

CITY OF RED BLUFF, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended
June 30, 2020

Prepared by:

Red Bluff Finance Department

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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 3, 2020

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, 2020. 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. AGT CPAs & Advisors, 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, 2020, 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 waste water 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, however, our occupancy tax and sales tax revenues declined by 35% and 2.5%, respectively. Overall, general fund revenue decreased 4.5% from the prior year. However, 2020/21 is estimated to decrease 9% from the current year. This decrease is mainly due to uncertainties in the current COVID-19 climate.

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 increases in the Public Employees Retirement System (PERS) Unfunded Liability portion. Although the City budgeted for an overall 10% decrease in expenses, with CalPERS increases, the overall estimated decrease in fund balance was \$500,000. Department's conservative spending and a COVID-19 impact that was less than expected resulted in an overall increase of approximately \$700,000.

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, waste water, 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 20/21. Also, 6 of the capital projects have been completed, two have been removed from the list, and approximately \$9 million is slated for completion in FY 20/21.

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, 2019. This was the fifth 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

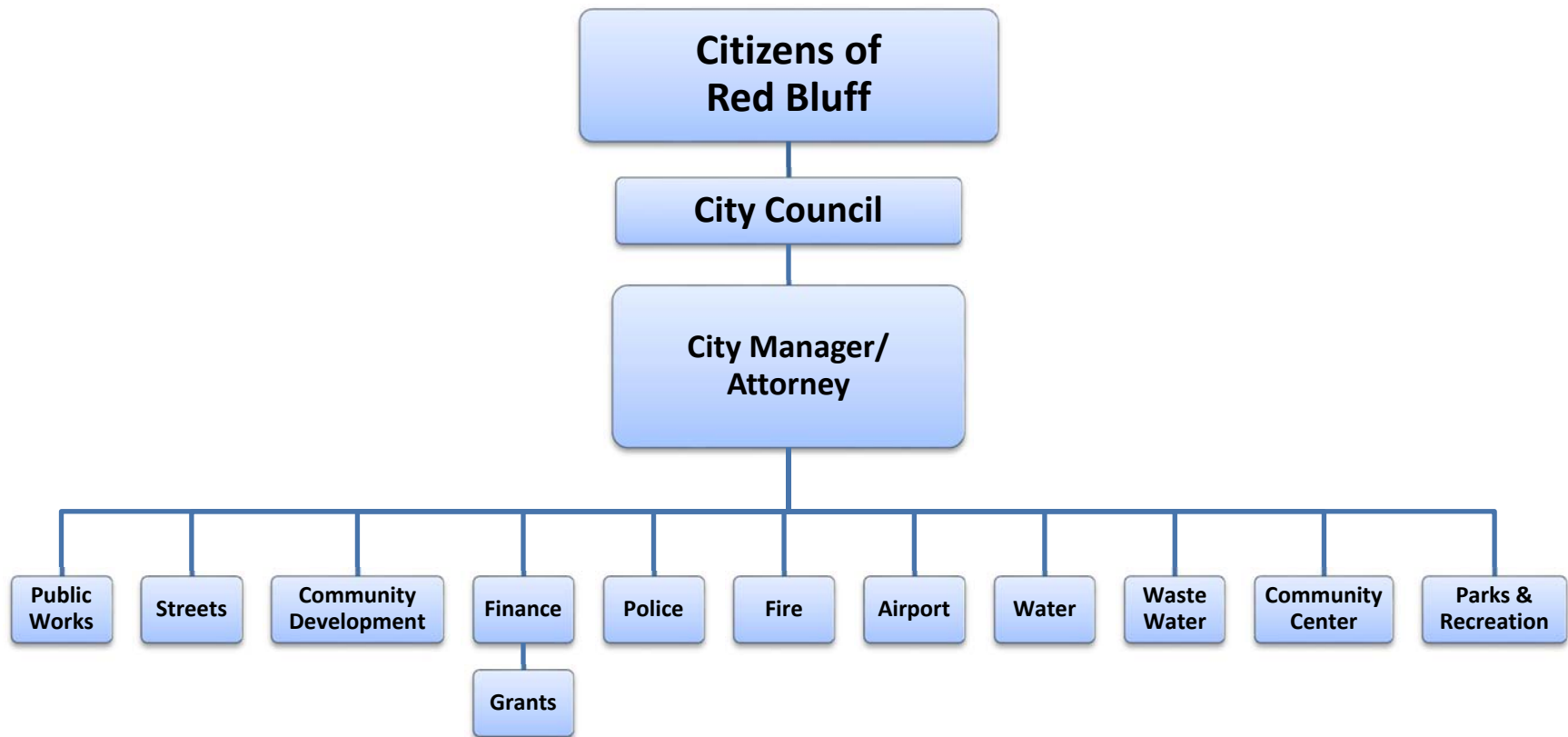
**City of Red Bluff
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



Council Committees: Budget Committee and Audit Committee

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

City of Red Bluff

LIST OF ELECTED AND APPOINTED OFFICIALS

June 30, 2020

CITY COUNCIL

Mayor..... Daniele Eyestone
Mayor Pro Tem Kris Deiters
Council Member..... Clay Parker
Council Member..... Amanda Jenkins
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, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

INDEPENDENT AUDITORS' REPORT

(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Red Bluff, as of June 30, 2020, 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 and other postemployment benefits disclosure schedules on pages 67 through 69 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 3, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

AGT CPAs & Advisors

December 3, 2020
AGT CPAs & Advisors
Redding, California

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2020.

FINANCIAL HIGHLIGHTS

The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$53,779,860 (net position). Of this amount, \$1,755,089 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies. The City's total net position has decreased by \$1,706,850. Most of this decrease is due to an increase in the pension liability.

As of the close of the current fiscal year, the City's governmental activities reported combined total net position of \$26,839,584. Of this amount \$(9,702,096) is unrestricted and available for use within the City's designation and policies. This deficit is the result of the GASB 68 and GASB 75 requirements to include all the City's estimated net pension liability and estimated net OPEB liability, respectfully, in the government-wide financial statements.

At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$376,370 or 3.4% of the total General Fund expenditures. The assigned fund balance of \$4,000,000 is comprised of the following: 1) assigned for contingencies - \$1,098,852 or 10% of the total General Fund expenditures; and 2) assigned for uncertainties - \$549,426 or 5% of the total General Fund expenditures; 3) assigned for fire apparatus and vehicles – \$213,010; 4) assigned for vehicles - \$325,000; 5) assigned for city buildings - \$350,000; and 6) assigned for technology - \$325,000; 7) assigned for ADA projects - \$325,000; 8) assigned for quarter cent sales tax one-time expenses - \$372,020; 9) assigned for increased CalPERS expenses - \$166,500; and 10) assigned for parks equipment and improvements – \$275,192.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

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 private-sector businesses.

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

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories - governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

The City maintains 28 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 25 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 three 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 \$53,779,860 as of June 30, 2020.

The largest portion of the City's net position (74.44%) 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 \$11,991,022 of the City's net position (22.3%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position \$1,755,089 may be used to meet the government's ongoing obligation to citizens and creditors.

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

The following table provides a summary of the City's Net Position for the years ended June 30, 2020 and 2019.

CITY OF RED BLUFF'S NET POSITION

June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current and other assets	\$ 19,626,299	\$ 18,475,330	\$ 15,699,485	\$ 15,681,757	\$ 35,325,784	\$ 34,157,087
Capital assets	24,959,598	26,319,561	15,483,091	14,987,013	40,442,689	41,306,574
TOTAL ASSETS	44,585,897	44,794,891	31,182,576	30,668,770	75,768,473	75,463,661
Deferred outflows from OPEB, pensions						
	3,604,417	3,848,994	779,604	917,495	4,384,021	4,766,489
LIABILITIES						
Net OPEB liability	2,688,532	2,962,384	525,062	578,411	3,213,594	3,540,795
Net pension liability	14,632,127	13,464,327	3,149,435	2,845,681	17,781,562	16,310,008
Long-term liabilities	1,583,804	1,866,540	145,873	313,804	1,729,677	2,180,344
Other liabilities	894,527	919,866	741,289	381,377	1,635,816	1,301,243
TOTAL LIABILITIES	19,798,990	19,213,117	4,561,659	4,119,273	24,360,649	23,332,390
Deferred inflows from OPEB, pensions						
	1,551,740	1,013,396	460,245	397,654	2,011,985	1,411,050
NET POSITION						
Net investment in capital assets	24,550,658	25,886,592	15,483,091	14,838,636	40,033,749	40,725,228
Restricted	11,991,022	10,955,263	-	-	11,991,022	10,955,263
Unrestricted	(9,702,096)	(8,424,483)	11,457,185	12,230,702	1,755,089	3,806,219
TOTAL NET POSITION	\$ 26,839,584	\$ 28,417,372	\$ 26,940,276	\$ 27,069,338	\$ 53,779,860	\$ 55,486,710

As of June 30, 2020, the City is reporting positive balances in all three categories of net position for the City as a whole.

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

Analysis of the City's Operations

The following table provides a summary of the City's operations for the years ended June 30, 2020 and 2019.

CITY OF RED BLUFF'S STATEMENT OF ACTIVITIES

Years Ended June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for services	\$ 634,021	\$ 620,411	\$ 5,982,293	\$ 5,834,741	\$ 6,616,314	\$ 6,455,152
Operating grants and contributions	1,514,594	1,437,725	98,893	45,050	1,613,487	1,482,775
Capital grants and contributions	156,453	64,970	12,500	37,928	168,953	102,898
General Revenues:						
Sales taxes	5,266,540	5,399,869	-	-	5,266,540	5,399,869
Property taxes	1,723,402	1,661,525	97,047	105,576	1,820,449	1,767,101
Motel taxes	964,054	1,473,204	-	-	964,054	1,473,204
Special gas taxes	315,199	277,846	-	-	315,199	277,846
Franchise taxes	415,714	399,784	-	-	415,714	399,784
Other taxes	245,959	215,329	-	-	245,959	215,329
Motor vehicle license fees	1,365,543	1,298,324	-	-	1,365,543	1,298,324
Impact fees	57,325	53,692	-	-	57,325	53,692
Investment earnings	196,474	218,846	262,027	318,285	458,501	537,131
Gain on sale of assets	35,808	5,000	-	-	35,808	5,000
Total Revenues	12,891,086	13,126,525	6,452,760	6,341,580	19,343,846	19,468,105
Expenses						
General Government:						
City administration	678,447	375,257	-	-	678,447	375,257
Finance	531,270	536,268	-	-	531,270	536,268
Community promotion and economic development	153,048	65,224	-	-	153,048	65,224
Human resources	194,912	193,442	-	-	194,912	193,442
Engineering and administration	185,095	181,824	-	-	185,095	181,824
Government buildings	436,497	519,926	-	-	436,497	519,926
General government	340,872	244,478	-	-	340,872	244,478
Public Safety:						
Fire	3,132,503	2,982,813	-	-	3,132,503	2,982,813
Police	6,729,993	6,375,624	-	-	6,729,993	6,375,624
Parks and recreation	549,841	627,982	-	-	549,841	627,982
Transportation and streets	2,303,414	2,107,137	-	-	2,303,414	2,107,137
Community development	-	-	397,452	360,923	397,452	360,923
Waste water	-	-	2,716,976	2,585,023	2,716,976	2,585,023
Water	-	-	2,105,350	1,712,325	2,105,350	1,712,325
Airport	-	-	242,743	250,246	242,743	250,246
Community center	-	-	352,283	358,204	352,283	358,204
Total Expenses	15,235,892	14,209,975	5,814,804	5,266,721	21,050,696	19,476,696
Excess (deficiency) before transfers	(2,344,806)	(1,083,450)	637,956	1,074,859	(1,706,850)	(8,591)
Transfers	767,018	725,479	(767,018)	(725,479)	-	-
Change in Net Position						
(Expense) revenue - net	(1,577,788)	(357,971)	(129,062)	349,380	(1,706,850)	(8,591)
Net Position - Beg. of Year	28,417,372	28,775,343	27,069,338	26,719,958	55,486,710	55,495,301
Net Position - End of Year	\$ 26,839,584	\$ 28,417,372	\$ 26,940,276	\$ 27,069,338	\$ 53,779,860	\$ 55,486,710

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

The governmental activities net position decreased \$1,577,788. The following are significant changes from the prior year:

- 1) Sales tax revenue decreased by \$133,000 due to a one-time purchase that was a significant amount in the prior year. Sales tax revenue is confidential information and cannot be shared publicly as to what vendor or purchaser paid into the City's sales tax revenue. Motel tax revenue decreased approximately \$500,000 due to Covid restrictions. Property tax and motor vehicle license fees increased by approximately \$64,000 each, due to increased residential values and increased fees, respectively.
- 2) City Admin expenses increased by approximately \$300,000 due to increased pension expenses from fluctuations in estimates.
- 3) Community promotion increased by approximately \$35,600 due to no special assessment on the Downtown Business District in FY 2018/19 and write-off of foreclosed HOME loans.
- 4) Govt. Buildings expenses decreased by \$83,500 mainly due to decrease transportation revenue causing Govt. Buildings to bear more of the cost of personnel for streets maintenance.
- 5) General Govt. expenses increased by \$96,000 due to the purchase of computer components to upgrade servers and computers to Windows 10.
- 6) Fire expenses increased by \$150,000 mainly due to increases in salaries and benefits, and the purchase of new uniforms and related equipment.
- 7) Police expenses increased by \$406,600 due to pension expense increases from fluctuations in estimates.
- 8) Parks and Recreation expenses decreased \$78,000 due to closure of most recreation activities as a result of Covid restrictions.
- 9) Transportation and streets expenses increased \$196,000 due to pension expense increases from fluctuations in estimates.

The business activities net position decreased \$129,062. The following are significant changes from the prior year.

- 1) Charges for services revenues increased by \$147,600 due to: Community Development had an increase in permit activity of \$78,000; Water had an increase in water usage resulting increase charges of \$92,000; Airport had an increase in rental income of \$13,000 due to CPI increases; and Community Center had a decrease in rental income of \$37,000 due to Covid restrictions.
- 2) Operating grants and contributions increased \$54,000 due to the Tehama County contributions to the Community Center operations in the prior year decreased for 50% of their capital improvements to the Community Center roof.
- 3) Capital grants and contributions revenues decreased by \$25,000 due to the completion of the FAA grant project.
- 4) Investment earnings revenue decreased by \$56,000 due to decreased interest rates.

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

- 5) Community Development expenses increased by \$37,000 due to increased salary and benefits expense and increased costs for Community Development Director contracts.
- 6) Waste water expenses increased by \$132,000 due to an increase in WWTP Operations Contract costs and an increase in maintenance supplies and services.
- 7) Water expenses increased by \$393,000 mostly due to pension expense increases and lesser increases in supplies and service purchases and depreciation.
- 8) Operating transfers out increased by \$42,000 due to the update of the cost allocation plan.

Overall the primary government net position has decreased \$1,706,850 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, 2020.

	General Fund	Traffic Control Capital Improvement Fund	Grants/ Program Income Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues	\$ 11,005,280	\$ 50,813	\$ 35,132	\$ 1,756,113	\$ 12,847,338
Expenditures	10,988,518	-	84,804	1,148,293	12,221,615
Other financing sources (uses) - net	694,989	-	-	72,029	767,018
Change in Fund Balances	711,751	50,813	(49,672)	679,849	1,392,741
Fund Balance - July 1, 2019	3,713,691	2,174,445	4,108,273	5,882,591	15,879,000
Fund Balance - June 30, 2020	\$ 4,425,442	\$ 2,225,258	\$ 4,058,601	\$ 6,562,440	\$ 17,271,741

The main reason for the general fund increase in fund balance is capital outlay decreased by \$900,000 due to a fire truck purchase in the prior year, which also results in a decrease of other financing sources (capital lease) of \$456,000. Other factors include motel tax revenue decreased by \$500,000 due to Covid restrictions.

Non-major governmental funds balance increased mainly due to RSTP and RMRA funds received from the state which have not yet been expended.

