenues					
Other taxes	$ 101,249	$ -	$ -	$ -	$ 101,249
Fines, forfeitures, and penalties	26,990	-	-	-	26,990
Use of money and property	5,591	349	-	1,542	7,482
Intergovernmental revenue	-	-	-	123,595	123,595
Other revenues	-	-	-	-	-
Total Revenues	133,830	349	-	125,137	259,316
Expenditures					
Current:					
General government	2,443	4,599	-	-	7,042
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	181,638	181,638
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	34,722	34,722
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	2,443	4,599	-	216,360	223,402
Excess (Deficiency) of Revenues Over (Under) Expenditures	131,387	(4,250)	-	(91,223)	35,914
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	(129,583)	-	-	-	(129,583)
Total Other Financing Sources (Uses)	(129,583)	-	-	-	(129,583)
Net Change in Fund Balances	1,804	(4,250)	-	(91,223)	(93,669)
Fund Balances (Deficit) - Beginning of Year	216,251	22,487	-	147,314	386,052
Fund Balances (Deficit) - End of Year	$ 218,055	$ 18,237	$ -	$ 56,091	$ 292,383

City of Red Bluff

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

					Special Revenue
Year Ended June 30, 2019	Balance Brought Forward	Special Gas Tax Fund	ISTEA/RSTP Revenue Fund	Grants Fund	Balance Forward
Revenues					
Other taxes	$ 101,249	$ -	$ -	$ -	$ 101,249
Fines, forfeitures, and penalties	26,990	-	-	-	26,990
Use of money and property	7,482	-	7,226	6,685	21,393
Intergovernmental revenue	123,595	293,720	337,568	21,852	776,735
Other revenues	-	-	-	-	-
Total Revenues	259,316	293,720	344,794	28,537	926,367
Expenditures					
Current:					
General government	7,042	-	-	-	7,042
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	181,638	293,017	-	-	474,655
Grants and program income	-	-	-	5,000	5,000
Capital outlay	34,722	-	1,813	16,852	53,387
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	223,402	293,017	1,813	21,852	540,084
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,914	703	342,981	6,685	386,283
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	(129,583)	-	-	-	(129,583)
Total Other Financing Sources (Uses)	(129,583)	-	-	-	(129,583)
Net Change in Fund Balances	(93,669)	703	342,981	6,685	256,700
Fund Balances (Deficit) - Beginning of Year	386,052	166	431,355	199,663	1,017,236
Fund Balances (Deficit) - End of Year	$ 292,383	$ 869	$ 774,336	$ 206,348	$ 1,273,936

City of Red Bluff

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

		Special Revenue			
Year Ended June 30, 2019	Balance Brought Forward	SB1186 Fund	RMRA Fund	Transportation Fund	Total
Revenues					
Other taxes	$ 101,249	$ -	$ -	$ 79,385	$ 180,634
Fines, forfeitures, and penalties	26,990	-	-	-	26,990
Use of money and property	21,393	230	1,956	-	23,579
Intergovernmental revenue	776,735	5,040	275,722	-	1,057,497
Other revenues	-	-	-	-	-
Total Revenues	926,367	5,270	277,678	79,385	1,288,700
Expenditures					
Current:					
General Government	7,042	-	-	-	7,042
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	474,655	-	-	238,690	713,345
Grants and program income	5,000	-	-	-	5,000
Capital outlay	53,387	-	86,226	950	140,563
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	776	776
Total Expenditures	540,084	-	86,226	240,416	866,726
Excess (Deficiency) of Revenues Over (Under) Expenditures	386,283	5,270	191,452	(161,031)	421,974
Other Financing Sources (Uses)					
Transfers in	-		-	194,027	194,027
Transfers out	(129,583)	-	-	(35,207)	(164,790)
Total Other Financing Sources (Uses)	(129,583)	-	-	158,820	29,237
Net Change in Fund Balances	256,700	5,270	191,452	(2,211)	451,211
Fund Balances (Deficit) - Beginning of Year	1,017,236	11,262	65,006	90,190	1,183,694
Fund Balances (Deficit) - End of Year	$ 1,273,936	$ 16,532	$ 256,458	$ 87,979	$ 1,634,905

City of Red Bluff

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

					Capital Projects
Year Ended June 30, 2019	General Plan Update Fund	Transportation City Design Fund	Waste Water Treatment Plant Capital Reserve Fund	Flood Protection Capital Improvement Fund	Balance Forward
Revenues					
Other taxes	$ -	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	1,765	487	16,790	4,233	23,275
Intergovernmental revenue	-	-	-	-	-
Other revenues	-	-	-	2,142	2,142
Total Revenues	1,765	487	16,790	6,375	25,417
Expenditures					
Current:					
General government	-	-	-	-	-
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,765	487	16,790	6,375	25,417
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	1,765	487	16,790	6,375	25,417
Fund Balances (Deficit) - Beginning of Year	89,337	14,372	850,103	212,899	1,166,711
Fund Balances (Deficit) - End of Year	$ 91,102	$ 14,859	$ 866,893	$ 219,274	$ 1,192,128

City of Red Bluff

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

					Capital Projects
Year Ended June 30, 2019	Balance Brought Forward	Fire Protection Capital Improvement Fund	Police Protection Capital Improvement Fund	City Administration and Equipment Capital Improvement Fund	Balance Forward
Revenues					
Other taxes	$ -	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	23,275	-	70	623	23,968
Intergovernmental revenue	-	-	-	-	-
Other revenues	2,142	1,884	4,050	1,093	9,169
Total Revenues	25,417	1,884	4,120	1,716	33,137
Expenditures					
Current:					
General government	-	-	-	9,945	9,945
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	613	-	-	613
Total Expenditures	-	613	-	9,945	10,558
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,417	1,271	4,120	(8,229)	22,579
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	25,417	1,271	4,120	(8,229)	22,579
Fund Balances (Deficit) - Beginning of Year	1,166,711	(36,934)	872	30,893	1,161,542
Fund Balances (Deficit) - End of Year	$ 1,192,128	$ (35,663)	$ 4,992	$ 22,664	$ 1,184,121

City of Red Bluff

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

					Capital Projects
Year Ended June 30, 2019	Balance Brought Forward	Meadowbrook Street Capital Projects Fund	Waste Water Treatment Plant Capital Improvement Fund	Waste Water Collection System Capital Improvement Fund	Balance Forward
Revenues					
Other taxes	$ -	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	23,968	858	19,631	17,476	61,933
Intergovernmental revenue	-	-	-	-	-
Other revenues	9,169	-	11,734	10,023	30,926
Total Revenues	33,137	858	31,365	27,499	92,859
Expenditures					
Current:					
General government	9,945	-	-	-	9,945
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	613	-	-	-	613
Total Expenditures	10,558	-	-	-	10,558
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,579	858	31,365	27,499	82,301
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	22,579	858	31,365	27,499	82,301
Fund Balances (Deficit) - Beginning of Year	1,161,542	43,498	988,543	880,210	3,073,793
Fund Balances (Deficit) - End of Year	$ 1,184,121	$ 44,356	$ 1,019,908	$ 907,709	$ 3,156,094