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

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 \$400,000 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 \$4,000,000 is detailed as follows: \$1,098,852 assigned for the contingency reserve; \$549,426 assigned for the economic uncertainty reserve; \$325,000 assigned for vehicle reserve; \$350,000 assigned for building reserve; \$325,000 assigned for technology reserve; \$325,000 assigned for ADA reserve; \$275,192 assigned for parks reserve; \$213,010 assigned for Fire Department apparatus and vehicles reserve; an additional \$166,500 assigned for CalPERS increases in the economic uncertainty reserve; and an additional \$372,020 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 \$17,271,741. Approximately 28.84% 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 \$4,258,382 and Water Fund \$6,836,503. All Other Enterprise Funds had unrestricted net position of \$362,300.

General Fund Budgetary Highlights

In the General Fund, the City budgeted for a reduction in the fund balance of \$699,745 which was a result of authorized budgeted expenditures exceeding budgeted appropriations. Actual revenues were \$11,005,280 with final budget being \$10,320,752 with a favorable variance of \$684,528 and actual expenditures being less than budgeted expenditures with a favorable variance of \$790,943.

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 \$81,809 and \$306,457, 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 and services expenditures. General Fund expenditures overall were \$790,943 under budget.

The City's total budgeted revenue at final budget was \$10,320,752. The majority of the revenue received over budgeted was sales taxes and property taxes.

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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, 2020, amounts to \$40,442,689 (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 repairs/additions - \$144,000; new sand separator - \$14,391; new generators - \$160,675; Xio well monitoring system - \$15,630; and ½ corp yard storage building - \$116,507.

Waste Water: ½ corp yard storage building-\$116,507; S. Main sewer pipe - \$621,450; Xio lift station monitoring system - \$34,115; new generators - \$94,580; Reeds Creek pump rebuild - \$8,929; and Jefferson Street sewer main - \$161,711.

Streets: Electric box at Main & Elm - \$16,863; and Pedestrian Crossing at Main & Elm - \$33,237.

Fire: 2 trucks - \$88,490

Police: 2 drones - \$23,053

Parks & Recreation: Boat launch (CIP) - \$220,735

General Govt: Phone system - \$39,358

CAPITAL ASSETS AT YEAR END NET OF ACCUMULATED DEPRECIATION

Years Ended June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Land	\$ 305,206	\$ 305,206	\$ 910,368	\$ 910,368	\$ 1,215,574	\$ 1,215,574
Buildings	457,443	480,283	349,008	128,883	806,451	609,166
Improvements	1,967,225	2,181,286	6,410,938	6,771,227	8,378,163	8,952,513
Equipment	441,965	494,778	892,108	778,747	1,334,073	1,273,525
Vehicles	856,458	919,921	194,636	258,305	1,051,094	1,178,226
Infrastructure	20,085,191	21,312,712	5,187,555	5,274,566	25,272,746	26,587,278
Construction in progress	846,110	625,375	1,538,478	864,917	2,384,588	1,490,292
Total	\$ 24,959,598	\$ 26,319,561	\$ 15,483,091	\$ 14,987,013	\$ 40,442,689	\$ 41,306,574

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had a total loans/leases payable of \$408,940. At the end of the current fiscal year, the City had a total leave/OPEB/Pension liabilities of \$22,315,893. Additional information is located in the Notes to the Financial Statements, Note 5 Long-Term Liabilities.

There was no additions to debt payable this year.

OUTSTANDING DEBT AT YEAR END

Years Ended June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Leave/OPEB/Pension	\$ 18,495,523	\$ 17,556,282	\$ 3,820,370	\$ 3,589,519	\$ 22,315,893	\$ 21,145,801
Notes payable	408,940	736,969	-	148,377	408,940	885,346
Total	\$ 18,904,463	\$ 18,293,251	\$ 3,820,370	\$ 3,737,896	\$ 22,724,833	\$ 22,031,147

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 2020-21 budget, which includes:

1. The impact of the Covid-19 pandemic and its impact on City revenues, expenditures, and operations.
2. The State budget actions and its impact on City finances.
3. City responsibility to meet the obligation of its collective bargaining agreements and those impacts on employee salary, health and pension costs.
4. Aging of the City's fleets, equipment and infrastructure.
5. Major increases in CalPERS retirement system.
6. Effect of the increased liability reported for accrued leave, OPEB, and Pension expense.
7. Forecasted expenditures exceeding revenues in the coming years.
8. The unfilled positions in the police department and its effects on budgeted expenses in future 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, 2020	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS			
Assets			
Cash and cash equivalents	\$ 9,678,318	\$ 14,709,980	\$ 24,388,298
Investments	3,032,056	-	3,032,056
Receivables:			
Taxes	175,312	-	175,312
Accounts - net	29,271	848,352	877,623
Interest	1,487,837	23,883	1,511,720
Due from other governments	1,568,295	73,187	1,641,482
Prepaid expenses	49,974	10,121	60,095
Internal balances	(33,962)	33,962	-
Loans receivable	3,639,198	-	3,639,198
Nondepreciable capital assets	1,151,316	2,448,846	3,600,162
Depreciable capital assets - net	23,808,282	13,034,245	36,842,527
Total Assets	44,585,897	31,182,576	75,768,473
Deferred Outflows of Resources			
Deferred outflows from other postemployment benefits	123,669	24,858	148,527
Deferred outflows from pensions	3,480,748	754,746	4,235,494
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 48,190,314	\$ 31,962,180	\$ 80,152,494

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

City of Red Bluff
STATEMENT OF NET POSITION
(Continued)

June 30, 2020	Governmental Activities	Business-Type Activities	Total
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION			
Liabilities			
Accounts payable	\$ 142,457	\$ 559,459	\$ 701,916
Accrued interest payable	12,090	3,408	15,498
Accrued payroll and benefits	217,305	9,648	226,953
Customer/employee deposits	2,000	150,220	152,220
Other liabilities	520,675	18,554	539,229
Long-term liabilities:			
Due within one year			
Loans, leases, compensated absences	318,654	36,468	355,122
Due in more than one year			
Loans, leases, compensated absences	1,265,150	109,405	1,374,555
Net other postemployment benefits liability	2,688,532	525,062	3,213,594
Net pension liability	14,632,127	3,149,435	17,781,562
Total Liabilities	19,798,990	4,561,659	24,360,649
Deferred Inflows of Resources			
Deferred inflows from other postemployment benefits	538,257	104,856	643,113
Deferred inflows from pension	1,013,483	355,389	1,368,872
Net Position			
Net investment in capital assets	24,550,658	15,483,091	40,033,749
Restricted for:			
Grant programs and program income	4,187,282	-	4,187,282
Impact fee development	5,563,224	-	5,563,224
Transportation	1,938,241	-	1,938,241
Other	302,275	-	302,275
Unrestricted	(9,702,096)	11,457,185	1,755,089
Total Net Position	26,839,584	26,940,276	53,779,860
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 48,190,314	\$ 31,962,180	\$ 80,152,494

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

City of Red Bluff

STATEMENT OF ACTIVITIES

Year Ended June 30, 2020	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental activities:					
General government:					
City administration	\$ 678,447	\$ -	\$ -	\$ -	\$ (678,447)
Finance	531,270	-	-	-	(531,270)
Community promotion and economic development	153,048	-	-	-	(153,048)
Human resources	194,912	-	-	-	(194,912)
Engineering and administration	185,095	-	-	-	(185,095)
Government buildings	436,497	-	-	-	(436,497)
General government	340,872	451,933	33,723	4,997	149,781
Public safety:					
Fire	3,132,503	63,093	250,697	-	(2,818,713)
Police	6,729,993	74,938	320,643	11,640	(6,322,772)
Parks and recreation	549,841	44,057	44	139,816	(365,924)
Transportation and streets	2,303,414	-	909,487	-	(1,393,927)
Total Governmental Activities	15,235,892	634,021	1,514,594	156,453	(12,930,824)
Business-type activities:					
Community development	397,452	503,445	-	-	105,993
Waste water	2,716,976	2,936,304	-	-	219,328
Water	2,105,350	2,314,226	-	-	208,876
Airport	246,249	137,446	-	12,500	(96,303)
Community center	352,283	82,856	98,893	-	(170,534)
Total Business-Type Activities	5,818,310	5,974,277	98,893	12,500	267,360
Total Primary Government	\$ 21,054,202	\$ 6,608,298	\$ 1,613,487	\$ 168,953	\$ (12,663,464)

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

City of Red Bluff
STATEMENT OF ACTIVITIES
(Continued)

Year Ended June 30, 2020	Governmental Activities	Business-Type Activities	Total
Change in Net Position			
(Expense) revenue - net	\$ (12,930,824)	\$ 267,360	\$ (12,663,464)
General Revenues and Transfers			
General revenues:			
Taxes:			
Sales taxes	5,266,540	-	5,266,540
Property taxes	1,723,402	97,047	1,820,449
Motel taxes	964,054	-	964,054
Special gas taxes	315,199	-	315,199
Franchise taxes	415,714	-	415,714
Other taxes	245,959	-	245,959
Motor vehicle license fees	1,365,543	-	1,365,543
Impact fees	57,325	-	57,325
Investment earnings	196,474	265,533	462,007
Gain (loss) on sale of assets	35,808	8,016	43,824
Transfers	767,018	(767,018)	-
Total General Revenues and Transfers	11,353,036	(396,422)	10,956,614
Change in Net Position	(1,577,788)	(129,062)	(1,706,850)
Net Position - Beginning of Year	28,417,372	27,069,338	55,486,710
Net Position - End of Year	\$ 26,839,584	\$ 26,940,276	\$ 53,779,860

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

City of Red Bluff

BALANCE SHEET – GOVERNMENTAL FUNDS

			Traffic Control Capital Improvement Fund		Grants/ Program Income Fund		Nonmajor Governmental Funds		Total Governmental Funds
June 30, 2020			General Fund						
ASSETS									
Cash and cash equivalents	\$	705,674	\$	2,222,325	\$	419,967	\$	6,330,352	\$ 9,678,318
Investments		3,032,056		-		-		-	3,032,056
Receivables:									
Taxes		175,312		-		-		-	175,312
Accounts		21,460		-		-		7,811	29,271
Interest		4,011		2,933		1,472,538		8,355	1,487,837
Loans		-		-		3,639,198		-	3,639,198
Prepays		49,072		-		-		902	49,974
Due from other governments		1,125,588		-		-		442,707	1,568,295
Due from other funds		13,504		-		-		-	13,504
TOTAL ASSETS	\$	5,126,677	\$	2,225,258	\$	5,531,703	\$	6,790,127	\$ 19,673,765
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities									
Accounts payable	\$	87,892	\$	-	\$	1,118	\$	53,447	\$ 142,457
Accrued payroll and benefits		215,098		-		-		2,207	217,305
Accrued interest payable		-		-		-		137	137
Customer/employee deposits		2,000		-		-		-	2,000
Other liabilities		396,245		-		-		124,430	520,675
Due to other funds		-		-		-		47,466	47,466
Total Liabilities		701,235		-		1,118		227,687	930,040
Deferred Inflows of Resources									
Interest on notes receivable		-		-		1,471,984		-	1,471,984
Fund Balances (Deficit)									
Nonspendable		49,072		-		-		902	49,974
Restricted		-		2,029,442		4,034,526		5,370,638	11,434,606
Committed		-		-		-		805,850	805,850
Assigned		4,000,000		195,816		24,075		419,056	4,638,947
Unassigned		376,370		-		-		(34,006)	342,364
Total Fund Balances		4,425,442		2,225,258		4,058,601		6,562,440	17,271,741
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$	5,126,677	\$	2,225,258	\$	5,531,703	\$	6,790,127	\$ 19,673,765

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, 2020

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

\$ 17,271,741

Assets recorded within the Statement of Net Position not reported in
the funds:

Nondepreciable capital assets		1,151,316
Depreciable capital assets	\$ 65,397,771	
Accumulated depreciation	<u>(41,589,489)</u>	23,808,282

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

Interest on notes receivable	1,471,984
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Liabilities recorded within the Statement of Net Position not reported in
the funds:

Accrued interest payable	(11,953)
Net pension liability	(14,632,127)
Compensated absences	(1,174,864)
Long-term obligations	(408,940)
Other postemployment benefits obligation	(2,688,532)

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	123,669
Deferred outflows of resources relating to pensions	3,480,748
Deferred inflows of resources relating to other postemployment benefits	(538,257)
Deferred inflows of resources relating to pensions	<u>(1,013,483)</u>

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

\$ 26,839,584

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, 2020	General Fund	Traffic Control Capital Improvement Fund	Grants/ Program Income Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Sales taxes	\$ 5,266,540	\$ -	\$ -	\$ -	\$ 5,266,540
Property taxes	1,723,402	-	-	-	1,723,402
Motel taxes	964,054	-	-	-	964,054
Franchise taxes	415,714	-	-	-	415,714
Other taxes	57,778	-	-	188,181	245,959
Licenses and permits	434,283	-	-	-	434,283
Fines, forfeitures, and penalties	14,614	-	-	22,740	37,354
Use of money and property	11,871	36,094	6,441	98,320	152,726
Intergovernmental revenue	1,851,418	-	-	1,374,499	3,225,917
Charges for current services	88,039	-	-	-	88,039
Other revenues	177,567	14,719	28,691	72,373	293,350
Total Revenues	11,005,280	50,813	35,132	1,756,113	12,847,338
Expenditures					
Current:					
General government	1,948,778	-	-	104,177	2,052,955
Fire public safety	2,724,962	-	-	-	2,724,962
Police public safety	5,422,835	-	-	-	5,422,835
Parks and recreation	379,921	-	-	-	379,921
Transportation and streets	-	-	-	769,872	769,872
Grants and program income	-	-	84,804	5,000	89,804
Capital outlay	158,734	-	-	267,404	426,138
Debt service:					
Principal	328,029	-	-	-	328,029
Interest	25,259	-	-	1,840	27,099
Total Expenditures	10,988,518	-	84,804	1,148,293	12,221,615
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,762	50,813	(49,672)	607,820	625,723
Other Financing Sources (Uses)					
Transfers in	850,160	-	-	194,027	1,044,187
Transfers out	(155,171)	-	-	(121,998)	(277,169)
Total Other Financing Sources (Uses)	694,989	-	-	72,029	767,018
Net Change in Fund Balances	711,751	50,813	(49,672)	679,849	1,392,741
Fund Balances - Beginning of Year	3,713,691	2,174,445	4,108,273	5,882,591	15,879,000
Fund Balances - End of Year	\$ 4,425,442	\$ 2,225,258	\$ 4,058,601	\$ 6,562,440	\$ 17,271,741

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, 2020

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

\$ 1,392,741

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	\$ 426,138	
Depreciation expense	(1,786,101)	(1,359,963)

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

Interest income	45,146
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The issuance of long-term debt (i.e., bonds, leases) provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Principal payments on debt	328,029
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In government funds, pension and OPEB costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis.

OPEB costs	(279,978)
Pension costs	(1,396,894)

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	(261,574)
Compensated absences expense	(45,295)

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

\$ (1,577,788)

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

City of Red Bluff

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

Year Ended June 30, 2020	General Fund				Grants/Program Income Fund			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final			Original	Final		
Revenues								
Sales taxes	\$ 4,618,000	\$ 4,618,000	\$ 5,266,540	\$ 648,540	\$ -	\$ -	\$ -	\$ -
Property taxes	1,677,000	1,677,000	1,723,402	46,402	-	-	-	-
Motel taxes	940,000	940,000	964,054	24,054	-	-	-	-
Franchise taxes	360,000	360,000	415,714	55,714	-	-	-	-
Other taxes	48,500	48,500	57,778	9,278	-	-	-	-
Licenses and permits	411,417	411,417	434,283	22,866	-	-	-	-
Fines, forfeitures, and penalties	21,200	21,200	14,614	(6,586)	-	-	-	-
Use of money and property	-	-	11,871	11,871	600	600	6,441	5,841
Intergovernmental revenue	1,853,829	1,947,306	1,851,418	(95,888)	-	-	-	-
Charges for current services	154,600	154,600	88,039	(66,561)	-	-	-	-
Other revenues	138,750	142,729	177,567	34,838	-	-	28,691	28,691
Total Revenues	10,223,296	10,320,752	11,005,280	684,528	600	600	35,132	34,532
Expenditures								
Current:								
General government	2,049,446	2,065,946	1,948,778	117,168	-	-	-	-
Fire public safety	2,738,310	2,759,289	2,724,962	34,327	-	-	-	-
Police public safety	5,795,037	5,829,517	5,422,835	406,682	-	-	-	-
Parks and recreation	484,694	485,819	379,921	105,898	-	-	-	-
Grants and program income	-	-	-	-	22,500	22,500	84,804	(62,304)
Capital outlay	60,229	280,602	158,734	121,868	-	50,600	-	50,600
Debt service:								
Principal	353,288	328,030	328,030	-	-	-	-	-
Interest	5,000	30,258	25,258	5,000	-	-	-	-
Total Expenditures	11,486,004	11,779,461	10,988,518	790,943	22,500	73,100	84,804	(11,704)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,262,708)	(1,458,709)	16,762	1,475,471	(21,900)	(72,500)	(49,672)	22,828
Other Financing Sources (Uses)								
Transfers in	1,253,933	1,397,158	850,160	(546,998)	-	50,600	-	(50,600)
Transfers out	(587,594)	(638,194)	(155,171)	483,023	-	-	-	-
Total Other Financing Sources (Uses)	666,339	758,964	694,989	(63,975)	-	50,600	-	(50,600)
Net Change in Fund Balances	(596,369)	(699,745)	711,751	1,411,496	(21,900)	(21,900)	(49,672)	(27,772)
Fund Balances - Beginning of Year	3,713,691	3,713,691	3,713,691	-	4,108,273	4,108,273	4,108,273	-
Fund Balances - End of Year	\$ 3,117,322	\$ 3,013,946	\$ 4,425,442	\$ 1,411,496	\$ 4,086,373	\$ 4,086,373	\$ 4,058,601	\$ (27,772)

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

City of Red Bluff

STATEMENT OF NET POSITION – PROPRIETARY FUNDS

June 30, 2020	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Total
ASSETS AND DEFERRED OUTFLOWS				
Current Assets				
Cash and cash equivalents	\$ 5,385,420	\$ 8,187,092	\$ 1,137,468	\$ 14,709,980
Receivables:				
Accounts - net	456,578	384,372	7,402	848,352
Interest	10,854	11,299	1,730	23,883
Due from other governments	-	-	73,187	73,187
Due from other funds	-	85,006	-	85,006
Prepaid expenses	2,194	7,025	902	10,121
Total Current Assets	5,855,046	8,674,794	1,220,689	15,750,529
Noncurrent Assets				
Nondepreciable capital assets	1,748,813	310,607	389,426	2,448,846
Depreciable capital assets - net	4,023,794	7,164,571	1,845,880	13,034,245
Total Noncurrent Assets	5,772,607	7,475,178	2,235,306	15,483,091
Total Assets	11,627,653	16,149,972	3,455,995	31,233,620
Deferred Outflows of Resources				
Deferred outflows from other postemployment benefits	8,162	9,199	7,497	24,858
Deferred outflows from pensions	255,445	360,653	138,648	754,746
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 11,891,260	\$ 16,519,824	\$ 3,602,140	\$ 32,013,224
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION				
Current Liabilities				
Accounts payable	\$ 399,584	\$ 116,562	\$ 43,313	\$ 559,459
Accrued interest payable	3,173	-	235	3,408
Accrued payroll and benefits	3,698	3,700	2,250	9,648
Customer/employee deposits	-	145,100	5,120	150,220
Other liabilities	11	129	18,414	18,554
Due to other funds	-	-	51,044	51,044
Compensated absences payable - current	16,618	8,888	10,962	36,468
Total Current Liabilities	423,084	274,379	131,338	828,801
Noncurrent Liabilities				
Net other postemployment benefits liability	166,171	197,376	161,515	525,062
Net pension liability	1,065,928	1,504,949	578,558	3,149,435
Compensated absences - net	49,854	26,665	32,886	109,405
Total Noncurrent Liabilities	1,281,953	1,728,990	772,959	3,783,902
Total Liabilities	1,705,037	2,003,369	904,297	4,612,703
Deferred Inflows of Resources				
Deferred inflows from other postemployment benefits	34,952	34,952	34,952	104,856
Deferred inflows from pension	120,282	169,822	65,285	355,389
Net Position				
Net investment in capital assets	5,772,607	7,475,178	2,235,306	15,483,091
Unrestricted	4,258,382	6,836,503	362,300	11,457,185
Total Net Position	10,030,989	14,311,681	2,597,606	26,940,276
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 11,891,260	\$ 16,519,824	\$ 3,602,140	\$ 32,013,224

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, 2020	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Totals
Operating Revenues				
Charges for current services:				
Waste water and water charges	\$ 2,936,304	\$ 2,314,226	\$ -	\$ 5,250,530
Permits and fees	-	-	503,445	503,445
Rental revenue	-	-	191,894	191,894
Other revenue	-	-	28,408	28,408
Total Operating Revenues	2,936,304	2,314,226	723,747	5,974,277
Operating Expenses				
Cost of power and transportation	316,358	414,819	87,130	818,307
Maintenance, operations, and administration	1,928,632	1,337,648	698,236	3,964,516
Depreciation expense	461,829	352,883	208,292	1,023,004
Total Operating Expenses	2,706,819	2,105,350	993,658	5,805,827
Operating Income (Loss)	229,485	208,876	(269,911)	168,450
Nonoperating Revenues (Expenses)				
Intergovernmental revenues	-	-	98,893	98,893
Property taxes	-	-	97,047	97,047
Investment income	108,346	137,746	19,441	265,533
Gain (loss) on sale of assets	-	5,088	2,928	8,016
Interest expense	(10,157)	-	(2,326)	(12,483)
Total Nonoperating Revenues (Expenses)	98,189	142,834	215,983	457,006
Income Before Capital Contributions and Operating Transfers	327,674	351,710	(53,928)	625,456
Capital contributions	-	-	12,500	12,500
Transfers in	-	-	127,303	127,303
Transfers out	(433,919)	(287,360)	(173,042)	(894,321)
Change in Net Position	(106,245)	64,350	(87,167)	(129,062)
Total Net Position - Beginning of Year	10,137,234	14,247,331	2,684,773	27,069,338
Total Net Position - End of Year	\$ 10,030,989	\$ 14,311,681	\$ 2,597,606	\$ 26,940,276

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, 2020	Waste Water Fund	Water Fund	Nonmajor Enterprise Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 2,876,070	\$ 2,261,535	\$ 721,755	\$ 5,859,360
Cash paid to employees (including employee benefits)	(634,775)	(764,415)	(373,114)	(1,772,304)
Cash paid to suppliers	(1,250,670)	(645,543)	(330,783)	(2,226,996)
Net Cash Provided (Used) By Operating Activities	990,625	851,577	17,858	1,860,060
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes received	-	-	97,047	97,047
Cash received from (paid to) other funds	-	(49,384)	51,044	1,660
Transfers in	-	-	127,303	127,303
Transfers out	(433,919)	(287,360)	(173,042)	(894,321)
Net Cash Provided (Used) By Noncapital Financing Activities	(433,919)	(336,744)	102,352	(668,311)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	-	-	12,500	12,500
Intergovernmental revenue received	-	-	47,841	47,841
Payments for the purchase of capital assets	(1,044,575)	(468,395)	(6,112)	(1,519,082)
Proceeds from sale of capital assets	-	5,088	2,928	8,016
Principal paid	(140,392)	-	(7,985)	(148,377)
Interest paid	(10,220)	(2,269)	(2,449)	(14,938)
Net Cash Provided (Used) By Capital and Related Financing Activities	(1,195,187)	(465,576)	46,723	(1,614,040)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	106,024	136,505	19,194	261,723
Net Cash Provided (Used) By Investing Activities	106,024	136,505	19,194	261,723
Net Increase (Decrease) in Cash and Cash Equivalents	(532,457)	185,762	186,127	(160,568)
Cash and Cash Equivalents - Beginning of Year	5,917,877	8,001,330	951,341	14,870,548
Cash and Cash Equivalents - End of Year	\$ 5,385,420	\$ 8,187,092	\$ 1,137,468	\$ 14,709,980

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, 2020	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)	\$ 229,485	\$ 208,876	\$ (269,911)	\$ 168,450
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	461,829	352,883	208,292	1,023,004
Changes in:				
Accounts receivable	(60,234)	(57,071)	(2,231)	(119,536)
Prepaid expense	(2,194)	(2,276)	(902)	(5,372)
Deferred outflows from other postemployment benefits	1,011	1,011	1,011	3,033
Deferred outflows from pensions	94,720	13,257	26,881	134,858
Accounts payable	349,091	46,291	(496)	394,886
Accrued payroll and benefits	(13,414)	(16,158)	(8,927)	(38,499)
Customer/employee deposits	-	4,380	239	4,619
Other liabilities	(39)	112	1,102	1,175
Net other postemployment benefits liability	(17,783)	(17,783)	(17,783)	(53,349)
Net pension liability	(54,185)	308,879	49,060	303,754
Compensated absences payable	3,628	(28,460)	5,278	(19,554)
Deferred inflows from other postemployment benefits	34,952	34,952	34,952	104,856
Deferred inflows from pensions	(36,242)	2,684	(8,707)	(42,265)
Net Cash Provided (used) By Operating Activities	\$ 990,625	\$ 851,577	\$ 17,858	\$ 1,860,060

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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2020, for the water and waste water departments were \$3,925 and \$6,028, 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."

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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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 postemployment 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 of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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 \$11,991,022 of restricted net position, of which \$5,563,224 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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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.

Future Accounting Pronouncements The following Governmental Accounting Standards Board (GASB) Statement will be implemented in future financial statements (as amended by Statement No. 95):

Statement No. 87 "Leases" - The requirements of this Statement are effective for the reporting periods beginning after December 15, 2020 (FY21/22).

Management is currently evaluation the impact of this Standard on the City's financial statements.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following:

June 30, 2020

Cash in banks and on hand	\$	3,302,808
Umpqua public funds money market account		3,250,095
Certificates of deposit		7,917,000
State of California - Local Agency Investment Fund (LAIF)		9,918,395
Total Cash and Cash Equivalents	\$	24,388,298

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 fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. 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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2020, 3.37% of LAIF's investment portfolio was invested in structured notes and other asset-backed securities. In addition, PMIA's weighted average maturities was 0.67 years at June 30, 2020. (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, 2020	Interest Rate	Maturity Date	Face Value	Amortized Cost	Fair Market Value
Federal Farm Credit Bank	1.45%	February 21, 2023	\$ 1,000,000	\$ 1,001,456	\$ 1,030,496
Federal Home Loan MTG Corp	1.75%	January 29, 2024	1,000,000	1,000,000	1,000,597
Federal Home Loan MTG Corp	1.75%	January 29, 2025	1,000,000	999,507	1,000,963
Total Investment Activities			\$ 3,000,000	\$ 3,000,963	\$ 3,032,056

Interest Rate Risk

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

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2020, the City’s investments are rated as follows:

Debt securities of government agencies	AA+
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Concentration of Credit Risk

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

Issuer	Investment Type	Amount
Federal Farm Credit Bank	Federal Agency Securities	\$ 1,030,496
Federal Home Loan MTG Corp	Federal Agency Securities	\$ 2,001,560

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City’s investments are insured or registered, or have securities held by the entity or its agent in the entity’s name as is required by the *California Government Code*.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity is summarized as follows:

Governmental Activities:

Year Ended June 30, 2020	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	\$ 305,206	\$ -	\$ -	\$ -	305,206
Construction in progress	625,375	220,735	-	-	846,110
Total Nondepreciable Capital Assets	930,581	220,735	-	-	1,151,316
Depreciable Capital Assets					
Buildings	2,368,431	-	-	-	2,368,431
Improvements	4,490,760	-	-	-	4,490,760
Equipment	1,929,187	66,813	319,624	-	1,676,376
Vehicles	3,695,463	88,490	404,532	-	3,379,421
Infrastructure	53,432,683	50,100	-	-	53,482,783
Total Depreciable Capital Assets	65,916,524	205,403	724,156	-	65,397,771
Less: Accumulated Depreciation					
Buildings	1,888,148	22,840	-	-	1,910,988
Improvements	2,309,474	214,061	-	-	2,523,535
Equipment	1,434,409	119,626	319,624	-	1,234,411
Vehicles	2,775,542	151,953	404,532	-	2,522,963
Infrastructure	32,119,971	1,277,621	-	-	33,397,592
Total Less: Accumulated Depreciation	40,527,544	1,786,101	724,156	-	41,589,489
Depreciable Capital Assets - Net	25,388,980	(1,580,698)	-	-	23,808,282
Governmental Capital Assets - Net	\$ 26,319,561	\$ (1,359,963)	\$ -	\$ -	24,959,598

Depreciation expense was charged to functions as follows:

Year Ended June 30, 2020

Governmental Activities	
General Government	\$ 91,399
Fire	112,478
Police	162,626
Parks and recreation	114,702
Transportation and streets	1,304,896
Total Governmental Activities Depreciation Expense	\$ 1,786,101

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Business-Type Activities:

Year Ended June 30, 2020	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	\$ 910,368	\$ -	\$ -	\$ -	910,368
Construction in progress	864,917	673,696	-	(135)	1,538,478
Total Nondepreciable Capital Assets	1,775,285	673,696	-	(135)	2,448,846
Depreciable Capital Assets					
Buildings	1,478,970	235,631	-	135	1,714,736
Improvements	17,861,800	153,428	-	-	18,015,228
Equipment	1,862,388	290,734	23,805	-	2,129,317
Vehicles	974,642	-	53,386	-	921,256
Infrastructure	13,716,412	165,593	-	-	13,882,005
Total Depreciable Capital Assets	35,894,212	845,386	77,191	135	36,662,542
Less: Accumulated Depreciation					
Buildings	1,350,087	15,641	-	-	1,365,728
Improvements	11,090,573	513,717	-	-	11,604,290
Equipment	1,083,641	177,373	23,805	-	1,237,209
Vehicles	716,337	63,669	53,386	-	726,620
Infrastructure	8,441,846	252,604	-	-	8,694,450
Total Less: Accumulated Depreciation	22,682,484	1,023,004	77,191	-	23,628,297
Depreciable Capital Assets - Net	13,211,728	(177,618)	-	135	13,034,245
Business-Type Capital Assets - Net	\$ 14,987,013	\$ 496,078	\$ -	\$ -	15,483,091

Depreciation expense was charged to functions as follows:

Year Ended June 30, 2020

Business-Type Activities

Community development	\$ 10,315
Waste water	461,829
Water	352,883
Airport	195,572
Community center	2,405
Total Business-Type Activities Depreciation Expense	\$ 1,023,004

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. LONG-TERM LIABILITIES

Activity

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

Year Ended June 30, 2020	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Loans payable:					
CalPERS Refunding loan	\$ 304,000	\$ -	\$ 304,000	\$ -	\$ -
Capital leases:					
PNC Lease - Fire Truck	432,969	-	24,029	408,940	24,938
Other liabilities:					
Compensated absences	1,129,571	577,350	532,057	1,174,864	293,716
Other postemployment benefits	2,962,384	-	273,852	2,688,532	-
Net pension liability	13,464,327	1,167,800	-	14,632,127	-
Total Other Liabilities	17,556,282	1,745,150	805,909	18,495,523	293,716
Total Governmental Activities	18,293,251	1,745,150	1,133,938	18,904,463	318,654
Business-Type Activities					
Loans payable:					
State Revolving Fund loan	140,393	-	140,393	-	-
Capital leases:					
Ford lease agreement	7,984	-	7,984	-	-
Other liabilities:					
Compensated absences	165,427	80,846	100,400	145,873	36,468
Other postemployment benefits	578,411	-	53,349	525,062	-
Net pension liability	2,845,681	303,754	-	3,149,435	-
Total Other Liabilities	3,589,519	384,600	153,749	3,820,370	36,468
Total Business-Type Activities	3,737,896	384,600	302,126	3,820,370	36,468
Total Long-Term Liabilities	\$ 22,031,147	\$ 2,129,750	\$ 1,436,064	\$ 22,724,833	\$ 355,122

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 was collateralized by a pledge of the gross revenues of the City. Principal and interest paid in the current year was \$312,892, while total pledged revenues were \$11,855,440. Total principal and interest remaining on the loan is \$0, as the loan was fully paid off in fiscal year 2019-20.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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 was 1.8%.

The loan was 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 \$2,936,304. Total principal and interest remaining on the loan is \$0, as the loan was fully paid off in fiscal year 2019-20.

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 \$12,869 as of June 30, 2020. The lease was 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. As of June 30, 2020, there are no payments remaining.