City of Red Bluff

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

					Capital Projects
Year Ended June 30, 2019	Balance Brought Forward	Water Capital Improvement Fund	Airport Capital Improvement Fund	Parks and Recreation Facilities Capital Improvement Fund	Balance Forward
Revenues					
Other taxes	$ -	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	61,933	19,488	1,582	447	83,450
Intergovernmental revenue	-	-	-	-	-
Other revenues	30,926	7,788	2,394	7,932	49,040
Total Revenues	92,859	27,276	3,976	8,379	132,490
Expenditures					
Current:					
General government	9,945	-	-	-	9,945
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	28,800	28,800
Debt service:					
Principal	-	-	-	-	-
Interest	613	-	-	-	613
Total Expenditures	10,558	-	-	28,800	39,358
Excess (Deficiency) of Revenues Over (Under) Expenditures	82,301	27,276	3,976	(20,421)	93,132
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	82,301	27,276	3,976	(20,421)	93,132
Fund Balances (Deficit) - Beginning of Year	3,073,793	981,579	78,555	20,627	4,154,554
Fund Balances (Deficit) - End of Year	$ 3,156,094	$ 1,008,855	$ 82,531	$ 206	$ 4,247,686

City of Red Bluff

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

	Capital Projects		
Year Ended June 30, 2019	Balance Brought Forward	Total	Total Nonmajor Governmental Funds
Revenues			
Other taxes	$ -	$ -	$ 180,634
Fines, forfeitures, and penalties	-	-	26,990
Use of money and property	83,450	83,450	107,029
Intergovernmental revenue	-	-	1,057,497
Other revenues	49,040	49,040	49,040
Total Revenues	132,490	132,490	1,421,190
Expenditures			
Current:			
General government	9,945	9,945	16,987
Police public safety	-	-	-
Parks and recreation	-	-	-
Transportation and streets	-	-	713,345
Grants and program income	-	-	5,000
Capital outlay	28,800	28,800	169,363
Debt service:			
Principal	-	-	-
Interest	613	613	1,389
Total Expenditures	39,358	39,358	906,084
Excess (Deficiency) of Revenues Over (Under) Expenditures	93,132	93,132	515,106
Other Financing Sources (Uses)			
Transfers in	-	-	194,027
Transfers out	-	-	(164,790)
Total Other Financing Sources (Uses)	-	-	29,237
Net Change in Fund Balances	93,132	93,132	544,343
Fund Balances (Deficit) - Beginning of Year	4,154,554	4,154,554	5,338,248
Fund Balances (Deficit) - End of Year	$ 4,247,686	$ 4,247,686	$ 5,882,591

City of Red Bluff

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

	Traffic Safety Fund				Charter - PEG Fees Fund			
	Budgeted Amounts			Variance With Final	Budgeted Amounts			Variance With Final
Year Ended June 30, 2019	Original	Final	Actual	Budget	Original	Final	Actual	Budget
Revenues								
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	21,420	21,420	26,990	5,570	-	-	-	-
Use of money and property	80	80	263	183	1,000	1,000	4,223	3,223
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	17,500	17,500	-	(17,500)
Total Revenues	21,500	21,500	27,253	5,753	18,500	18,500	4,223	(14,277)
Expenditures								
Current:								
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,500	21,500	27,253	5,753	18,500	18,500	4,223	(14,277)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	(27,253)	(27,253)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(27,253)	(27,253)	-	-	-	-
Net Change in Fund Balances	21,500	21,500	-	(21,500)	18,500	18,500	4,223	(14,277)
Fund Balances (Deficit) - Beginning of Year	-	-	-	-	213,832	213,832	213,832	-
Fund Balances (Deficit) - End of Year	$ 21,500	$ 21,500	$ -	$ (21,500)	$ 232,332	$ 232,332	$ 218,055	$ (14,277)

City of Red Bluff

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

	Public Safey fund				Broadcasting Labor Fund			
	Budgeted Amounts			Variance With Final	Budgeted Amounts			Variance With Final
Year Ended June 30, 2019	Original	Final	Actual	Budget	Original	Final	Actual	Budget
Revenues								
Other taxes	$ 95,650	$ 95,650	$ 101,249	$ 5,599	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	400	400	1,081	681	-	-	24	24
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	96,050	96,050	102,330	6,280	-	-	24	24
Expenditures								
Current:								
General government	-	-	-	-	-	-	2,443	(2,443)
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	2,407	2,407	-	2,407
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	2,407	2,407	2,443	(36)
Excess (Deficiency) of Revenues Over (Under) Expenditures	96,050	96,050	102,330	6,280	(2,407)	(2,407)	(2,419)	(12)
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers out	(96,050)	(96,050)	(102,330)	(6,280)	-	-	-	-
Total Other Financing Sources (Uses)	(96,050)	(96,050)	(102,330)	(6,280)	-	-	-	-
Net Change in Fund Balances	-	-	-	-	(2,407)	(2,407)	(2,419)	(12)
Fund Balances (Deficit) - Beginning of Year	-	-	-	-	2,419	2,419	2,419	-
Fund Balances (Deficit) - End of Year	$ -	$ -	$ -	$ -	$ 12	$ 12	$ -	$ (12)

City of Red Bluff

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

	Proposition 30 Fund				Asset Forfeiture Fund			
	Budgeted Amounts			Variance With Final	Budgeted Amounts			Variance With Final
Year Ended June 30, 2019	Original	Final	Actual	Budget	Original	Final	Actual	Budget
Revenues								
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	200	200	349	149	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	200	200	349	149	-	-	-	-
Expenditures								
Current:								
General government	-	-	4,599	(4,599)	-	-	-	-
Police publice safety	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	6,000	6,000	-	6,000	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	6,000	6,000	4,599	1,401	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,800)	(5,800)	(4,250)	1,550	-	-	-	-
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(5,800)	(5,800)	(4,250)	1,550	-	-	-	-
Fund Balances (Deficit) - Beginning of Year	22,487	22,487	22,487	-	-	-	-	-
Fund Balances (Deficit) - End of Year	$ 16,687	$ 16,687	$ 18,237	$ 1,550	$ -	$ -	$ -	$ -

City of Red Bluff

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

	Local Transportation Fund				Special Gas Tax Fund			
	Budgeted Amounts			Variance With Final	Budgeted Amounts			Variance With Final
Year Ended June 30, 2019	Original	Final	Actual	Budget	Original	Final	Actual	Budget
Revenues								
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	180	180	1,542	1,362	70	70	-	(70)
Intergovernmental revenue	215,000	215,000	123,595	(91,405)	360,977	360,977	293,720	(67,257)
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	215,180	215,180	125,137	(90,043)	361,047	361,047	293,720	(67,327)
Expenditures								
Current:								
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	245,000	245,000	181,638	63,362	355,605	355,605	293,017	62,588
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	34,722	34,722	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	245,000	279,722	216,360	63,362	355,605	355,605	293,017	62,588
Excess (Deficiency) of Revenues Over (Under) Expenditures	(29,820)	(64,542)	(91,223)	(26,681)	5,442	5,442	703	(4,739)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(29,820)	(64,542)	(91,223)	(26,681)	5,442	5,442	703	(4,739)
Fund Balances (Deficit) - Beginning of Year	147,314	147,314	147,314	-	166	166	166	-
Fund Balances (Deficit) - End of Year	$ 117,494	$ 82,772	$ 56,091	$ (26,681)	$ 5,608	$ 5,608	$ 869	$ (4,739)