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 \$87,550 as of June 30, 2020. 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 \$525,146, including interest in the amount of \$116,206. The present value of the remaining payments is \$408,940.

Amortization of leased assets is included with depreciation expense.

Compensated Absences, Other Postemployment Benefits and Net Pension Liability

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

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30	Governmental- Type Activities	Business-Type Activities
2021	\$ 40,396	\$ -
2022	40,396	-
2023	40,396	-
2024	40,396	-
2025	40,396	-
Thereafter	323,166	-
Total Minimum Lease Payments	525,146	-
Less: Amount representing interest	(116,206)	-
Present Value of Minimum Lease Payments	\$ 408,940	\$ -

Long-Term Debt Summary

Governmental Activities:

Year Ending June 30	Principal	Interest	Total
2021	\$ 24,938	\$ 15,458	\$ 40,396
2022	25,881	14,515	40,396
2023	26,857	13,539	40,396
2024	27,874	12,522	40,396
2025	28,928	11,468	40,396
Thereafter	274,462	48,704	323,166
Total	\$ 408,940	\$ 116,206	\$ 525,146

Business-Type Activities:

Year Ending June 30	Principal	Interest	Total
2021	\$ -	\$ -	\$ -

Interest Expense

The total interest incurred for the year ended June 30, 2020, on long-term debt was \$28,268. Interest charged to expense has been included as a component of the direct expenses of individual functions on the government-wide statement of activities as the underlying debt has objectives that can be connected to specific programs.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2020, 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, 2020, including incurred but not reported claims (IBNRs). Claims paid for the workers' compensation and general liability programs for the fiscal year ended June 30, 2020, were \$342,275 and \$108,996, respectively.

As of June 30, 2020, the JPA reported that the City had a surplus in the workers' compensation program in the amount of \$59,281. 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 \$54,697. This amount has not been included in the City's financial statements.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Balances

The following is a summary of interfund balances:

June 30, 2020	Due From Other Funds	Due to Other Funds	Internal Balances
Governmental Activities			
General Fund	\$ 13,504	\$ -	\$ 13,504
Nonmajor governmental	-	47,466	(47,466)
Total Governmental Activities	13,504	47,466	(33,962)
Business-Type Activities			
Water	85,006	-	85,006
Nonmajor enterprise	-	51,044	(51,044)
Total Business-Type Activities	85,006	51,044	33,962
Total Government-Wide Statement	\$ 98,510	\$ 98,510	\$ -

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, 2020	Transfers In	Transfers Out	Net Transfers
Governmental Activities			
General	\$ 850,160	\$ 155,171	\$ 694,989
Nonmajor governmental	194,027	121,998	72,029
Total Governmental Activities	1,044,187	277,169	767,018
Business-Type Activities			
Waste water	-	433,919	(433,919)
Water	-	287,360	(287,360)
Nonmajor enterprise	127,303	173,042	(45,739)
Total Business-Type Activities	127,303	894,321	(767,018)
Total Government-Wide Statement	\$ 1,171,490	\$ 1,171,490	\$ -

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

8. PENSION LIABILITY

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

Plan Descriptions

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

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, 2020, is as follows:

Hire Date	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years	5 years
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits (as a % of eligible compensation)	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rate	7.00%	6.25%
Required employer contribution rate	10.22%	6.99%

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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	21.93%	20.07%	13.03%

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	17.68%	13.03%

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, 2020, were \$685,961 and \$1,142,914 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, 2020, the City reported a net pension liability of \$17,781,562 for its proportionate share of the net pension liability. This breakdown of the net pension liability between the miscellaneous and safety is \$7,247,204 and \$10,534,358, respectively. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, rolled forward to June 30, 2019, 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, 2018, the City's employer allocation factor was 0.0016216 for the miscellaneous plans and 0.0016550 for the safety plans.

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

(Continued)

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

For the year ended June 30, 2020, the City recognized pension expense of \$3,609,379. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Miscellaneous Plan</u>		Deferred Outflows Resources	Deferred Inflows Resources
June 30, 2020			
Deferred contributions	\$	685,961	\$ -
Differences between expected and actual experience		503,348	39,000
Differences due to changes in actuarial assumptions		345,581	122,506
Differences due to differences in proportions		201,865	35,998
Differences between projected and actual earnings on pension plan investments		-	126,705
Differences between projected and actual contributions		-	493,583
Total	\$	1,736,755	\$ 817,792

<u>Safety Plan</u>		Deferred Outflows Resources	Deferred Inflows Resources
June 30, 2020			
Deferred contributions	\$	1,142,914	\$ -
Differences between expected and actual experience		687,799	-
Differences due to changes in actuarial assumptions		431,786	84,263
Differences due to differences in proportions		236,240	30,385
Differences between projected and actual earnings on pension plan investments		-	144,916
Differences between projected and actual contributions		-	291,516
Total	\$	2,498,739	\$ 551,080

Amounts of \$685,961 and \$1,142,914 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plans will be recognized as pension expense as follows:

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Miscellaneous Plan

Year Ending June 30

2021	\$	322,711
2022		(126,600)
2023		11,288
2024		25,603
2025		-
Thereafter		-
Total	\$	233,002

Safety Plan

Year Ending June 30

2021	\$	712,191
2022		(37,665)
2023		102,024
2024		28,195
2025		-
Thereafter		-
Total	\$	804,745

Actuarial Assumptions

The total pension liability in the June 30, 2018, actuarial valuation for each plan for CalPERS was determined using the following actuarial assumptions, applied to all periods included in the measurement:

June 30, 2020

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.63%
Salary increases	Varies by entry age and service
Payroll Growth	2.88%
Investment rate of return	7.25%, net of pension plan investment and administrative expenses; includes inflation

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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 15 years of mortality improvements using 90% of Scale MP 2016 by the Society of Actuaries.

The actuarial assumptions used in the June 30, 2018 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 7.25% 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 7.40%. 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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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*	Years 11+**
Asset Class			
Public Equity	49%	4.80%	5.98%
Global fixed income	22%	1.00%	2.62%
Real estate	12%	3.75%	4.93%
Private equity	8%	6.30%	7.23%
Inflation sensitive	6%	0.77%	1.81%
Liquidity	3%	0.00%	-0.92%
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	\$	11,169,738	\$	7,247,204	\$	4,009,429
Plan's Net Pension Liability - Safety		26,182,624		10,534,358		4,561,953
Total	\$	37,352,362	\$	17,781,562	\$	8,571,382

Pension Plan Fiduciary Net Position

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

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2020

Inactive plan members or beneficiaries currently receiving benefit payments	15
Active plan members	101
Total	116

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, 2020, the City paid \$81,833 on behalf of its retirees.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2020. The total OPEB liability was based on the actuarial methods and assumptions as shown below.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

June 30, 2020

Valuation date	June 30, 2020
Measurement date	June 30, 2020
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	2.79% as of June 30, 2019 2.66% as of June 30, 2020
General inflation rate	2.50%
Salary increases	3.00%
Healthcare cost trend rate	5.4% decreasing to 4.0%

Demographic actuarial assumptions used in this valuation are based on the 2017 experience study of the California Public Employees Retirement System using data from 1997 to 2015, except for a different basis used to project future mortality improvements. Mortality rates were those published by CalPERS adjusted to back out 15 years of scale MP 2016 to central 2015 and projected forward applied generationally using MacLeod Watts Scale 2020 from 2015.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.66%. The discount rate was based on the published change in return for the applicable municipal bond index.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Changes in the Total OPEB Liability

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

Year Ended June 30, 2020

Total OPEB Liability	
Service cost	\$ 356,387
Interest	107,590
Changes of benefit terms	-
Difference between expected and actual experience	(233,644)
Changes of assumptions	(475,701)
Benefit payments	(81,833)
Net Change in Total OPEB Liability	(327,201)
Total OPEB Liability - Beginning of Year	3,540,795
Total OPEB Liability - End of Year	\$ 3,213,594
Covered payroll	\$ 6,014,550
Net OPEB liability as a percentage of covered payroll	53.43%

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 2.66%, as well as the City's total OPEB liability if it was calculated using a discount rate that is one percentage point lower (1.66%) or one percentage point higher (3.66%) than the current rate:

	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1% Increase (3.66%)
June 30, 2020			
Total OPEB Liability	\$ 3,806,607	\$ 3,213,594	\$ 2,743,586

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 5.4%, 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 (4.4%) or one percentage point higher (6.4%) than the current rate:

	1% Decrease (4.4%)	Health Cost Current Trend (5.4%)	1% Increase (6.4%)
June 30, 2020			
Total OPEB Liability	\$ 2,641,592	\$ 3,213,594	\$ 3,974,616

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

For the year ended June 30, 2020, the City recognized OPEB expense of (\$327,201). At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred Outflows Resources	Deferred Inflows Resources
June 30, 2020			
Differences due to changes in actuarial assumptions	\$	148,527	\$ 431,284
Differences between expected and actual experience	\$	-	\$ 211,829
Total	\$	148,527	\$ 643,113

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

Year Ending June 30		
2021	\$	(47,626)
2022		(47,626)
2023		(47,626)
2024		(47,626)
2025		(47,626)
Thereafter		(256,456)
Total	\$	(494,586)

10. FUND BALANCE/NET POSITION

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

June 30, 2020		
Governmental Funds		
Fire Protection Capital Improvement Fund	\$	34,006
Enterprise Funds		
Community Center Fund	\$	359,144

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Fund balances are composed of the following:

June 30, 2020	Nonspendable	Restricted	Committed	Assigned
General Fund:				
Contingency reserve	\$ -	\$ -	\$ -	1,098,852
Vehicle reserve	-	-	-	910,030
Economic uncertainty reserve	-	-	-	715,926
Building reserve	-	-	-	350,000
ADA reserve	-	-	-	325,000
Technology reserve	-	-	-	325,000
Parks reserve	-	-	-	275,192
Prepays	49,072	-	-	-
Traffic Control:				
Traffic Control Impact Fee	-	2,029,442	-	195,816
Grants/Program Income Fund:				
Long-term receivables	-	3,639,198	-	-
Grants	-	395,328	-	24,075
Other Governmental Funds:				
ISTEA/RSTP Revenue	-	1,119,311	-	22,476
Waste Water Facility Impact Fees	-	968,879	-	74,798
Water Capital Impact Fees	-	955,049	-	78,352
Waste Water Collection Impact Fees	-	862,824	-	65,793
Road Maintenance & Rehab Act	-	501,189	-	8,061
Flood Protection Impact Fees	-	206,635	-	18,662
PEG Fees	-	205,831	-	15,836
Local Transportation	-	134,324	-	4,813
Grants	-	116,243	-	12,438
Transportation	902	112,794	-	17,182
Airport Impact Fees	-	82,171	-	5,296
Meadow Brook Street Fees	-	41,124	-	3,671
SB1186 Revenue	-	21,230	-	626
Special Gas Tax	-	17,040	-	149
Prop 30 (Public Safety) Revenue	-	11,049	-	2,908
Police Protection Impact Fees	-	8,690	-	761
Park Capital Improvement Fees	-	6,255	-	2,242
Waste Water Treatment Plant Capital Reserves	-	-	738,238	67,052
General Plan Update	-	-	61,526	7,362
Transportation - City Design Fees	-	-	6,086	9,019
City Admin and Equipment Impact Fees	-	-	-	1,559
Total	\$ 49,974	\$ 11,434,606	\$ 805,850	\$ 4,638,947

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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2020, 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, 2020, expenditures exceeded appropriations by \$11,704 in the Grants/Program Income Fund and \$727 in the Asset Forfeiture Fund. The expenditures were funded by additional unbudgeted revenue received during the year.

15. ASSET RETIREMENT OBLIGATION

The City has incurred certain asset retirement obligations related to the operation of its waste water utility system. The estimated liability of the legally required closure costs for the waste water utility system cannot be reasonably estimated as of June 30, 2020, since the specific legally required costs of retirement have not been identified. The City anticipates identifying those specific legally required costs and obtaining an estimate of those costs in the subsequent fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION SECTION

City of Red Bluff

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

Miscellaneous	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
City's proportion of the net pension liability (asset)	0.18098%	0.17497%	0.16576%	0.15638%	0.14010%	0.05814%
City's proportionate share of the net pension liability (asset)	\$ 7,247,204	\$ 6,594,232	\$ 6,534,135	\$ 5,432,492	\$ 3,842,872	\$ 3,617,616
City's covered payroll	\$ 2,952,187	\$ 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	245.49%	231.80%	233.33%	208.89%	153.58%	157.89%
Plan fiduciary net position as a percentage of the total pension liability	75.15%	76.47%	76.06%	78.26%	78.40%	84.35%
Safety						
City's proportion of the net pension liability (asset)	0.1688%	0.1656%	0.1603%	0.1606%	0.1558%	0.0891%
City's proportionate share of the net pension liability (asset)	\$ 10,534,358	\$ 9,715,776	\$ 9,580,019	\$ 8,317,270	\$ 6,417,679	\$ 5,545,207
City's covered payroll	\$ 3,072,572	\$ 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	342.85%	332.97%	352.05%	333.64%	275.20%	367.05%
Plan fiduciary net position as a percentage of the total pension liability	72.85%	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, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	\$ 685,961	\$ 585,672	\$ 495,908	\$ 201,977	\$ 235,886	\$ 201,470
Contributions in relation to the contractually required contribution	(685,961)	(585,672)	(495,908)	(201,977)	(235,886)	(201,470)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 2,982,829	\$ 2,952,187	\$ 2,844,755	\$ 2,600,676	\$ 2,502,239	\$ 2,291,278
Contributions as a percentage of covered payroll	23.00%	19.84%	17.43%	7.77%	9.43%	8.79%
Safety						
Contractually required contribution	\$ 1,142,914	\$ 1,016,599	\$ 888,434	\$ 368,918	\$ 638,660	\$ 538,795
Contributions in relation to the contractually required contribution	(1,142,914)	(1,016,599)	(888,434)	(368,918)	(638,660)	(538,795)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 2,951,059	\$ 3,072,572	\$ 2,917,933	\$ 2,492,878	\$ 2,332,037	\$ 2,220,989
Contributions as a percentage of covered payroll	38.73%	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, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability			
Service cost	\$ 356,387	\$ 333,506	\$ 305,729
Interest	107,590	99,010	91,100
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(233,644)	-	-
Changes of assumptions	(475,701)	83,063	113,416
Benefit payments	(81,833)	(64,029)	(51,619)
Net Change in Total OPEB Liability	(327,201)	451,550	458,626
Total OPEB Liability - Beginning of Year	3,540,795	3,089,245	2,630,619
Total OPEB Liability - End of Year	\$ 3,213,594	\$ 3,540,795	\$ 3,089,245
Covered payroll	\$ 6,014,550	\$ 6,074,806	\$ 5,762,688
Total OPEB liability as a percentage of covered payroll	53.43%	58.29%	53.61%

See the accompanying notes to the required supplementary information.