City of Red Bluff

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

	ISTEA/RSTP Revenue Fund				Grants Fund			
	Budgeted Amounts			Variance With Final	Budgeted Amounts			Variance With Final
Year Ended June 30, 2019	Original	Final	Actual	Budget	Original	Final	Actual	Budget
Revenues								
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	100	100	7,226	7,126	-	-	6,685	6,685
Intergovernmental revenue	240,907	240,907	337,568	96,661	2,280,000	2,280,000	21,852	(2,258,148)
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	241,007	241,007	344,794	103,787	2,280,000	2,280,000	28,537	(2,251,463)
Expenditures								
Current:								
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	5,000	5,000	5,000	-
Capital outlay	344,146	344,146	1,813	342,333	2,275,000	2,275,000	16,852	2,258,148
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	344,146	344,146	1,813	342,333	2,280,000	2,280,000	21,852	2,258,148
Excess (Deficiency) of Revenues Over (Under) Expenditures	(103,139)	(103,139)	342,981	446,120	-	-	6,685	6,685
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(103,139)	(103,139)	342,981	446,120	-	-	6,685	6,685
Fund Balances (Deficit) - Beginning of Year	431,355	431,355	431,355	-	199,663	199,663	199,663	-
Fund Balances (Deficit) - End of Year	$ 328,216	$ 328,216	$ 774,336	$ 446,120	$ 199,663	$ 199,663	$ 206,348	$ 6,685

City of Red Bluff

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

	SB1186				RMRA Fund			
	Budgeted Amounts			Variance With Final	Budgeted Amounts			Variance With Final
Year Ended June 30, 2019	Original	Final	Actual	Budget	Original	Final	Actual	Budget
Revenues								
Other taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	-	-	230	230	-	-	1,956	1,956
Intergovernmental revenue	2,500	2,500	5,040	2,540	233,747	233,747	275,722	41,975
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	2,500	2,500	5,270	2,770	233,747	233,747	277,678	43,931
Expenditures								
Current:								
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	235,000	235,000	86,226	148,774
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	235,000	235,000	86,226	148,774
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,500	2,500	5,270	2,770	(1,253)	(1,253)	191,452	192,705
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	2,500	2,500	5,270	2,770	(1,253)	(1,253)	191,452	192,705
Fund Balances (Deficit) - Beginning of Year	11,262	11,262	11,262	-	65,006	65,006	65,006	-
Fund Balances (Deficit) - End of Year	$ 13,762	$ 13,762	$ 16,532	$ 2,770	$ 63,753	$ 63,753	$ 256,458	$ 192,705

City of Red Bluff

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

	Transportation Fund			
	Budgeted Amounts			Variance With Final
Year Ended June 30, 2019	Original	Final	Actual	Budget
Revenues				
Other taxes	$ 61,000	$ 61,000	$ 79,385	$ 18,385
Fines, forfeitures, and penalties	-	-	-	-
Use of money and property	1,300	1,300	-	(1,300)
Intergovernmental revenue	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	62,300	62,300	79,385	17,085
Expenditures				
Current:				
Parks and recreation	-	-	-	-
Transportation and streets	334,830	334,830	238,690	96,140
Grants and program income	-	-	-	-
Capital outlay	-	950	950	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	776	(776)
Total Expenditures	334,830	335,780	240,416	95,364
Excess (Deficiency) of Revenues Over (Under) Expenditures	(272,530)	(273,480)	(161,031)	112,449
Other Financing Sources (Uses)				
Transfers In	194,027	194,027	194,027	-
Transfers out	-	-	(35,207)	(35,207)
Total Other Financing Sources (Uses)	194,027	194,027	158,820	(35,207)
Net Change in Fund Balances	(78,503)	(79,453)	(2,211)	77,242
Fund Balances (Deficit) - Beginning of Year	90,190	90,190	90,190	-
Fund Balances (Deficit) - End of Year	$ 11,687	$ 10,737	$ 87,979	$ 77,242

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, 2019	Community Development Fund	Airport Fund	Community Center Fund	Nonmajor Enterprise Total
ASSETS AND DEFERRED OUTFLOWS				
Current Assets				
Cash and cash equivalents	$ 851,786	$ 95,431	$ 4,124	$ 951,341
Receivables:				
Accounts - net	-	3,656	1,515	5,171
Interest	1,103	194	-	1,297
Due from other governments	202	6,883	15,050	22,135
Total Current Assets	853,091	106,164	20,689	979,944
Noncurrent Assets				
Nondepreciable capital assets	-	386,926	-	386,926
Depreciable capital assets - net	38,362	1,990,432	21,766	2,050,560
Total Noncurrent Assets	38,362	2,377,358	21,766	2,437,486
Total Assets	891,453	2,483,522	42,455	3,417,430
Deferred Outflows of Resouces				
Deferred outflows from other postemployment benefits	3,403	-	5,105	8,508
Deferred outflows from pensions	85,247	-	80,282	165,529
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 980,103	$ 2,483,522	$ 127,842	$ 3,591,467
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION				
Current Liabilities				
Accounts payable	$ 23,501	$ 10,087	$ 10,221	$ 43,809
Accrued interest payable	-	-	172	172
Accrued payroll and benefits	5,034	-	6,143	11,177
Customer/employee deposits	707	-	4,174	4,881
Other liabilities	1	9,600	7,711	17,312
Due to other funds	-	-	-	-
Compensated absences payable - current	5,805	-	3,837	9,642
Bonds and loans payable - current	7,985	-	-	7,985
Total Current Liabilities	43,033	19,687	32,258	94,978
Noncurrent Liabilities				
Net other postemployment benefits liability	71,719	-	107,579	179,298
Net pension liability	272,690	-	256,808	529,498
Compensated absences payable - net	17,416	-	11,512	28,928
Bonds and loans payable - net	-	-	-	-
Total Noncurrent Liabilities	361,825	-	375,899	737,724
Total Liabilities	404,858	19,687	408,157	832,702
Deferred Inflows of Resouces				
Deferred inflows from pension	38,106	-	35,886	73,992
Net Position				
Net investment in capital assets	30,377	2,377,358	21,766	2,429,501
Unrestricted	506,762	86,477	(337,967)	255,272
Total Net Position	537,139	2,463,835	(316,201)	2,684,773
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	$ 980,103	$ 2,483,522	$ 127,842	$ 3,591,467

City of Red Bluff

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

	Nonmajor Enterprise			
Year Ended June 30, 2019	Community Development Fund	Airport Fund	Community Center Fund	Totals
Operating Revenues				
Charges for current services:				
Permits and fees	$ 427,860	$ -	$ -	$ 427,860
Rental revenue	-	105,455	108,757	214,212
Other revenue	-	18,613	11,401	30,014
Total Operating Revenues	427,860	124,068	120,158	672,086
Operating Expenses				
Cost of power and transportation	-	24,948	62,984	87,932
Maintenance, operations, and administration	351,872	20,330	291,313	663,515
Depreciation expense	8,120	204,968	2,311	215,399
Total Operating Expenses	359,992	250,246	356,608	966,846
Operating Income (Loss)	67,868	(126,178)	(236,450)	(294,760)
Nonoperating Revenues (Expenses)				
Intergovernmental revenues	202	-	45,050	45,252
Property taxes	-	105,576	-	105,576
Investment income	17,963	989	-	18,952
Interest expense	(931)	-	(1,596)	(2,527)
Total Nonoperating Revenues (Expenses)	17,234	106,565	43,454	167,253
Income Before Capital Contributions and Operating Transfers	85,102	(19,613)	(192,996)	(127,507)
Capital Contributions	-	37,928	-	37,928
Transfers in	-	-	151,391	151,391
Transfers out	(93,317)	(70,596)	-	(163,913)
Change in Net Position	(8,215)	(52,281)	(41,605)	(102,101)
Total Net Position - Beginning of Year	545,354	2,516,116	(274,596)	2,786,874
Total Net Position - End of Year	$ 537,139	$ 2,463,835	$ (316,201)	$ 2,684,773