City of Red Bluff

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2020

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

Changes of Benefit Terms

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

Other Postemployment Benefits Liability

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

**COMBINING AND INDIVIDUAL NONMAJOR FUND
FINANCIAL STATEMENTS**

City of Red Bluff

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

City of Red Bluff

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

June 30, 2020	Special Revenue			
	Traffic Safety Fund	Charter - PEG Fees Fund	Public Safety Fund	Balance Forward
ASSETS				
Cash and cash equivalents	\$ -	\$ 221,375	\$ -	\$ 221,375
Receivables:				
Accounts	-	-	-	-
Interest	32	292	133	457
Loans	-	-	-	-
Prepays	-	-	-	-
Due from other governments	3,008	-	10,332	13,340
Due from other funds	-	-	-	-
TOTAL ASSETS	\$ 3,040	\$ 221,667	\$ 10,465	\$ 235,172
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll and benefits	-	-	-	-
Accrued interest payable	-	-	-	-
Customer/employee deposits	-	-	-	-
Other liabilities	-	-	-	-
Due to other funds	3,040	-	10,465	13,505
Total Liabilities	3,040	-	10,465	13,505
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	-	205,831	-	205,831
Committed	-	-	-	-
Assigned	-	15,836	-	15,836
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	-	221,667	-	221,667
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,040	\$ 221,667	\$ 10,465	\$ 235,172

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

June 30, 2020	Special Revenue				
	Balance Brought Forward	Proposition 30 Fund	Asset Forfeiture Fund	Local Transportation Fund	Balance Forward
ASSETS					
Cash and cash equivalents	\$ 221,375	\$ 14,547	\$ 29,951	\$ 176,831	\$ 442,704
Receivables:					
Accounts	-	-	-	-	-
Interest	457	19	39	233	748
Loans	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other governments	13,340	-	-	-	13,340
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 235,172	\$ 14,566	\$ 29,990	\$ 177,064	\$ 456,792
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ 609	\$ -	\$ 37,880	\$ 38,489
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	29,990	47	30,037
Due to other funds	13,505	-	-	-	13,505
Total Liabilities	13,505	609	29,990	37,927	82,031
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	205,831	11,049	-	134,324	351,204
Committed	-	-	-	-	-
Assigned	15,836	2,908	-	4,813	23,557
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	221,667	13,957	-	139,137	374,761
TOTAL LIABILITIES AND FUND BALANCES	\$ 235,172	\$ 14,566	\$ 29,990	\$ 177,064	\$ 456,792

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Special Revenue				
	Balance Brought Forward	Special Gas Tax Fund	ISTEA/RSTP Revenue Fund	Grants Fund	Balance Forward
June 30, 2020					
ASSETS					
Cash and cash equivalents	\$ 442,704	\$ 18,812	\$ 787,175	\$ 198,016	\$ 1,446,707
Receivables:					
Accounts	-	-	-	-	-
Interest	748	25	1,039	261	2,073
Loans	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other governments	13,340	-	353,573	38,105	405,018
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 456,792	\$ 18,837	\$ 1,141,787	\$ 236,382	\$ 1,853,798
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 38,489	\$ -	\$ -	\$ 13,308	\$ 51,797
Accrued payroll and benefits	-	1,648	-	-	1,648
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Other liabilities	30,037	-	-	94,393	124,430
Due to other funds	13,505	-	-	-	13,505
Total Liabilities	82,031	1,648	-	107,701	191,380
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	351,204	17,040	1,119,311	116,243	1,603,798
Committed	-	-	-	-	-
Assigned	23,557	149	22,476	12,438	58,620
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	374,761	17,189	1,141,787	128,681	1,662,418
TOTAL LIABILITIES AND FUND BALANCES	\$ 456,792	\$ 18,837	\$ 1,141,787	\$ 236,382	\$ 1,853,798

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

June 30, 2020	Special Revenue				
	Balance Brought Forward	SB1186 Fund	RMRA Fund	Transportation Fund	Total
ASSETS					
Cash and cash equivalents	\$ 1,446,707	\$ 21,940	\$ 470,939	\$ 124,349	\$ 2,063,935
Receivables:					
Accounts	-	-	-	7,811	7,811
Interest	2,073	29	622	-	2,724
Loans	-	-	-	-	-
Prepays	-	-	-	902	902
Due from other governments	405,018	-	37,689	-	442,707
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 1,853,798	\$ 21,969	\$ 509,250	\$ 133,062	\$ 2,518,079
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 51,797	\$ 113	\$ -	\$ 1,533	\$ 53,443
Accrued payroll and benefits	1,648	-	-	559	2,207
Accrued interest payable	-	-	-	92	92
Customer/employee deposits	-	-	-	-	-
Other liabilities	124,430	-	-	-	124,430
Due to other funds	13,505	-	-	-	13,505
Total Liabilities	191,380	113	-	2,184	193,677
Fund Balances (Deficit)					
Nonspendable	-	-	-	902	902
Restricted	1,603,798	21,230	501,189	112,794	2,239,011
Committed	-	-	-	-	-
Assigned	58,620	626	8,061	17,182	84,489
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	1,662,418	21,856	509,250	130,878	2,324,402
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,853,798	\$ 21,969	\$ 509,250	\$ 133,062	\$ 2,518,079

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Capital Projects					
	General	Transportation	Waste Water	Flood		
	Plan Update	City Design	Treatment Plant	Protection		
	Fund	Fund	Capital Reserve	Capital		
			Fund	Improvement		Balance
June 30, 2020				Fund		Forward
ASSETS						
Cash and cash equivalents	\$ 68,797	\$ 15,085	\$ 804,228	\$ 225,000	\$	1,113,110
Receivables:						
Accounts	-	-	-	-		-
Interest	91	20	1,062	297		1,470
Loans	-	-	-	-		-
Prepays	-	-	-	-		-
Due from other governments	-	-	-	-		-
Due from other funds	-	-	-	-		-
TOTAL ASSETS	\$ 68,888	\$ 15,105	\$ 805,290	\$ 225,297	\$	1,114,580
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	-	-	-	206,635		206,635
Committed	61,526	6,086	738,238	-		805,850
Assigned	7,362	9,019	67,052	18,662		102,095
Unassigned	-	-	-	-		-
Total Fund Balances (Deficit)	68,888	15,105	805,290	225,297		1,114,580
TOTAL LIABILITIES AND FUND BALANCES	\$ 68,888	\$ 15,105	\$ 805,290	\$ 225,297	\$	1,114,580

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Capital Projects					Balance Forward
	Balance Brought Forward	Fire Protection Capital Improvement Fund	Police Protection Capital Improvement Fund	City Administration and Equipment Capital Improvement Fund		
June 30, 2020						
ASSETS						
Cash and cash equivalents	\$ 1,113,110	\$ -	\$ 9,439	\$ 1,557	\$	1,124,106
Receivables:						
Accounts	-	-	-	-		-
Interest	1,470	-	12	2		1,484
Loans	-	-	-	-		-
Prepays	-	-	-	-		-
Due from other governments	-	-	-	-		-
Due from other funds	-	-	-	-		-
TOTAL ASSETS	\$ 1,114,580	\$ -	\$ 9,451	\$ 1,559	\$	1,125,590
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$	-
Accrued payroll and benefits	-	-	-	-		-
Accrued interest payable	-	45	-	-		45
Customer/employee deposits	-	-	-	-		-
Other liabilities	-	-	-	-		-
Due to other funds	-	33,961	-	-		33,961
Total Liabilities	-	34,006	-	-		34,006
Fund Balances (Deficit)						
Nonspendable	-	-	-	-		-
Restricted	206,635	-	8,690	-		215,325
Committed	805,850	-	-	-		805,850
Assigned	102,095	-	761	1,559		104,415
Unassigned	-	(34,006)	-	-		(34,006)
Total Fund Balances (Deficit)	1,114,580	(34,006)	9,451	1,559		1,091,584
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,114,580	\$ -	\$ 9,451	\$ 1,559	\$	1,125,590

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Capital Projects				
	Balance Brought Forward	Meadowbrook Street Capital Projects Fund	Waste Water Treatment Plant Capital Improvement Fund	Waste Water Collection System Capital Improvement Fund	Balance Forward
June 30, 2020					
ASSETS					
Cash and cash equivalents	\$ 1,124,106	\$ 44,740	\$ 1,042,301	\$ 927,393	\$ 3,138,540
Receivables:					
Accounts	-	-	-	-	-
Interest	1,484	59	1,376	1,224	4,143
Loans	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 1,125,590	\$ 44,799	\$ 1,043,677	\$ 928,617	\$ 3,142,683
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ 4	\$ -	\$ -	\$ 4
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	45	-	-	-	45
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	33,961	-	-	-	33,961
Total Liabilities	34,006	4	-	-	34,010
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	215,325	41,124	968,879	862,824	2,088,152
Committed	805,850	-	-	-	805,850
Assigned	104,415	3,671	74,798	65,793	248,677
Unassigned	(34,006)	-	-	-	(34,006)
Total Fund Balances (Deficit)	1,091,584	44,795	1,043,677	928,617	3,108,673
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,125,590	\$ 44,799	\$ 1,043,677	\$ 928,617	\$ 3,142,683

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Capital Projects				
	Balance Brought Forward	Water Capital Improvement Fund	Airport Capital Improvement Fund	Parks and Recreation Facilities Capital Improvement Fund	Balance Forward
June 30, 2020					
ASSETS					
Cash and cash equivalents	\$ 3,138,540	\$ 1,032,039	\$ 87,352	\$ 8,486	\$ 4,266,417
Receivables:					
Accounts	-	-	-	-	-
Interest	4,143	1,362	115	11	5,631
Loans	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 3,142,683	\$ 1,033,401	\$ 87,467	\$ 8,497	\$ 4,272,048
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 4	\$ -	\$ -	\$ -	\$ 4
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	45	-	-	-	45
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	33,961	-	-	-	33,961
Total Liabilities	34,010	-	-	-	34,010
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	2,088,152	955,049	82,171	6,255	3,131,627
Committed	805,850	-	-	-	805,850
Assigned	248,677	78,352	5,296	2,242	334,567
Unassigned	(34,006)	-	-	-	(34,006)
Total Fund Balances (Deficit)	3,108,673	1,033,401	87,467	8,497	4,238,038
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,142,683	\$ 1,033,401	\$ 87,467	\$ 8,497	\$ 4,272,048

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Capital Projects				
	Balance Brought Forward		Total		Total Nonmajor Governmental Funds
June 30, 2020					
ASSETS					
Cash and cash equivalents	\$	4,266,417	\$	4,266,417	\$ 6,330,352
Receivables:					
Accounts		-		-	7,811
Interest		5,631		5,631	8,355
Loans		-		-	-
Prepays		-		-	902
Due from other governments		-		-	442,707
Due from other funds		-		-	-
TOTAL ASSETS	\$	4,272,048	\$	4,272,048	\$ 6,790,127
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$	4	\$	4	\$ 53,447
Accrued payroll and benefits		-		-	2,207
Accrued interest payable		45		45	137
Customer/employee deposits		-		-	-
Other liabilities		-		-	124,430
Due to other funds		33,961		33,961	47,466
Total Liabilities		34,010		34,010	227,687
Fund Balances (Deficit)					
Nonspendable		-		-	902
Restricted		3,131,627		3,131,627	5,370,638
Committed		805,850		805,850	805,850
Assigned		334,567		334,567	419,056
Unassigned		(34,006)		(34,006)	(34,006)
Total Fund Balances (Deficit)		4,238,038		4,238,038	6,562,440
TOTAL LIABILITIES AND FUND BALANCES	\$	4,272,048	\$	4,272,048	\$ 6,790,127

City of Red Bluff

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

Year Ended June 30, 2020	Special Revenue			
	Traffic Safety Fund	Charter - PEG Fees Fund	Public Safety Fund	Balance Forward
Revenues				
Other taxes	\$ -	\$ -	\$ 97,970	\$ 97,970
Fines, forfeitures, and penalties	22,740	-	-	22,740
Use of money and property	248	3,612	1,040	4,900
Intergovernmental revenue	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	22,988	3,612	99,010	125,610
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	22,988	3,612	99,010	125,610
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(22,988)	-	(99,010)	(121,998)
Total Other Financing Sources (Uses)	(22,988)	-	(99,010)	(121,998)
Net Change in Fund Balances	-	3,612	-	3,612
Fund Balances (Deficit) - Beginning of Year	-	218,055	-	218,055
Fund Balances (Deficit) - End of Year	\$ -	\$ 221,667	\$ -	\$ 221,667

City of Red Bluff

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

Year Ended June 30, 2020	Special Revenue				
	Balance Brought Forward	Proposition 30 Fund	Asset Forfeiture Fund	Local Transportation Fund	Balance Forward
Revenues					
Other taxes	\$ 97,970	\$ -	\$ -	\$ -	97,970
Fines, forfeitures, and penalties	22,740	-	-	-	22,740
Use of money and property	4,900	272	-	816	5,988
Intergovernmental revenue	-	-	-	293,086	293,086
Other revenues	-	-	727	-	727
Total Revenues	125,610	272	727	293,902	420,511
Expenditures					
Current:					
General government	-	4,552	727	-	5,279
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	186,843	186,843
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	24,013	24,013
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	-	4,552	727	210,856	216,135
Excess (Deficiency) of Revenues Over (Under) Expenditures	125,610	(4,280)	-	83,046	204,376
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	(121,998)	-	-	-	(121,998)
Total Other Financing Sources (Uses)	(121,998)	-	-	-	(121,998)
Net Change in Fund Balances	3,612	(4,280)	-	83,046	82,378
Fund Balances (Deficit) - Beginning of Year	218,055	18,237	-	56,091	292,383
Fund Balances (Deficit) - End of Year	\$ 221,667	\$ 13,957	\$ -	\$ 139,137	\$ 374,761

City of Red Bluff

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

	Special Revenue				
	Balance Brought Forward	Special Gas Tax Fund	ISTEA/RSTP Revenue Fund	Grants Fund	Balance Forward
Year Ended June 30, 2020					
Revenues					
Other taxes	\$ 97,970	\$ -	\$ -	\$ -	97,970
Fines, forfeitures, and penalties	22,740	-	-	-	22,740
Use of money and property	5,988	66	12,828	3,253	22,135
Intergovernmental revenue	293,086	330,169	354,623	144,816	1,122,694
Other revenues	727	-	-	-	727
Total Revenues	420,511	330,235	367,451	148,069	1,266,266
Expenditures					
Current:					
General government	5,279	-	-	-	5,279
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	186,843	313,915	-	-	500,758
Grants and program income	-	-	-	5,000	5,000
Capital outlay	24,013	-	-	220,736	244,749
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	216,135	313,915	-	225,736	755,786
Excess (Deficiency) of Revenues Over (Under) Expenditures	204,376	16,320	367,451	(77,667)	510,480
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	(121,998)	-	-	-	(121,998)
Total Other Financing Sources (Uses)	(121,998)	-	-	-	(121,998)
Net Change in Fund Balances	82,378	16,320	367,451	(77,667)	388,482
Fund Balances (Deficit) - Beginning of Year	292,383	869	774,336	206,348	1,273,936
Fund Balances (Deficit) - End of Year	\$ 374,761	\$ 17,189	\$ 1,141,787	\$ 128,681	\$ 1,662,418

City of Red Bluff

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

Year Ended June 30, 2020	Special Revenue				
	Balance Brought Forward	SB1186 Fund	RMRA Fund	Transportation Fund	Total
Revenues					
Other taxes	\$ 97,970	\$ -	\$ -	\$ 90,211	\$ 188,181
Fines, forfeitures, and penalties	22,740	-	-	-	22,740
Use of money and property	22,135	327	5,984	-	28,446
Intergovernmental revenue	1,122,694	4,997	246,808	-	1,374,499
Other revenues	727	-	-	29,040	29,767
Total Revenues	1,266,266	5,324	252,792	119,251	1,643,633
Expenditures					
Current:					
General Government	5,279	-	-	-	5,279
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	500,758	-	-	269,114	769,872
Grants and program income	5,000	-	-	-	5,000
Capital outlay	244,749	-	-	-	244,749
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	1,265	1,265
Total Expenditures	755,786	-	-	270,379	1,026,165
Excess (Deficiency) of Revenues Over (Under) Expenditures	510,480	5,324	252,792	(151,128)	617,468
Other Financing Sources (Uses)					
Transfers in	-	-	-	194,027	194,027
Transfers out	(121,998)	-	-	-	(121,998)
Total Other Financing Sources (Uses)	(121,998)	-	-	194,027	72,029
Net Change in Fund Balances	388,482	5,324	252,792	42,899	689,497
Fund Balances (Deficit) - Beginning of Year	1,273,936	16,532	256,458	87,979	1,634,905
Fund Balances (Deficit) - End of Year	\$ 1,662,418	\$ 21,856	\$ 509,250	\$ 130,878	\$ 2,324,402

City of Red Bluff

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

Year Ended June 30, 2020	Capital Projects					Balance Forward
	General Plan Update Fund	Transportation City Design Fund	Waste Water Treatment Plant Capital Reserve Fund	Flood Protection Capital Improvement Fund		
Revenues						
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-	-
Use of money and property	1,373	246	13,369	3,648		18,636
Intergovernmental revenue	-	-	-	-	-	-
Other revenues	-	-	-	2,375		2,375
Total Revenues	1,373	246	13,369	6,023		21,011
Expenditures						
Current:						
General government	23,587	-	74,972	-		98,559
Police public safety	-	-	-	-		-
Parks and recreation	-	-	-	-		-
Transportation and streets	-	-	-	-		-
Grants and program income	-	-	-	-		-
Capital outlay	-	-	-	-		-
Debt service:						
Principal	-	-	-	-		-
Interest	-	-	-	-		-
Total Expenditures	23,587	-	74,972	-		98,559
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,214)	246	(61,603)	6,023		(77,548)
Other Financing Sources (Uses)						
Transfers in	-	-	-	-		-
Transfers out	-	-	-	-		-
Total Other Financing Sources (Uses)	-	-	-	-		-
Net Change in Fund Balances	(22,214)	246	(61,603)	6,023		(77,548)
Fund Balances (Deficit) - Beginning of Year	91,102	14,859	866,893	219,274		1,192,128
Fund Balances (Deficit) - End of Year	\$ 68,888	\$ 15,105	\$ 805,290	\$ 225,297	\$	1,114,580

City of Red Bluff

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

	Capital Projects				
	Balance Brought Forward	Fire Protection Capital Improvement Fund	Police Protection Capital Improvement Fund	City Administration and Equipment Capital Improvement Fund	Balance Forward
Year Ended June 30, 2020					
Revenues					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	18,636	-	111	179	18,926
Intergovernmental revenue	-	-	-	-	-
Other revenues	2,375	2,232	4,348	1,416	10,371
Total Revenues	21,011	2,232	4,459	1,595	29,297
Expenditures					
Current:					
General government	98,559	-	-	45	98,604
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	22,655	22,655
Debt service:					
Principal	-	-	-	-	-
Interest	-	575	-	-	575
Total Expenditures	98,559	575	-	22,700	121,834
Excess (Deficiency) of Revenues Over (Under) Expenditures	(77,548)	1,657	4,459	(21,105)	(92,537)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(77,548)	1,657	4,459	(21,105)	(92,537)
Fund Balances (Deficit) - Beginning of Year	1,192,128	(35,663)	4,992	22,664	1,184,121
Fund Balances (Deficit) - End of Year	\$ 1,114,580	\$ (34,006)	\$ 9,451	\$ 1,559	\$ 1,091,584

City of Red Bluff

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

	Capital Projects				
	Balance Brought Forward	Meadowbrook Street Capital Projects Fund	Waste Water Treatment Plant Capital Improvement Fund	Waste Water Collection System Capital Improvement Fund	Balance Forward
Year Ended June 30, 2020					
Revenues					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	18,926	733	16,935	15,070	51,664
Intergovernmental revenue	-	-	-	-	-
Other revenues	10,371	-	6,834	5,838	23,043
Total Revenues	29,297	733	23,769	20,908	74,707
Expenditures					
Current:					
General government	98,604	294	-	-	98,898
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	22,655	-	-	-	22,655
Debt service:					
Principal	-	-	-	-	-
Interest	575	-	-	-	575
Total Expenditures	121,834	294	-	-	122,128
Excess (Deficiency) of Revenues Over (Under) Expenditures	(92,537)	439	23,769	20,908	(47,421)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(92,537)	439	23,769	20,908	(47,421)
Fund Balances (Deficit) - Beginning of Year	1,184,121	44,356	1,019,908	907,709	3,156,094
Fund Balances (Deficit) - End of Year	\$ 1,091,584	\$ 44,795	\$ 1,043,677	\$ 928,617	\$ 3,108,673

City of Red Bluff

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

Year Ended June 30, 2020	Capital Projects				
	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	51,664	16,758	1,395	57	69,874
Intergovernmental revenue	-	-	-	-	-
Other revenues	23,043	7,788	3,541	8,234	42,606
Total Revenues	74,707	24,546	4,936	8,291	112,480
Expenditures					
Current:					
General government	98,898	-	-	-	98,898
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	22,655	-	-	-	22,655
Debt service:					
Principal	-	-	-	-	-
Interest	575	-	-	-	575
Total Expenditures	122,128	-	-	-	122,128
Excess (Deficiency) of Revenues Over (Under) Expenditures	(47,421)	24,546	4,936	8,291	(9,648)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(47,421)	24,546	4,936	8,291	(9,648)
Fund Balances (Deficit) - Beginning of Year	3,156,094	1,008,855	82,531	206	4,247,686
Fund Balances (Deficit) - End of Year	\$ 3,108,673	\$ 1,033,401	\$ 87,467	\$ 8,497	\$ 4,238,038

City of Red Bluff

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

		Capital Projects		
Year Ended June 30, 2020		Balance Brought Forward	Total	Total Nonmajor Governmental Funds
Revenues				
Other taxes	\$	-	\$ -	\$ 188,181
Fines, forfeitures, and penalties		-	-	22,740
Use of money and property		69,874	69,874	98,320
Intergovernmental revenue		-	-	1,374,499
Other revenues		42,606	42,606	72,373
Total Revenues		112,480	112,480	1,756,113
Expenditures				
Current:				
General government		98,898	98,898	104,177
Police public safety		-	-	-
Parks and recreation		-	-	-
Transportation and streets		-	-	769,872
Grants and program income		-	-	5,000
Capital outlay		22,655	22,655	267,404
Debt service:				
Principal		-	-	-
Interest		575	575	1,840
Total Expenditures		122,128	122,128	1,148,293
Excess (Deficiency) of Revenues Over (Under) Expenditures		(9,648)	(9,648)	607,820
Other Financing Sources (Uses)				
Transfers in		-	-	194,027
Transfers out		-	-	(121,998)
Total Other Financing Sources (Uses)		-	-	72,029
Net Change in Fund Balances		(9,648)	(9,648)	679,849
Fund Balances (Deficit) - Beginning of Year		4,247,686	4,247,686	5,882,591
Fund Balances (Deficit) - End of Year	\$	4,238,038	\$ 4,238,038	\$ 6,562,440

City of Red Bluff

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

Year Ended June 30, 2020	Traffic Safety Fund				Charter - PEG Fees Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
Revenues								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	21,420	21,420	22,740	1,320	-	-	-	-
Use of money and property	80	80	248	168	2,700	2,700	3,612	912
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	21,500	21,500	22,988	1,488	2,700	2,700	3,612	912
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
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	22,988	1,488	2,700	2,700	3,612	912
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(21,500)	-	(22,988)	(22,988)	-	-	-	-
Total Other Financing Sources (Uses)	(21,500)	-	(22,988)	(22,988)	-	-	-	-
Net Change in Fund Balances	-	21,500	-	(21,500)	2,700	2,700	3,612	912
Fund Balances (Deficit) - Beginning of Year	-	-	-	-	218,055	218,055	218,055	-
Fund Balances (Deficit) - End of Year	\$ -	\$ 21,500	\$ -	\$ (21,500)	\$ 220,755	\$ 220,755	\$ 221,667	\$ 912

City of Red Bluff

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

Year Ended June 30, 2020	Public Safety Fund				Proposition 30 Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
Revenues								
Other taxes	\$ 98,600	\$ 98,600	\$ 97,970	\$ (630)	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	400	400	1,040	640	200	200	272	72
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	99,000	99,000	99,010	10	200	200	272	72
Expenditures								
Current:								
General government	-	-	-	-	6,000	6,000	4,552	1,448
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	6,000	6,000	4,552	1,448
Excess (Deficiency) of Revenues Over (Under) Expenditures	99,000	99,000	99,010	10	(5,800)	(5,800)	(4,280)	1,520
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	-	-	-	-
Transfers out	(99,000)	(99,000)	(99,010)	(10)	-	-	-	-
Total Other Financing Sources (Uses)	(99,000)	(99,000)	(99,010)	(10)	-	-	-	-
Net Change in Fund Balances	-	-	-	-	(5,800)	(5,800)	(4,280)	1,520
Fund Balances (Deficit) - Beginning of Year	-	-	-	-	18,237	18,237	18,237	-
Fund Balances (Deficit) - End of Year	\$ -	\$ -	\$ -	\$ -	\$ 12,437	\$ 12,437	\$ 13,957	\$ 1,520

City of Red Bluff

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

Year Ended June 30, 2020	Asset Forfeiture Fund				Local Transportation Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
Revenues								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	-	-	-	-	200	200	816	616
Intergovernmental revenue	-	-	-	-	215,000	215,000	293,086	78,086
Other revenues	-	-	727	727	-	-	-	-
Total Revenues	-	-	727	727	215,200	215,200	293,902	78,702
Expenditures								
Current:								
General government	-	-	727	(727)	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	293,791	293,791	186,843	106,948
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	24,013	(24,013)
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	-	727	(727)	293,791	293,791	210,856	82,935
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(78,591)	(78,591)	83,046	161,637
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	-	-	-	-	(78,591)	(78,591)	83,046	161,637
Fund Balances (Deficit) - Beginning of Year	-	-	-	-	56,091	56,091	56,091	-
Fund Balances (Deficit) - End of Year	\$ -	\$ -	\$ -	\$ -	(22,500)	(22,500)	139,137	\$ 161,637

City of Red Bluff

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

Year Ended June 30, 2020	Special Gas Tax Fund				ISTEA/RSTP Revenue Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
Revenues								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	-	-	66	66	100	100	12,828	12,728
Intergovernmental revenue	372,032	372,032	330,169	(41,863)	250,300	250,300	354,623	104,323
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	372,032	372,032	330,235	(41,797)	250,400	250,400	367,451	117,051
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	371,295	371,295	313,915	57,380	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	341,000	341,000	-	341,000
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	371,295	371,295	313,915	57,380	341,000	341,000	-	341,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	737	737	16,320	15,583	(90,600)	(90,600)	367,451	458,051
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	737	737	16,320	15,583	(90,600)	(90,600)	367,451	458,051
Fund Balances (Deficit) - Beginning of Year	869	869	869	-	774,336	774,336	774,336	-
Fund Balances (Deficit) - End of Year	\$ 1,606	\$ 1,606	\$ 17,189	\$ 15,583	\$ 683,736	\$ 683,736	\$ 1,141,787	\$ 458,051

City of Red Bluff

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

Year Ended June 30, 2020	Grants Fund				SB1186			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
Revenues								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	700	-	3,253	3,253	100	100	327	227
Intergovernmental revenue	2,230,000	2,230,000	144,816	(2,085,184)	2,500	2,500	4,997	2,497
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	2,230,700	2,230,000	148,069	(2,081,931)	2,600	2,600	5,324	2,724
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	10,000	10,000	-	10,000
Grants and program income	5,000	5,000	5,000	-	-	-	-	-
Capital outlay	2,225,000	2,305,000	220,736	2,084,264	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	2,230,000	2,310,000	225,736	2,084,264	10,000	10,000	-	10,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	700	(80,000)	(77,667)	2,333	(7,400)	(7,400)	5,324	12,724
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	700	(80,000)	(77,667)	2,333	(7,400)	(7,400)	5,324	12,724
Fund Balances (Deficit) - Beginning of Year	206,348	206,348	206,348	-	16,532	16,532	16,532	-
Fund Balances (Deficit) - End of Year	\$ 207,048	\$ 126,348	\$ 128,681	\$ 2,333	\$ 9,132	\$ 9,132	\$ 21,856	\$ 12,724

City of Red Bluff

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

Year Ended June 30, 2020	RMRA Fund				Transportation Fund			
	Budgeted Amounts		Actual	Variance With Final Budget	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final			Original	Final		
Revenues								
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ 61,000	\$ 61,000	\$ 90,211	\$ 29,211
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	-	-	5,984	5,984	200	(200)	-	200
Intergovernmental revenue	232,981	232,981	246,808	13,827	-	-	-	-
Other revenues	-	-	-	-	-	-	29,040	29,040
Total Revenues	232,981	232,981	252,792	19,811	61,200	60,800	119,251	58,451
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	301,032	301,032	269,114	31,918
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	375,800	375,800	-	375,800	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	1,265	(1,265)
Total Expenditures	375,800	375,800	-	375,800	301,032	301,032	270,379	30,653
Excess (Deficiency) of Revenues Over (Under) Expenditures	(142,819)	(142,819)	252,792	395,611	(239,832)	(240,232)	(151,128)	89,104
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	194,027	194,027	194,027	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	194,027	194,027	194,027	-
Net Change in Fund Balances	(142,819)	(142,819)	252,792	395,611	(45,805)	(46,205)	42,899	89,104
Fund Balances (Deficit) - Beginning of Year	256,458	256,458	256,458	-	87,979	87,979	87,979	-
Fund Balances (Deficit) - End of Year	\$ 113,639	\$ 113,639	\$ 509,250	\$ 395,611	\$ 42,174	\$ 41,774	\$ 130,878	\$ 89,104

City of Red Bluff

NONMAJOR PROPRIETARY FUNDS

NONMAJOR PROPRIETARY FUNDS

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

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

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

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

City of Red Bluff

COMBINING STATEMENT OF NET POSITION – NONMAJOR PROPRIETARY FUNDS

June 30, 2020	Nonmajor Enterprise			
	Community Development Fund	Airport Fund	Community Center Fund	Total
ASSETS AND DEFERRED OUTFLOWS				
Current Assets				
Cash and cash equivalents	\$ 917,670	\$ 219,798	\$ -	\$ 1,137,468
Receivables:				
Accounts - net	-	7,050	352	7,402
Interest	1,350	380	-	1,730
Due from other governments	-	2,500	70,687	73,187
Prepays	-	-	902	902
Total Current Assets	919,020	229,728	71,941	1,220,689
Noncurrent Assets				
Nondepreciable capital assets	-	389,426	-	389,426
Depreciable capital assets - net	28,047	1,798,472	19,361	1,845,880
Total Noncurrent Assets	28,047	2,187,898	19,361	2,235,306
Total Assets	947,067	2,417,626	91,302	3,455,995
Deferred Outflows of Resources				
Deferred outflows from other postemployment benefits	2,999	-	4,498	7,497
Deferred outflows from pensions	72,279	-	66,369	138,648
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 1,022,345	\$ 2,417,626	\$ 162,169	\$ 3,602,140
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION				
Current Liabilities				
Accounts payable	\$ 24,156	\$ 8,369	\$ 10,788	\$ 43,313
Accrued interest payable	-	-	235	235
Accrued payroll and benefits	1,037	-	1,213	2,250
Customer/employee deposits	973	-	4,147	5,120
Other liabilities	-	9,406	9,008	18,414
Due to other funds	-	-	51,044	51,044
Compensated absences payable - current	6,262	-	4,700	10,962
Total Current Liabilities	32,428	17,775	81,135	131,338
Noncurrent Liabilities				
Net other postemployment benefits liability	64,606	-	96,909	161,515
Net pension liability	301,610	-	276,948	578,558
Compensated absences payable - net	18,787	-	14,099	32,886
Total Noncurrent Liabilities	385,003	-	387,956	772,959
Total Liabilities	417,431	17,775	469,091	904,297
Deferred Inflows of Resources				
Deferred inflows from other postemployment benefits	13,981	-	20,971	34,952
Deferred inflows from pension	34,034	-	31,251	65,285
Net Position				
Net investment in capital assets	28,047	2,187,898	19,361	2,235,306
Unrestricted	528,852	211,953	(378,505)	362,300
Total Net Position	556,899	2,399,851	(359,144)	2,597,606
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 1,022,345	\$ 2,417,626	\$ 162,169	\$ 3,602,140

City of Red Bluff

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

Year Ended June 30, 2020	Nonmajor Enterprise			
	Community Development Fund	Airport Fund	Community Center Fund	Totals
Operating Revenues				
Charges for current services:				
Permits and fees	\$ 503,445	\$ -	\$ -	503,445
Rental revenue	-	114,212	77,682	191,894
Other revenue	-	23,234	5,174	28,408
Total Operating Revenues	503,445	137,446	82,856	723,747
Operating Expenses				
Cost of power and transportation	-	25,948	61,182	87,130
Maintenance, operations, and administration	386,658	24,729	286,849	698,236
Depreciation expense	10,315	195,572	2,405	208,292
Total Operating Expenses	396,973	246,249	350,436	993,658
Operating Income (Loss)	106,472	(108,803)	(267,580)	(269,911)
Nonoperating Revenues (Expenses)				
Intergovernmental revenues	-	-	98,893	98,893
Property taxes	-	97,047	-	97,047
Investment income	15,935	3,506	-	19,441
Gain (loss) on sale of assets	2,592	48	288	2,928
Interest expense	(479)	-	(1,847)	(2,326)
Total Nonoperating Revenues (Expenses)	18,048	100,601	97,334	215,983
Income Before Capital Contributions and Operating Transfers	124,520	(8,202)	(170,246)	(53,928)
Capital Contributions	-	12,500	-	12,500
Transfers in	-	-	127,303	127,303
Transfers out	(104,760)	(68,282)	-	(173,042)
Change in Net Position	19,760	(63,984)	(42,943)	(87,167)
Total Net Position - Beginning of Year	537,139	2,463,835	(316,201)	2,684,773
Total Net Position - End of Year	\$ 556,899	\$ 2,399,851	\$ (359,144)	\$ 2,597,606