City of Red Bluff

COMBINING STATEMENT OF CASH FLOWS – NONMAJOR PROPRIETARY FUNDS

June 30, 2019

Year Ended June 30, 2019	Community Development Fund	Airport Fund	Community Center Fund	Total Other Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 427,172	$ 125,677	$ 120,871	$ 673,720
Cash paid to employees (including employee benefits)	(161,902)	-	(195,269)	(357,171)
Cash paid to suppliers	(172,437)	(44,569)	(124,100)	(341,106)
Net Cash Provided (Used) By Operating Activities	92,833	81,108	(198,498)	(24,557)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes received	-	105,576	-	105,576
Cash received from (paid to) other funds	-	(104,254)	(39,041)	(143,295)
Transfers in	-	-	151,391	151,391
Transfers out	(93,317)	(70,596)	-	(163,913)
Net Cash Provided (Used) By Noncapital Financing Activities	(93,317)	(69,274)	112,350	(50,241)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Intergovernmental revenue received	232	87,801	97,710	185,743
Payments for the purchase of capital assets	(635)	(7,208)	(5,894)	(13,737)
Debt proceeds received	-	-	-	-
Principal payments on debt	(7,533)	-	-	(7,533)
Interest paid	(931)	822	(1,544)	(1,653)
Net Cash Provided (Used) By Capital and Related Financing Activities	(8,867)	81,415	90,272	162,820
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	17,754	-	-	17,754
Net Cash Provided (Used) By Investing Activities	17,754	-	-	17,754
Net Increase (Decrease) in Cash and Cash Equivalents	8,403	93,249	4,124	105,776
Cash and Cash Equivalents - Beginning of Year	843,383	2,182	-	845,565
Cash and Cash Equivalents - End of Year	$ 851,786	$ 95,431	$ 4,124	$ 951,341
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	$ 67,868	$ (126,178)	$ (236,450)	$ (294,760)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	8,120	204,968	2,311	215,399
Changes in:				
Accounts receivable	-	1,609	3,117	4,726
Deferred ouflows from other postemployment benefits	(1,329)	-	(1,994)	(3,323)
Deferred ouflows from pensions	10,909	-	6,012	16,921
Accounts payable	(11,640)	1,190	(6,782)	(17,232)
Accrued payroll and benefits	110	-	160	270
Customer/employee deposits	(688)	-	(2,404)	(3,092)
Other liabilities	(32)	(481)	(1,272)	(1,785)
Net other post employment benefits liability	9,310	-	13,965	23,275
Net pension liability	17,859	-	28,113	45,972
Compensated absences payable	698	-	2,533	3,231
Deferred inflows from pensions	(8,352)	-	(5,807)	(14,159)
Net Cash Provided (Used) By Operating Activities	$ 92,833	$ 81,108	$ (198,498)	$ (24,557)

STATISTICAL SECTION

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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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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Taxable Sales by Category 137

City of Red Bluff

NET POSITION

Last Ten Fiscal Years (Accrual Basis of Accounting)

	2009-2010	2010-2011	2011-2012**	2012-2013	2013-2014*	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Governmental activities:										
Net investment in capital assets	$ 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	$ 25,886,592
Restricted	8,156,518	9,857,681	9,228,313	10,235,224	9,840,230	10,910,942	10,465,626	10,620,467	10,701,432	10,955,263
Unrestricted	712,231	653,482	453,041	638,560	(8,236,458)	(8,144,522)	(7,270,399)	(6,672,378)	(8,494,036)	(8,424,483)
Total governmental activities net position	$ 43,883,659	$ 44,308,546	$ 42,961,835	$ 41,856,820	$ 31,212,274	$ 31,292,157	$ 31,079,975	$ 30,754,346	$ 28,775,343	$ 28,417,372
Business-type activities:										
Net investment in capital assets	$ 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	$ 14,838,636
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	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	12,230,702
Total business-type activities net position	$ 21,732,211	$ 20,578,191	$ 21,258,971	$ 23,377,231	$ 23,068,429	$ 24,251,845	$ 25,243,897	$ 26,668,923	$ 26,719,958	$ 27,069,338
Primary Government:										
Net investment in capital assets	$ 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	$ 40,725,228
Restricted	8,156,518	9,857,681	9,228,313	10,235,224	9,840,230	10,910,942	10,465,626	10,620,467	10,701,432	10,955,263
Unrestricted	11,604,592	10,728,274	11,699,429	8,905,960	166,463	1,551,065	3,549,418	5,193,499	3,075,790	3,806,219
Total primary government net position	$ 65,615,870	$ 64,886,737	$ 64,220,806	$ 65,234,051	$ 54,280,703	$ 55,544,002	$ 56,323,872	$ 57,423,269	$ 55,495,301	$ 55,486,710

* 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 reclassed 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)

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Expenses:										
Governmental activities:										
General government										
City administration	$ 380,284	$ 387,444	$ 367,942	$ 398,463	$ 356,920	$ 393,618	$ 472,291	$ 533,939	$ 766,534	$ 375,257
Finance	434,417	423,246	376,869	400,727	407,240	455,859	457,445	465,684	507,501	536,268
Community promotion and economic development	109,490	112,101	88,570	107,225	102,792	99,330	97,611	93,420	91,609	65,224
Human resources	176,027	182,810	171,011	119,776	114,370	139,099	125,048	128,960	187,749	193,442
Engineering and administration	226,142	202,983	234,566	132,156	121,491	92,074	105,265	176,189	173,262	181,824
Government buildings	132,928	123,508	133,317	107,852	147,159	148,608	186,650	358,403	404,680	519,926
General government	182,391	163,765	181,628	191,725	171,826	297,374	53,313	114,071	212,508	244,478
Public safety:										
Fire	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	2,982,813
Police	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	6,375,624
Parks and recreation	533,155	474,044	436,223	423,235	429,042	221,909	287,670	564,815	538,507	627,982
Transportation and streets	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	2,107,137
Senior nutrition program	293,341	293,014	299,842	251,390	-	-	-	-	-	-
Grants & program income	258,987	98,606	55,359	74,919	185,102	305,553	251,425	990,726	149,233	-
Total governmental activities expenses	10,543,555	9,849,085	10,018,081	10,236,688	10,443,858	11,335,683	11,559,928	12,934,915	13,898,792	14,209,975
Business-type activities:										
Community development	392,331	358,918	383,690	359,033	332,345	280,094	313,412	201,601	314,442	360,923
Waste water	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	2,585,023
Water	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	1,712,325
Airport	166,101	322,376	224,963	182,889	204,006	181,269	174,170	2,952,281	236,729	250,246
Community center	250,015	251,027	252,374	247,415	259,764	295,266	293,399	310,670	252,542	358,204
Total business-type activities expenses	3,676,276	3,785,489	3,888,862	3,704,334	3,914,826	4,260,205	4,472,178	7,492,831	5,020,533	5,266,721
Total primary government expenses	14,219,831	13,634,574	13,906,943	13,941,022	14,358,684	15,595,888	16,032,106	20,427,746	18,919,325	19,476,696