City of Red Bluff

COMBINING STATEMENT OF CASH FLOWS – NONMAJOR PROPRIETARY FUNDS

June 30, 2020

Year Ended June 30, 2020	Nonmajor Enterprise			
	Community Development Fund	Airport Fund	Community Center Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 503,711	\$ 134,052	\$ 83,992	\$ 721,755
Cash paid to employees (including employee benefits)	(172,187)	-	(200,927)	(373,114)
Cash paid to suppliers	(170,898)	(52,589)	(107,296)	(330,783)
Net Cash Provided (Used) By Operating Activities	160,626	81,463	(224,231)	17,858
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes received	-	97,047	-	97,047
Cash received from (paid to) other funds	-	-	51,044	51,044
Transfers in	-	-	127,303	127,303
Transfers out	(104,760)	(68,282)	-	(173,042)
Net Cash Provided (Used) By Noncapital Financing Activities	(104,760)	28,765	178,347	102,352
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	-	12,500	-	12,500
Intergovernmental revenue received	202	4,383	43,256	47,841
Payments for the purchase of capital assets	-	(6,112)	-	(6,112)
Proceeds from the sale of capital assets	2,592	48	288	2,928
Principal paid	(7,985)	-	-	(7,985)
Interest paid	(479)	(186)	(1,784)	(2,449)
Net Cash Provided (Used) By Capital and Related Financing Activities	(5,670)	10,633	41,760	46,723
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	15,688	3,506	-	19,194
Net Cash Provided (Used) By Investing Activities	15,688	3,506	-	19,194
Net Increase (Decrease) in Cash and Cash Equivalents	65,884	124,367	(4,124)	186,127
Cash and Cash Equivalents - Beginning of Year	851,786	95,431	4,124	951,341
Cash and Cash Equivalents - End of Year	\$ 917,670	\$ 219,798	\$ -	\$ 1,137,468
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 106,472	\$ (108,803)	\$ (267,580)	\$ (269,911)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	10,315	195,572	2,405	208,292
Changes in:				
Accounts receivable	-	(3,394)	1,163	(2,231)
Prepaid expenses	-	-	(902)	(902)
Deferred outflows from other postemployment benefits	404	-	607	1,011
Deferred outflows from pensions	12,968	-	13,913	26,881
Accounts payable	655	(1,718)	567	(496)
Accrued payroll and benefits	(3,997)	-	(4,930)	(8,927)
Customer/employee deposits	266	-	(27)	239
Other liabilities	(1)	(194)	1,297	1,102
Net other post employment benefits liability	(7,113)	-	(10,670)	(17,783)
Net pension liability	28,920	-	20,140	49,060
Compensated absences payable	1,828	-	3,450	5,278
Deferred inflows from other postemployment benefits	13,981	-	20,971	34,952
Deferred inflows from pensions	(4,072)	-	(4,635)	(8,707)
Net Cash Provided (Used) By Operating Activities	\$ 160,626	\$ 81,463	\$ (224,231)	\$ 17,858

STATISTICAL SECTION

City of Red Bluff
STATISTICAL SECTION (UNAUDITED)

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

**Page
Number**

FINANCIAL TRENDS

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

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City of Red Bluff

STATISTICAL SECTION (UNAUDITED)

(Continued)

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DEBT CAPACITY

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

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

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OPERATING INFORMATION

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

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City of Red Bluff

NET POSITION

Last Ten Fiscal Years (Accrual Basis of Accounting)

	2010-2011	2011-2012**	2012-2013	2013-2014*	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Governmental activities:										
Net investment in capital assets	\$ 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	\$ 24,550,658
Restricted	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	11,991,022
Unrestricted	653,482	453,041	638,560	(8,236,458)	(8,144,522)	(7,270,399)	(6,672,378)	(8,494,036)	(8,424,483)	(9,702,096)
Total governmental activities net position	\$ 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	\$ 26,839,584
Business-type activities:										
Net investment in capital assets	\$ 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	\$ 15,483,091
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	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	11,457,185
Total business-type activities net position	\$ 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	\$ 26,940,276
Primary Government:										
Net investment in capital assets	\$ 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	\$ 40,033,749
Restricted	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	11,991,022
Unrestricted	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	1,755,089
Total primary government net position	\$ 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	\$ 53,779,860

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

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

Source: City of Red Bluff Financial Reports

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

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Expenses:										
Governmental activities:										
General government										
City administration	\$ 387,444	\$ 367,942	\$ 398,463	\$ 356,920	\$ 393,618	\$ 472,291	\$ 533,939	\$ 766,534	\$ 375,257	\$ 678,447
Finance	423,246	376,869	400,727	407,240	455,859	457,445	465,684	507,501	536,268	531,270
Community promotion and economic development	112,101	88,570	107,225	102,792	99,330	97,611	93,420	91,609	65,224	153,048
Human resources	182,810	171,011	119,776	114,370	139,099	125,048	128,960	187,749	193,442	194,912
Engineering and administration	202,983	234,566	132,156	121,491	92,074	105,265	176,189	173,262	181,824	185,095
Government buildings	123,508	133,317	107,852	147,159	148,608	186,650	358,403	404,680	519,926	436,497
General government	163,765	181,628	191,725	171,826	297,374	53,313	114,071	212,508	244,478	340,872
Public safety:										
Fire	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	3,132,503
Police	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	6,729,993
Parks and recreation	474,044	436,223	423,235	429,042	221,909	287,670	564,815	538,507	627,982	549,841
Transportation and streets	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	2,303,414
Senior nutrition program	293,014	299,842	251,390	-	-	-	-	-	-	-
Grants & program income	98,606	55,359	74,919	185,102	305,553	251,425	990,726	149,233	-	-
Total governmental activities expenses	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	15,235,892
Business-type activities:										
Community development	358,918	383,690	359,033	332,345	280,094	313,412	201,601	314,442	360,923	397,452
Waste water	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	2,716,976
Water	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	2,105,350
Airport	322,376	224,963	182,889	204,006	181,269	174,170	2,952,281	236,729	250,246	242,743
Community center	251,027	252,374	247,415	259,764	295,266	293,399	310,670	252,542	358,204	352,283
Total business-type activities expenses	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	5,814,804
Total primary government expenses	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	21,050,696

City of Red Bluff

STATEMENT OF ACTIVITIES

Last Ten Fiscal Years (Accrual Basis of Accounting)

(Continued)

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	322,662	321,851	374,250	380,997	390,026	400,832	423,257	476,866	451,138	451,933
Public safety										
Fire	11,234	5,397	13,391	6,528	41,494	7,858	11,423	29,063	15,102	63,093
Police	81,542	83,719	82,080	91,386	81,411	77,959	89,356	92,027	84,829	74,938
Parks & recreation	70,191	73,434	61,678	62,068	54,493	86,132	85,626	80,958	69,342	44,057
Grants & program income	46,017	3,370	15,359	8,507	4,895	110,263	-	-	-	-
Operating grants and contributions	822,403	848,830	1,079,441	749,627	902,343	870,914	2,073,783	1,513,461	1,437,725	1,514,594
Capital grants and contributions	152,536	204,997	400,427	32,149	191,479	162,907	32,143	449,658	64,970	156,453
Total governmental activities program revenues	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	2,305,068
Business-type activities:										
Charges for services:										
Community development	279,902	250,870	369,002	471,603	536,699	519,261	458,409	399,395	428,062	506,037
Waste water	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	2,936,304
Water	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	2,319,314
Airport	116,005	122,929	120,826	128,133	130,101	121,416	113,790	134,988	124,068	137,494
Community center	84,918	75,750	82,482	104,768	124,712	124,139	127,425	132,348	120,158	83,144
Operating grants and contributions	80,971	85,940	67,586	77,175	83,318	76,457	90,030	97,710	45,050	98,893
Capital grants and contributions	191,012	78,033	12,920	10,128	36,348	31,330	462,227	111,640	37,928	12,500
Total business-type activities program revenues	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	6,093,686
Total primary government program revenues	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	8,398,754
Net (expense)/revenue:										
Governmental activities	(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)	(12,930,824)
Business-type activities	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	278,882
Total primary government net expense	(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)	(12,651,942)

City of Red Bluff

STATEMENT OF ACTIVITIES

Last Ten Fiscal Years (Accrual Basis of Accounting)

(Continued)

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes:										
Sales taxes	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	5,266,540
Property taxes	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	1,723,402
Motel taxes	596,603	594,254	711,274	720,122	835,533	928,374	939,306	977,215	1,473,204	964,054
Special gas taxes	334,068	404,286	338,911	478,119	364,333	314,726	275,095	289,366	277,846	315,199
Franchise taxes	287,059	291,559	303,909	306,342	324,229	346,867	359,147	378,888	399,784	415,714
Other taxes	173,406	263,808	203,453	219,093	221,998	220,719	235,859	252,212	215,329	245,959
Motor vehicle license fees	1,114,162	1,030,288	959,291	979,512	992,407	1,057,086	1,138,014	1,199,422	1,298,324	1,365,543
Impact fees	47,108	154	230,787	8,551	1,454,334	204,968	264,947	112,997	53,692	57,325
Investment earnings	107,097	140,233	133,603	130,680	145,522	170,436	177,092	201,797	218,846	196,474
Gain/loss on sale of asset	-	-	-	1,200	30,560	184	-	-	5,000	35,808
Transfers	457,303	453,169	154,511	541,691	598,032	506,481	612,940	828,038	725,479	767,018
Total governmental activities	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	11,353,036
Business-type activities:										
Taxes	41,544	57,190	56,428	67,617	-	59,973	71,582	105,298	105,576	97,047
Investment earnings	42,225	48,687	61,469	62,019	77,649	125,225	135,161	172,188	318,285	262,027
Gain on sale of assets	-	-	-	-	-	-	-	-	-	-
Transfers	(457,303)	(453,169)	(154,511)	(541,691)	(598,032)	(506,481)	(612,940)	(828,038)	(725,479)	(767,018)
Total business-type activities	(373,534)	(347,292)	(36,614)	(412,055)	(520,383)	(321,283)	(406,197)	(550,552)	(301,618)	(407,944)
Total primary government	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	10,945,092
Change in Net Position:										
Governmental activities	(1,410,468)	(1,346,711)	(1,105,015)	(1,425,264)	79,883	(212,182)	(325,629)	(1,079,795)	(357,971)	(1,577,788)
Business-type activities	681,335	680,780	2,118,260	1,697,926	1,183,416	992,052	1,425,026	445,793	349,380	(129,062)
Total primary government	\$ (729,133)	\$ (665,931)	\$ 1,013,245	\$ 272,662	\$ 1,263,299	\$ 779,870	\$ 1,099,397	\$ (634,002)	\$ (8,591)	\$ (1,706,850)

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)

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	1,869	-	9,057	539	-	-	1,524	200,000	916	49,072
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	4,000,000
Unassigned	25,567	72,905	30,102	42,950	32,922	22,128	40,070	68,972	112,775	376,370
Total general fund	\$ 427,436	\$ 472,905	\$ 739,159	\$ 893,489	\$ 1,432,922	\$ 2,520,128	\$ 2,994,594	\$ 2,868,972	\$ 3,713,691	\$ 4,425,442
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Nonspendable**	-	-	-	-	-	-	-	-	-	902
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	11,434,606
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	805,850
Assigned	12,298	27,043	60,250	90,890	132,782	191,745	263,071	352,935	501,951	638,947
Unassigned	(30,563)	(71,464)	(69,626)	(70,650)	(55,343)	(47,901)	(40,290)	(36,934)	(35,663)	(34,006)
Total all other governmental funds	\$ 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	\$ 12,846,299
Total Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable**	1,869	-	9,057	539	-	-	1,524	200,000	916	49,974
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	11,434,606
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	805,850
Assigned	412,298	427,043	760,250	940,890	1,532,782	2,689,745	3,216,071	2,952,935	4,101,951	4,638,947
Unassigned	(4,996)	1,441	(39,524)	(27,700)	(22,421)	(25,773)	(220)	32,038	77,112	342,364
Total all other governmental funds	\$ 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	\$ 17,271,741

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

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

Source: City of Red Bluff Financial Reports

City of Red Bluff

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

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Revenues:										
Sales tax	\$ 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	\$ 5,266,540
Property tax	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	1,723,402
Motel tax	596,603	594,254	711,274	720,122	835,533	928,374	939,306	977,215	1,473,204	964,054
Franchise tax	287,059	291,559	303,909	306,342	324,229	346,867	359,147	378,888	399,784	415,714
Other taxes	159,480	248,779	187,840	195,985	204,512	202,061	216,299	242,251	215,329	245,959
Licenses and permits	299,058	296,088	359,517	361,808	390,072	402,631	418,791	407,951	425,605	434,283
Fines, forfeitures, and penalties	55,930	55,354	48,549	59,028	48,277	44,306	46,281	52,455	47,169	37,354
Use of money and property	31,237	26,137	41,968	35,111	43,235	62,133	76,543	93,769	159,358	152,726
Intergovernmental revenue	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	3,225,917
Charges for current services	92,273	89,616	86,966	87,478	100,901	107,719	119,180	154,689	107,427	88,039
Other revenues	318,339	259,577	446,312	154,424	1,651,574	438,972	408,699	305,664	299,893	293,350
Total revenues	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	12,847,338
Expenditures:										
Current:										
General government	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	2,052,955
Fire public safety	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	2,724,962
Police public safety	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	5,422,835
Parks and recreation	382,394	354,834	304,834	325,701	330,534	395,027	370,533	439,388	436,547	379,921
Transportation and streets	567,078	653,311	679,055	851,368	928,607	1,051,201	757,283	739,865	713,345	769,872
Senior Nutrition program	286,465	294,267	292,339	-	-	-	-	-	-	-
Grants and program income	95,320	36,979	74,917	176,802	133,166	87,916	990,726	149,255	9,412	89,804
Capital outlay	607,822	271,559	438,909	345,076	640,530	912,668	586,275	1,445,583	1,616,977	426,138
Debt Service:										
Principal	37,505	39,107	60,000	248,000	307,904	334,157	254,920	275,000	306,154	328,029
Interest	3,272	1,862	25,702	71,681	69,473	55,425	42,638	32,507	48,336	27,099
Debt issuance costs	-	-	59,555	-	-	-	-	-	-	-
Total expenditures	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	12,221,615
Excess (deficiency) of revenues over (under) expenditures	(433,240)	(300,371)	(1,830,106)	(555,687)	972,253	130,650	18,616	(662,314)	(104,609)	625,723
Other financing sources (uses):										
Operating transfers in	1,885,560	1,477,078	1,493,342	1,640,816	961,858	889,879	954,292	1,157,226	1,069,528	1,044,187
Operating transfers out	(1,428,257)	(1,023,909)	(1,338,831)	(1,099,125)	(363,826)	(383,398)	(341,352)	(329,188)	(344,049)	(277,169)
Debt proceeds **	-	-	1,948,000	-	-	-	-	-	456,123	-
Total other financing sources (uses)	457,303	453,169	2,102,511	541,691	598,032	506,481	612,940	828,038	1,181,602	767,018
Total prior period adjustments	-	-	-	-	-	-	-	-	-	-
Net change in fund balance	\$ 24,063	\$ 152,798	\$ 272,405	\$ (13,996)	\$ 1,570,285	\$ 637,131	\$ 631,556	\$ 165,724	\$ 1,076,993	\$ 1,392,741
Debt service as a percentage of non capital expenditures	0.53%	0.50%	0.83%	3.71%	4.15%	3.99%	2.64%	2.77%	3.08%	3.01%

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

City of Red Bluff

GENERAL FUND BALANCE COMPARED TO ANNUAL APPROPRIATIONS

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Fund Balance</u>	<u>Annual Appropriations</u>	<u>Balance as % of Appropriations</u>
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%
2019-2020	\$ 4,425,442	\$ 7,048,937	62.8%

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
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
2019-2020	\$ 8,427,488	\$ 434,283	\$ 14,614	\$ 11,871	\$ 1,851,418	\$ 88,039	\$ 177,567	\$ 11,005,280

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

Source: City of Red Bluff Financial Report

City of Red Bluff

GENERAL FUND TAX REVENUES BY SOURCE

Last Ten Fiscal Years

Fiscal Year	Sales and Use Tax	General Property Tax	Transient Occupancy Tax	Franchise Tax	Other Taxes		Licenses and Permits	
					Property Transfer Tax	Downtown Business Improvement	Business License	Other Licenses/ Permits
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
2019-2020	\$ 5,266,540	\$ 1,723,402	\$ 964,054	\$ 415,714	\$ 40,270	\$ 17,508	\$ 402,850	\$ 31,433

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.