City of Red Bluff

STATEMENT OF ACTIVITIES

Last Ten Fiscal Years (Accrual Basis of Accounting)

(Continued)

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	333,813	322,662	321,851	374,250	380,997	390,026	400,832	423,257	476,866	451,138
Public safety										
Fire	13,100	11,234	5,397	13,391	6,528	41,494	7,858	11,423	29,063	15,102
Police	102,519	81,542	83,719	82,080	91,386	81,411	77,959	89,356	92,027	84,829
Parks & recreation	85,332	70,191	73,434	61,678	62,068	54,493	86,132	85,626	80,958	69,342
Grants & program income	7,065	46,017	3,370	15,359	8,507	4,895	110,263	-	-	-
Operating grants and contributions	1,248,148	822,403	848,830	1,079,441	749,627	902,343	870,914	2,073,783	1,513,461	1,437,725
Capital grants and contributions	292,130	152,536	204,997	400,427	32,149	191,479	162,907	32,143	449,658	64,970
Total governmental activities program revenues	2,082,107	1,506,585	1,541,598	2,026,626	1,331,262	1,666,141	1,716,865	2,715,588	2,642,033	2,123,106
Business-type activities:										
Charges for services:										
Community development	311,218	279,902	250,870	369,002	471,603	536,699	519,261	458,409	399,395	428,062
Waste water	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	2,935,002
Water	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	2,227,451
Airport	96,501	116,005	122,929	120,826	128,133	130,101	121,416	113,790	134,988	124,068
Community center	78,453	84,918	75,750	82,482	104,768	124,712	124,139	127,425	132,348	120,158
Operating grants and contributions	77,914	80,971	85,940	67,586	77,175	83,318	76,457	90,030	97,710	45,050
Capital grants and contributions	5,598	191,012	78,033	12,920	10,128	36,348	31,330	462,227	111,640	37,928
Total business-type activities program revenues	4,640,034	4,840,358	4,916,934	5,859,208	6,024,807	5,964,004	5,785,513	6,617,054	6,016,878	5,917,719
Total primary government program revenues	6,722,141	6,346,943	6,458,532	7,885,834	7,356,069	7,630,145	7,502,378	9,332,642	8,658,911	8,040,825
Net (expense)/revenue:										
Governmental activities	(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)	(12,086,869)
Business-type activities	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	650,998
Total primary government net expense	(7,497,690)	(7,287,631)	(7,448,411)	(6,055,188)	(7,002,615)	(7,965,743)	(8,529,728)	(8,388,104)	(10,260,414)	(11,435,871)

City of Red Bluff

STATEMENT OF ACTIVITIES

Last Ten Fiscal Years (Accrual Basis of Accounting)

(Continued)

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes:										
Sales taxes	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	5,399,869
Property taxes	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	1,661,525
Motel taxes	555,234	596,603	594,254	711,274	720,122	835,533	928,374	939,306	977,215	1,473,204
Special gas taxes	231,350	334,068	404,286	338,911	478,119	364,333	314,726	275,095	289,366	277,846
Franchise taxes	223,635	287,059	291,559	303,909	306,342	324,229	346,867	359,147	378,888	399,784
Other taxes	232,246	173,406	263,808	203,453	219,093	221,998	220,719	235,859	252,212	215,329
Motor vehicle license fees	1,037,000	1,114,162	1,030,288	959,291	979,512	992,407	1,057,086	1,138,014	1,199,422	1,298,324
Impact fees	123,586	47,108	154	230,787	8,551	1,454,334	204,968	264,947	112,997	53,692
Investment earnings	150,343	107,097	140,233	133,603	130,680	145,522	170,436	177,092	201,797	218,846
Gain/loss on sale of asset	8,766	-	-	-	1,200	30,560	184	-	-	5,000
Transfers	430,658	457,303	453,169	154,511	541,691	598,032	506,481	612,940	828,038	725,479
Total governmental activities	6,783,913	6,932,032	7,129,772	7,105,047	7,687,332	9,749,425	9,630,881	9,893,698	10,176,964	11,728,898
Business-type activities:										
Taxes	63,666	41,544	57,190	56,428	67,617	-	59,973	71,582	105,298	105,576
Investment earnings	70,082	42,225	48,687	61,469	62,019	77,649	125,225	135,161	172,188	318,285
Gain on sale of assets	-	-	-	-	-	-	-	-	-	-
Transfers	(430,658)	(457,303)	(453,169)	(154,511)	(541,691)	(598,032)	(506,481)	(612,940)	(828,038)	(725,479)
Total business-type activities	(296,910)	(373,534)	(347,292)	(36,614)	(412,055)	(520,383)	(321,283)	(406,197)	(550,552)	(301,618)
Total primary government	6,487,003	6,558,498	6,782,480	7,068,433	7,275,277	9,229,042	9,309,598	9,487,501	9,626,412	11,427,280
Change in Net Position:										
Governmental activities	(1,677,535)	(1,410,468)	(1,346,711)	(1,105,015)	(1,425,264)	79,883	(212,182)	(325,629)	(1,079,795)	(357,971)
Business-type activities	666,848	681,335	680,780	2,118,260	1,697,926	1,183,416	992,052	1,425,026	445,793	349,380
Total primary government	$ (1,010,687)	$ (729,133)	$ (665,931)	$ 1,013,245	$ 272,662	$ 1,263,299	$ 779,870	$ 1,099,397	$ (634,002)	$ (8,591)

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)

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
General Fund:										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	193,990	-	-	-	-	-	-	-	-	-
Nonspendable	-	1,869	-	9,057	539	-	-	1,524	200,000	916
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	400,000	400,000	700,000	850,000	1,400,000	2,498,000	2,953,000	2,600,000	3,600,000
Unassigned	-	25,567	72,905	30,102	42,950	32,922	22,128	40,070	68,972	112,775
Total general fund	$ 193,990	$ 427,436	$ 472,905	$ 739,159	$ 893,489	$ 1,432,922	$ 2,520,128	$ 2,994,594	$ 2,868,972	$ 3,713,691
All Other Governmental Funds:										
Reserved	$ 4,078,818	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	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	10,794,612
Committed*	-	1,131,410	1,131,410	1,086,144	1,321,899	1,057,287	1,038,783	1,023,968	904,409	904,409
Assigned	-	12,298	27,043	60,250	90,890	132,782	191,745	263,071	352,935	501,951
Unassigned	-	(30,563)	(71,464)	(69,626)	(70,650)	(55,343)	(47,901)	(40,290)	(36,934)	(35,663)
Total all other governmental funds	$ 9,332,696	$ 10,958,668	$ 11,065,997	$ 2,076,148	$ 10,903,822	$ 11,934,674	$ 11,484,599	$ 11,641,689	$ 11,933,035	$ 12,165,309
Total Governmental Funds:										
Reserved	$ 4,078,818	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	5,447,868	-	-	-	-	-	-	-	-	-
Nonspendable**	-	1,869	-	9,057	539	-	-	1,524	200,000	916
Restricted	-	9,845,523	9,979,008	999,380	9,561,683	10,799,948	10,301,972	10,394,940	10,712,625	10,794,612
Committed	-	1,131,410	1,131,410	1,086,144	1,321,899	1,057,287	1,038,783	1,023,968	904,409	904,409
Assigned	-	412,298	427,043	760,250	940,890	1,532,782	2,689,745	3,216,071	2,952,935	4,101,951
Unassigned	-	(4,996)	1,441	(39,524)	(27,700)	(22,421)	(25,773)	(220)	32,038	77,112
Total all other governmental funds	$ 9,526,686	$ 11,386,104	$ 11,538,902	$ 2,815,307	$ 11,797,311	$ 13,367,596	$ 14,004,727	$ 14,636,283	$ 14,802,007	$ 15,879,000

*FY 2011 reclassed to conform to prior and current year classifications.

** FY 2011 through FY 2016 reclassifed 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)

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Revenues:										
Sales tax	$ 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	$ 5,399,869
Property tax	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	1,661,525
Motel tax	555,234	596,603	594,254	711,274	720,122	835,533	928,374	939,306	977,215	1,473,204
Franchise tax	223,635	287,059	291,559	303,909	306,342	324,229	346,867	359,147	378,888	399,784
Other taxes	218,954	159,480	248,779	187,840	195,985	204,512	202,061	216,299	242,251	215,329
Licenses and permits	290,205	299,058	296,088	359,517	361,808	390,072	402,631	418,791	407,951	425,605
Fines, forfeitures, and penalties	78,686	55,930	55,354	48,549	59,028	48,277	44,306	46,281	52,455	47,169
Use of money and property	42,942	31,237	26,137	41,968	35,111	43,235	62,133	76,543	93,769	159,358
Intergovernmental revenue	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	2,850,153
Charges for current services	105,746	92,273	89,616	86,966	87,478	100,901	107,719	119,180	154,689	107,427
Other revenues	333,542	318,339	259,577	446,312	154,424	1,651,574	438,972	408,699	305,664	299,893
Total revenues	8,198,322	7,905,454	8,104,105	8,885,527	8,394,584	10,715,246	10,798,087	11,895,797	11,882,951	13,039,316
Expenditures:										
Current:										
General government	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	1,894,970
Fire public safety	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	2,634,641
Police public safety	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	5,483,543
Parks and recreation	433,124	382,394	354,834	304,834	325,701	330,534	395,027	370,533	439,388	436,547
Transportation and streets	723,868	567,078	653,311	679,055	851,368	928,607	1,051,201	757,283	739,865	713,345
Senior Nutrition program	289,701	286,465	294,267	292,339	-	-	-	-	-	-
Grants and program income	164,033	95,320	36,979	74,917	176,802	133,166	87,916	990,726	149,255	9,412
Capital outlay	293,764	607,822	271,559	438,909	345,076	640,530	912,668	586,275	1,445,583	1,616,977
Debt Service:										
Principal	35,969	37,505	39,107	60,000	248,000	307,904	334,157	254,920	275,000	306,154
Interest	4,807	3,272	1,862	25,702	71,681	69,473	55,425	42,638	32,507	48,336
Debt issuance costs	-	-	-	59,555	-	-	-	-	-	-
Total expenditures	9,005,819	8,338,694	8,404,476	10,715,633	8,950,271	9,742,993	10,667,437	11,877,181	12,545,265	13,143,925
Excess (deficiency) of revenues over (under) expenditures	(807,497)	(433,240)	(300,371)	(1,830,106)	(555,687)	972,253	130,650	18,616	(662,314)	(104,609)
Other financing sources (uses):										
Operating transfers in *	7,611,562	1,885,560	1,477,078	1,493,342	1,640,816	961,858	889,879	954,292	1,157,226	1,069,528
Operating transfers out *	(7,180,904)	(1,428,257)	(1,023,909)	(1,338,831)	(1,099,125)	(363,826)	(383,398)	(341,352)	(329,188)	(344,049)
Debt proceeds **	-	-	-	1,948,000	-	-	-	-	-	456,123
Total other financing sources (uses)	430,658	457,303	453,169	2,102,511	541,691	598,032	506,481	612,940	828,038	1,181,602
Total prior period adjustments	227,281	-	-	-	-	-	-	-	-	-
Net change in fund balance	$ (149,558)	$ 24,063	$ 152,798	$ 272,405	$ (13,996)	$ 1,570,285	$ 637,131	$ 631,556	$ 165,724	$ 1,076,993
Debt service as a percentage of non capital expenditures	0.47%	0.53%	0.50%	0.83%	3.71%	4.15%	3.99%	2.64%	2.77%	3.08%

*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

Fiscal Year	Fund Balance	Annual Appropriations	Balance as % of Appropriations
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%
2018-2019	$ 3,713,691	$ 6,761,039	54.9%

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
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
2018-2019	$ 8,969,077	$ 425,605	$ 20,179	$ 4,948	$ 1,792,656	$ 107,427	$ 208,365	$ 11,528,257

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

					Other Taxes		Licenses and Permits	
Fiscal Year	Sales and Use Tax	General Property Tax	Transient Occupancy Tax	Franchise Tax	Property Transfer Tax	Downtown Business Improvement	Business License	Other Licenses/ Permits
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
2018-2019	$ 5,399,869	$ 1,661,525	$ 1,473,204	$ 399,784	$ 35,070	$ (375)	$ 407,925	$ 17,680

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
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
2018-2019	$ 1,894,970	$ 2,634,641	$ 5,483,543	$ 436,547	$ 713,345	$ -	$ 9,412	$ 1,616,977	$ 354,490	$ 13,143,925

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

	City of Red Bluff Rates			Overlapping Rates		Total
Fiscal Year	Basic Countywide Levy (1)	City's Share of Basic Levy (2)	Total Direct Tax Rate (3)	Red Bluff High	Shasta Community College	Direct and Overlapping Rates (4)
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%
2018-2019	1.0000%	0.22879%	0.17315%	0.0164%	0.0072%	1.0236%

(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
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%
2018-2019	$ 876,379,445	$ 76,326,939	$ 1,331,830	$ 954,038,214	6.75%

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		2019 Taxable Assessed Value	2019 Rank	2019 Percentage of Total Taxable Assessed Value	2010 Taxable Assessed Value	2010 Rank	2010 Percentage of Total Taxable Assessed Value
Walmart Stores, Inc.	1	$ 27,715,659	1	2.91%	$ 10,559,379	4	1.24%
Helibro LLC	2	20,053,062	2	2.10%	-	n/a	0.00%
Belle Mill Retail Partners LLC	3	11,975,600	3	1.26%	13,525,197	1	1.59%
Kumar Hotels Inc.	4	11,812,571	4	1.24%	-	n/a	0.00%
Kimar Hotels Inc.	5	9,446,958	5	0.99%	-	n/a	0.00%
Red Bluff Housing Investors	6	9,039,639	6	0.95%	-	n/a	0.00%
Raleys	7	8,824,095	7	0.92%	9,060,551	6	1.07%
Home Depot USA Inc.	8	8,037,370	8	0.84%	12,028,664	2	1.42%
Cabernet Apartments ETAL	9	7,369,762	9	0.77%	8,313,572	8	0.98%
Tehama Medical Arts LLC	10	6,604,446	10	0.69%	-	n/a	0.00%
PJ Helicopters, Inc.		-	n/a	0.00%	11,284,767	3	1.33%
Housing Alternatives		-	n/a	0.00%	10,007,274	5	1.18%
Kumar Pawan		-	n/a	0.00%	8,852,410	7	1.04%
Durango RV Resorts Red Bluff		-	n/a	0.00%	8,023,330	9	0.94%
ATC Realty Sixteen Inc.		-	n/a	0.00%	6,157,704	10	0.72%
Sum of Ten Largest Property Valuation		120,879,162		12.67%	97,812,848		11.51%
Other Taxpayers		833,139,052		87.33%	752,058,401		88.49%
Total Property Valuations - Net of Exemptions		$ 954,018,214		100.00%	$ 849,871,249		100.00%

Source: Tehama County Assessor 2018/19 and 2009/10 Combined Tax Rolls and the SBE Non Unitary Tax Roll

City of Red Bluff

BASIC PROPERTY VALUE TABLE SUMMARIZED BY USE

As of June 30, 2019

Category	Parcels	Assessed Value		Net Taxable Value	
Residential	4,004	$ 578,595,833	54.2%	$ 534,569,842	56.0%
Commercial	524	$ 276,517,867	25.9%	$ 272,375,182	28.6%
Industrial	80	$ 37,798,045	3.5%	$ 37,798,045	4.0%
Dry Farm	4	$ 200,774	0.0%	$ 200,774	0.0%
Govt. Owned	4	$ 672,327	0.1%	$ 672,327	0.1%
Institutional	45	$ 66,195,585	6.2%	$ 5,294,368	0.6%
Miscellaneous	20	$ 735,334	0.1%	$ 735,334	0.1%
Recreational	12	$ 8,283,842	0.8%	$ 7,963,570	0.8%
Vacant	297	$ 12,300,492	1.2%	$ 11,984,110	1.3%
Exempt	274	$ -	0.0%	$ -	0.0%
SBE Nonunitary	[9]	$ 1,311,830	0.1%	$ 1,311,830	0.1%
Cross Reference	[183]	$ 4,847,393	0.5%	$ 4,795,893	0.5%
Unsecured	[940]	$ 80,547,495	7.5%	$ 76,326,939	8.0%
TOTALS	**5,264**	**$ 1,068,006,817**	**100.0%**	**$ 954,028,214**	**100.0%**

Data Source: Tehama County Assessor 2018/19 Combined Tax Rolls

Single Family Residential Full Value Sales (01/01/2017 - 06/30/2019)

Year	Full Value Sales	Average Price	Median Price	Median % Change
2017	201	$ 163,114	$ 161,000	
2018	205	$ 185,157	$ 185,000	14.91%
2019	113	$ 196,575	$ 190,000	2.70%

* 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

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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
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%
2018-2019	$ 1,661,626	$ 1,661,525	100%	$ -	$ 1,661,626	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, 2019

	Secured	Nonunitary Utilities	Unsecured
Parcels	4,990	9	940
TRAs	21	1	12
Values			
Land	$ 234,468,785	$ 1,311,830	$ 1,272,741
Improvements	702,984,454	-	3,682,626
Personal property	38,508,887	-	29,225,542
Fixtures	10,185,366	-	13,581,192
Aircraft	-	-	32,785,394
Total Values	986,147,492	1,311,830	47,762,101
Exemptions			
Real estate	83,161,328	-	-
Personal property	21,158,524	-	2,306,780
Fixtures	5,448,195	-	1,524,240
Aircraft	-	-	389,536
Homeowners*	13,123,100	-	-
Total Exemptions	109,768,047	-	3,831,020
Total Net Values	$ 876,379,445	$ 1,311,830	$ 43,931,081

Combined Values	Total
Total Values	$ 1,035,221,423
Total Exemptions	$ 113,599,067
Net Total Values	$ 921,622,356
Net Aircraft Values	$ 32,395,858

* Note: Homeowner exemptions are not included in total exemptions

Totals do not include aircraft values or aircraft exemptions

Data Source: Tehama County Assessor 2018/19 Combined Tax Rolls

City of Red Bluff

ASSESSED VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Category	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Residential	$ 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	$ 534,569,842
Commercial	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	272,375,182
Industrial	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	37,798,045
Dry Farm	174,153	616,204	620,815	333,692	337,974	342,107	187,701	190,562	194,371	200,774
Govt. owned	267,185	461,648	738,764	273,929	616,718	504,192	686,282	690,647	715,409	672,327
Institutional	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	5,294,368
Irrigated	-	417,245	173,857	177,334	180,880	181,701	-	-	-	-
Miscellaneous	2,097,808	4,692,730	6,140,725	16,046,052	10,199,439	17,216,109	657,456	642,246	602,427	735,334
Recreational	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	7,963,570
Vacant	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	11,984,110
SBE nonunitary	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	1,311,830
Cross reference	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	4,785,893
Unsecured	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	76,326,939
Totals	$ 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	$ 954,018,214
Total Direct Rate	0.17009	0.16797	0.16517	0.17516	0.17536	0.17527	0.17764	0.17378	0.17102	0.17315

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 2009/10 - 2018/19 Combined Tax Rolls via HdL, Coren & Cone

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City of Red Bluff

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year	Special Assessment Billings	Special Assessment Collected
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	$ 22,239	$ 18,364
2018-2019	$ -	$ -

City of Red Bluff

RATIO OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

	Governmental Activities				Business-Type Activities				
Fiscal Year	General Obligation Bonds	Revenue Bonds	Loans	Capital Leases	Revenue Bonds	Loans	Total Primary Government	Percentage of Personal Income	Per Capita
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
2018-2019	$ -	$ -	$ 304,000	$ 432,969	$ -	$ 148,377	$ 885,346	0.35%	62

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
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
2018-2019	$ -	$ -	$ -	0.00%	$ -	14,250	$ 954,018,214

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

Fiscal Year	Bonded Debt	Total Debt Service	Total General Expenditures	Ratio of Debt Service to General Expenditures
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%
2018-2019	$ -	$ -	$ 11,835,903	0.00%

Source: City of Red Bluff Financial Reports

City of Red Bluff

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2019

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City	City Share of Debt
Overlapping Debt Repaid with Property Tax:			
Shasta Community College	$ 21,745,000	3.93%	$ 854,579
Sub-Total overlapping debt	21,745,000		854,579
City of Red Bluff direct debt	506,154	100.00%	$ 506,154
Total direct and overlapping debt	$ 22,251,154		$ 1,360,733

* 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

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Total Assessed Valuation	$ 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	$ 954,018,214
Debt Limit 15% of Total Assessed Valuation*	$ 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	$ 143,102,732
Debt Applicable to Debt Limit	165,000	-	-	-	-	-	-	-	-	-
Legal Debt Margin	$ 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	$ 143,102,732
Total Net	0.13%	0.00%	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 incurr 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 'indebetedness' 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

	CalPERS Refunding Loan					State Revolving Loan Fund and Revenue Bonds						
Fiscal Year	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
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)	$ 293,596	(0.43)	$ 2,919,265	$ 2,403,646	$ 515,619	$ 142,923	$ -	$ 142,923	3.61
2018-2019	$ 12,403,758	$ 12,015,162	$ 388,596	$ 303,143	1.28	$ 2,935,002	$ 2,563,099	$ 371,903	$ 142,923	$ -	$ 142,923	2.60

	CIEDB Loan				
Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Total Debt Service	Coverage
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	$ -	$ -	$ -	$ -	-
2018-2019	$ -	$ -	$ -	$ -	-

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, 2019

Miscellaneous Information	
Year of Incorporation	1876
Population	14,250
Area in Acres	4,490
Form of Government	Council/Manager
Employees	
Full-time	97
Part-time	29
Miles of Streets	130
Number of Street Lights	822

Public Safety Services	
Fire Protection	
Number of stations	1
Number of firefighters	14
Number of volunteers	17
Police Protection	
Number of volunteers	10
Number of stations	1
Number of police officers	25
Number of records clerks	3
Dispatchers/ CSOs	10

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

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

	2019			2010		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
County of Tehama	896	1	15%	831	1	15%
St. Elizabeth Hospital	526	2	9%	491	2	9%
Wal-Mart	327	3	6%	283	4	5%
Tehama County Department of Education	277	4	5%	250	3	5%
Red Bluff Elementary School District	212	5	4%	205	5	4%
Red Bluff High School District	201	6	3%	189	6	3%
City of Red Bluff	126	7	2%	125	7	2%
Home Depot	120	8	2%	134	8	2%
Raleys	102	9	2%	99	9	2%
Lassen Medical Group	97	10	2%	89	10	2%
Total Employment, City of Red Bluff	5,884			5,496		

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*
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%
2018	14,250	6.1%	$ 251,877	$ 17,675	36.5	87.9%	13.0%

Source:

Population: California Department of Finance. Unemployment Data: California Employment Development Department

2000-2009: Income, Age, and Education Data: ESRI- Demographic Estimates are based on the last available census.
Projections are developed by incorporating all of the prior census data released to date.
Demographic Data os totaled from Census Block Groups that overlap the City's boundaries.

2010 and later: Income, Age, and Education Data: US Census Bureau, most recent American Community Survey.

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
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
2018-2019	130.0	7	90	14	60	2.5	5,431	1,750	35,781	1,844	1,155	3,037	635

Source: City of Red Bluff records

*Statistics only available in calendar year, so providing 2018 calendar year for 2018-19 fiscal year statistics.

City of Red Bluff

AUTHORIZED FULL-TIME AND PART-TIME POSITIONS BY DEPARTMENT

Last Ten Fiscal Years

Department	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
General Government	15	16	16	17	10	10	8	8	9	10
Community Development	2	2	2	2	2	3	5	4	4	4
Fire	32	38	33	38	31	26	22	24	22	27
Police	42	42	40	41	36	36	33	32	32	33
Public Works	9	10	9	12	10	11	7	6	6	6
Sewer	6	4	6	6	6	5	4	4	4	4
Water	6	6	6	5	6	5	5	4	4	6
Parks & Recreation	14	16	25	35	49	49	43	49	43	35
Total City	126	134	137	156	150	145	127	131	124	125

Source: City of Red Bluff Personnel Department

City of Red Bluff

WATER AND SEWER RATES

Last Ten Fiscal Years

	Water		Sewer	
Fiscal Year	Monthly Base Rate	Consumption Rate Avg. Rate Per 100 Cu. Ft.	Monthly Base Rate	Rate Per 100 Cu. Ft. of Water Consumed
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
2018-2019	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 2018-19

Business Name	Business Category
A Wireless	Electronic/Appliance Stores
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
Les Schwab Tire Center	Automotive Supply Stores
McDonald's	Quick-Service Restaurants
More for Less Gas	Service Stations
One Stop Gas and Food	Service Stations
Raleys	Grocery Stores Liquor
Red Bluff Chrysler Dodge Jeep Ram	New Motor Vehicle Dealers
Red Bluff Food Mart	Service Stations
Red Bluff Gas	Service Stations
Red Bluff Shell	Service Stations
Rina's Mini Mart	Service Stations
Tractor Supply Company	Garden/Agricultural Supplies
USA Gas	Service Stations
Valero	Service Stations
Valero	Service Stations
Walmart Supercenter	Discount Dept Stores

Percent of Fiscal Year Total Paid By Top 25 Accounts = 69.58%

Period: July 2018 through March 2019

FOR FISCAL YEAR 2009-10

Business Name	Business Category
Adobe Road Chevron	Service Stations
Antelope Liquors Power Gas	Service Stations
Antelope Valero	Service Stations
Arco AM PM	Service Stations
CVS Pharmacy	Drug Stores
Food Maxx	Grocery Stores Liquor
Gas 4 Less	Service Stations
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
One Stop Gas & Food	Service Stations
Raleys	Grocery Stores Liquor
Red Bluff Shell	Service Stations
Sears Appliance Center	Electronic/Appliance Stores
Staples	Office Supplies/Furniture
Taco Bell	Quick-Service Restaurants
Tractor Supply	Garden/Agricultural Supplies
USA Gas	Service Stations
Valero	Service Stations
Walmart Supercenter	Discount Dept Stores

Percent of Fiscal Year Total Paid By Top 25 Accounts = 67.48%

Period: July 2009 through March 2010

* Firms Listed Alphabetically, due to confidentiality of sales tax revenue.

** Sales tax, the City's largest own source revenue, consists of 1% Bradley Burns sales tax and 1/4% 2014 transactions and use tax.

Source: Hinderliter, de Llamas & Associates, State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office

City of Red Bluff

TAXABLE SALES BY CATEGORY

Last Ten Calendar Years (In Thousands of Dollars)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Apparel stores	$ 905	$ 876	$ 1,108	$ 1,297	$ 1,360	$ 1,479	$ 2,179	$ 2,041	$ 2,170	$ 2,407
Food stores	14,368	14,111	12,572	13,786	13,390	13,204	13,419	11,593	10,567	10,322
Eating and drinking places	26,125	28,277	28,632	30,388	30,790	31,960	34,441	36,396	37,515	38,705
Building materials	33,454	33,058	33,763	34,293	38,424	38,446	42,350	44,767	47,820	48,979
Auto dealers and supplies	27,187	20,380	18,266	26,944	42,610	53,799	68,583	71,996	74,473	69,833
Service stations	53,168	62,271	78,102	82,164	83,619	77,604	66,062	60,041	68,303	77,367
Other retail stores	68,070	65,609	65,525	71,369	70,573	74,281	73,757	77,893	77,993	78,740
All other outlets	42,623	46,846	45,460	45,858	48,241	52,851	64,062	67,991	66,512	68,109
Total	$ 265,900	$ 271,428	$ 283,428	$ 306,099	$ 329,007	$ 343,624	$ 364,853	$ 372,718	$ 385,353	$ 394,462

Source: State of California Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office 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

CPAs & Advisors

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, 2019, 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 6, 2019.

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.

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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 6, 2019
AGT CPAs & Advisors
Redding, California