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
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
2019-2020	\$ 2,052,955	\$ 2,724,962	\$ 5,422,835	\$ 379,921	\$ 769,872	\$ -	\$ 89,804	\$ 426,138	\$ 355,128	\$ 12,221,615

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

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

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

Source: City of Red Bluff Financial Report

City of Red Bluff

PROPERTY TAX RATES (DIRECT AND OVERLAPPING GOVERNMENTS)

Last Ten Fiscal Years

Fiscal Year	City of Red Bluff Rates			Overlapping Rates			Total Direct and Overlapping Rates (4)
	Basic Countywide Levy (1)	City's Share of Basic Levy (2)	Total Direct Tax Rate (3)	Red Bluff High	Red Bluff Elementary	Shasta Community College	
2010-2011	1.0000%	0.22879%	0.16800%	0.0000%	0.0000%	0.0095%	1.0095%
2011-2012	1.0000%	0.22879%	0.16790%	0.0000%	0.0000%	0.0162%	1.0162%
2012-2013	1.0000%	0.22879%	0.17790%	0.0000%	0.0000%	0.0054%	1.0054%
2013-2014	1.0000%	0.22879%	0.17810%	0.0000%	0.0000%	0.0088%	1.0088%
2014-2015	1.0000%	0.22879%	0.17527%	0.0000%	0.0000%	0.0107%	1.0107%
2015-2016	1.0000%	0.22879%	0.17764%	0.0000%	0.0000%	0.0051%	1.0051%
2016-2017	1.0000%	0.22879%	0.17378%	0.0000%	0.0000%	0.0057%	1.0057%
2017-2018	1.0000%	0.22879%	0.17102%	0.0294%	0.0000%	0.0185%	1.0479%
2018-2019	1.0000%	0.22879%	0.17315%	0.0164%	0.0000%	0.0072%	1.0236%
2019-2020	1.0000%	0.16767%	0.17284%	0.0313%	0.0332%	0.0200%	1.0845%

(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
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%
2019-2020	\$ 922,396,635	\$ 76,622,129	\$ 1,311,830	\$ 1,000,330,594	4.85%
				Average % Change:	3.25%

Source: Tehama County Assessor's Annual Combined Tax Rolls

City of Red Bluff

PRINCIPAL SECURED PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Walmart Stores, Inc.	\$ 28,136,444	1	2.81%	\$ 10,256,300	2	1.30%
Kumar Hotels Inc.	21,940,536	2	2.19%	-	n/a	0.00%
Helibro LLC	18,464,430	3	1.85%	-	n/a	0.00%
Belle Mill Retail Partners LLC	12,225,890	4	1.22%	-	n/a	0.00%
Red Bluff Housing Investors	9,221,154	5	0.92%	-	n/a	0.00%
Raleys, Inc.	8,665,408	6	0.87%	7,702,336	7	0.97%
Home Depot USA Inc.	8,329,300	7	0.83%	11,925,841	1	1.51%
PJ Helicopters, Inc.	8,277,299	8	0.83%	9,625,648	4	1.22%
Cabernet Apartments ETAL	7,369,762	9	0.74%	7,482,217	8	0.95%
Tehama Medical Arts LLC	6,736,532	10	0.67%	-	n/a	0.00%
Marshall Belle Mill LLC ETAL	-	n/a	0.00%	8,730,000	5	1.10%
Housing Alternatives	-	n/a	0.00%	9,983,380	3	1.26%
Kumar Pawan	-	n/a	0.00%	6,392,650	9	0.81%
Durango RV Resorts Red Bluff	-	n/a	0.00%	8,267,090	6	1.04%
Assisted Living Facilities	-	n/a	0.00%	5,679,937	10	0.72%
Sum of Ten Largest Property Valuation	129,366,755		12.93%	86,045,399		10.88%
Other Taxpayers	870,963,839		87.07%	705,133,452		89.12%
Total Property Valuations - Net of Exemptions	\$ 1,000,330,594		100.00%	\$ 791,178,851		100.00%

Source: Tehama County Assessor 2019/20 and 2010/11 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, 2020

Category	Parcels	Assessed Value		Net Taxable Value	
Residential	4,033	\$ 616,362,142	54.7%	\$ 571,316,411	57.1%
Commercial	524	\$ 287,839,650	25.6%	\$ 278,319,493	27.8%
Industrial	80	\$ 41,378,095	3.7%	\$ 41,378,095	4.1%
Dry Farm	4	\$ 204,789	0.0%	\$ 204,789	0.0%
Govt. Owned	4	\$ 687,159	0.1%	\$ 687,159	0.1%
Institutional	45	\$ 71,625,345	6.4%	\$ 5,221,575	0.5%
Miscellaneous	20	\$ 716,105	0.1%	\$ 557,378	0.1%
Recreational	12	\$ 8,786,912	0.8%	\$ 8,459,821	0.8%
Vacant	266	\$ 11,828,127	1.1%	\$ 11,492,517	1.1%
Exempt	276	\$ -	0.0%	\$ -	0.0%
SBE Nonunitary	[9]	\$ 1,311,830	0.1%	\$ 1,311,830	0.1%
Cross Reference	[179]	\$ 4,759,397	0.4%	\$ 4,759,397	0.5%
Unsecured	[966]	\$ 80,284,898	7.1%	\$ 76,622,129	7.7%
TOTALS	5,264	\$ 1,125,784,449	100.0%	\$ 1,000,330,594	100.0%

Data Source: Tehama County Assessor 2019/20 Combined Tax Rolls

Single Family Residential Full Value Sales (01/01/2018 - 06/30/2020)

Year	Full Value Sales	Average Price	Median Price	Median % Change
2018	202	\$ 187,174	\$ 185,000	
2019	244	\$ 205,243	\$ 195,000	5.41%
2020	82	\$ 200,915	\$ 200,000	2.56%

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

Data Source: Tehama County Recorder

Data compiled by HdL, Coren & Cone

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

City of Red Bluff

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Collections to Tax Levy
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%
2019-2020	\$ 1,723,402	\$ 1,723,402	100%	\$ -	\$ 1,723,402	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, 2020

	Secured	Nonunitary Utilities	Unsecured
Parcels	4,988	9	966
TRAs	21	1	14
Values			
Land	\$ 245,584,757	\$ 1,311,830	\$ 1,457,739
Improvements	743,594,859	-	5,569,915
Personal property	41,705,617	-	29,035,100
Fixtures	13,302,488	-	13,629,897
Aircraft	-	-	30,592,247
Total Values	1,044,187,721	1,311,830	49,692,651
Exemptions			
Real estate	91,426,209	-	-
Personal property	22,481,242	-	1,826,698
Fixtures	7,883,635	-	1,445,991
Aircraft	-	-	390,080
Homeowners*	13,233,500	-	-
Total Exemptions	121,791,086	-	3,272,689
Total Net Values	\$ 922,396,635	\$ 1,311,830	\$ 46,419,962

Combined Values	Total
Total Values	\$ 1,095,192,202
Total Exemptions	\$ 125,063,775
Net Total Values	\$ 970,128,427
Net Aircraft Values	\$ 30,202,167

* Note: Homeowner exemptions are not included in total exemptions

Totals do not include aircraft values or aircraft exemptions

Data Source: Tehama County Assessor 2019/20 Combined Tax Rolls

City of Red Bluff

ASSESSED VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Category	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Residential	\$ 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	\$ 571,316,411
Commercial	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	278,319,493
Industrial	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	41,378,095
Dry Farm	616,204	620,815	333,692	337,974	342,107	187,701	190,562	194,371	200,774	204,789
Govt. owned	461,648	738,764	273,929	616,718	504,192	686,282	690,647	715,409	672,327	687,159
Institutional	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	5,221,575
Irrigated	417,245	173,857	177,334	180,880	181,701	-	-	-	-	-
Miscellaneous	4,692,730	6,140,725	16,046,052	10,199,439	17,216,109	657,456	642,246	602,427	735,334	557,378
Recreational	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	8,459,821
Vacant	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	11,492,517
SBE nonunitary	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	1,311,830
Cross reference	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	4,759,397
Unsecured	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	76,622,129
Totals	\$ 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	\$ 1,000,330,594
Total Direct Rate	0.16797	0.16517	0.17516	0.17536	0.17527	0.17764	0.17378	0.17102	0.17315	0.17284

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 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 2010/11 - 2019/20 Combined Tax Rolls via HdL, Coren & Cone

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

City of Red Bluff

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year	Special Assessment Billings	Special Assessment Collected
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	\$ -	\$ -
2019-2020	\$ 21,735	\$ 17,508

City of Red Bluff

RATIO OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds	Loans	Capital Leases	Revenue Bonds	Loans			
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
2019-2020	\$ -	\$ -	\$ -	\$ 408,940	\$ -	\$ -	\$ 408,940	0.16%	29

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
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
2019-2020	\$ -	\$ -	\$ -	0.00%	\$ -	14,245	\$ 1,000,330,594

Source: City of Red Bluff Financial Reports

City of Red Bluff

RATIO OF ANNUAL DEBT SERVICE FOR BONDED DEBT TO TOTAL GENERAL EXPENDITURES Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Bonded Debt</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to General Expenditures</u>
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%
2019-2020	\$ -	\$ -	\$ 10,988,518	0.00%

Source: City of Red Bluff Financial Reports

City of Red Bluff

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2020

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to City</u>	<u>City Share of Debt</u>
Overlapping Debt Repaid with Property Tax:			
Red Bluff Elementary	4,200,000	59.26%	2,488,920
Red Bluff High	12,390,000	23.48%	2,909,172
Shasta Community College	<u>\$ 20,790,000</u>	16.27%	<u>\$ 3,382,533</u>
Sub-Total overlapping debt	37,380,000		8,780,625
City of Red Bluff direct debt	<u>408,940</u>	100.00%	<u>\$ 408,940</u>
Total direct and overlapping debt	<u><u>\$ 37,788,940</u></u>		<u><u>\$ 9,189,565</u></u>

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

Sources :

Tehama County Auditor/Controller's Office

Shasta Community College

Red Bluff High

Red Bluff Elementary

City of Red Bluff

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Total Assessed Valuation	\$ 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	\$ 1,000,330,594
Debt Limit 15% of Total Assessed Valuation*	\$ 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	\$ 150,049,589
Debt Applicable to Debt Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 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	\$ 150,049,589
Total Net	0.00%	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 incur an indebtedness for public improvements which exceeds in the aggregate 15% of the assessed value of all real and personal property of the city. Within the meaning of this section 'indebtedness' means bonded indebtedness of the city payable from the proceeds of taxes levied upon taxable property in the City."

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

City of Red Bluff
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years

CalPERS Refunding Loan						State Revolving Loan Fund and Revenue Bonds							
Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue		Coverage	Gross Revenue	Operating Expenses	Net Revenue		SRL Debt Debt Service	Revenue Bonds Debt Service		Coverage
			Available for Debt Service	Total Debt Service				Available for Debt Service			Debt Service	Total Debt Service	
2010-2011	\$ -	\$ -	\$ -	\$ -	-	\$ 2,102,029	\$ 1,459,385	\$ 642,644	\$ 142,923	\$ -	\$ 142,923	\$ 142,923	4.50
2011-2012	\$ -	\$ -	\$ -	\$ -	-	\$ 2,216,395	\$ 1,600,232	\$ 616,163	\$ 142,923	\$ -	\$ 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	\$ 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	\$ 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	\$ 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	\$ 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	\$ 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	\$ 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	\$ 142,923	2.60
2019-2020	\$ 11,855,440	\$ 11,143,689	\$ 711,751	\$ 304,000	2.34	\$ 2,936,304	\$ 2,706,819	\$ 229,485	\$ 140,392	\$ -	\$ 140,392	\$ 140,392	1.63

CIEDB Loan					
Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue		Coverage
			Available for Debt Service	Total Debt Service	
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	\$ -	\$ -	\$ -	\$ -	-
2019-2020	\$ -	\$ -	\$ -	\$ -	-

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, 2020

Miscellaneous Information

Year of Incorporation	1876
Population	14,245
Area in Acres	4,490
Form of Government	Council/Manager
Employees	
Full-time	94
Part-time	29
Miles of Streets	133
Number of Street Lights	822

Recreational Services

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

Public Safety Services

Fire Protection	
Number of stations	1
Number of firefighters	14
Number of volunteers	21
Police Protection	
Number of volunteers	8
Number of stations	1
Number of police officers	23
Number of records clerks	3
Dispatchers/ CSOs	10

Water and Sewer Facilities

Water System	
Number of connections	4,642
Length of water mains	68
Wastewater System	
Number of connections	4,642
Length of sewer lines in miles	60

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

Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
County of Tehama	870	1	15%	836	1	15%
St. Elizabeth Hospital	550	2	9%	470	2	9%
Wal-Mart	310	3	5%	257	4	5%
Tehama County Department of Education	280	4	5%	171	6	3%
Red Bluff Elementary School District	270	5	5%	272	3	5%
Red Bluff High School District	211	6	4%	195	5	4%
Lassen Medical Group	140	7	2%	-	n/a	0%
City of Red Bluff	123	8	2%	124	9	2%
PJ Helicopters	118	9	2%	-	n/a	0%
Raleys	110	10	2%	152	7	3%
Home Depot	-	n/a	0%	86	10	2%
California Division of Forestry	-	n/a	0%	148	8	3%
Total Employment - City of Red Bluff	5,982			5,511		

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

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*
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%
2019	14,245	6.2%	\$ 255,466	\$ 17,933	35.4	88.1%	12.1%

Source:

Population: California Department of Finance. Unemployment Data: California Employment Development Department
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
2010-2011	133.0	7	90	14	60	2.5	5,431	57	30,295	1,321	627	2,298	631
2011-2012	133.0	7	90	14	60	2.5	5,431	114	31,893	1,264	780	2,533	634
2012-2013	133.0	7	90	14	60	2.5	5,431	63	30,140	1,439	888	2,639	635
2013-2014	133.0	7	90	14	60	2.5	5,431	264	32,773	1,838	954	2,473	635
2014-2015	133.0	7	90	14	60	2.5	5,431	23	34,451	1,703	1,001	2,747	635
2015-2016	133.0	7	90	14	60	2.5	5,431	1,413	34,862	1,801	964	2,872	635
2016-2017	133.0	7	90	14	60	2.5	5,431	105	36,418	1,574	989	2,887	635
2017-2018	133.0	7	90	14	60	2.5	5,431	140	36,412	1,763	993	2,899	635
2018-2019	133.0	7	90	14	60	2.5	5,431	1,750	35,781	1,844	1,155	3,037	635
2019-2020	133.0	7	90	14	60	2.5	5,431	443	35,983	1,534	1,346	3,038	635

Source: City of Red Bluff records

*Statistics only available in calendar year, so providing 2019 calendar year for 2019-20 fiscal year statistics.

City of Red Bluff

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

Department	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
General Government	14	15	16	16	17	10	10	8	8	9
Community Development	2	2	2	2	2	2	3	5	4	4
Fire	36	32	38	33	38	31	26	22	24	22
Police	41	42	42	40	41	36	36	33	32	32
Public Works	10	9	10	9	12	10	11	7	6	6
Sewer	6	6	4	6	6	6	5	4	4	4
Water	6	6	6	6	5	6	5	5	4	4
Parks & Recreation	8	14	16	25	35	49	49	43	49	43
Total City	123	126	134	137	156	150	145	127	131	124

Source: City of Red Bluff Personnel Department

City of Red Bluff

WATER AND SEWER RATES

Last Ten Fiscal Years

Fiscal Year	Water		Sewer	
	Monthly Base Rate	Consumption Rate Avg. Rate Per 100 Cu. Ft.	Monthly Base Rate	Rate Per 100 Cu. Ft. of Water Consumed
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
2019-2020	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

Current Year and Nine Years Ago

FOR FISCAL YEAR 2019-20	
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
PJ Helicopters	Aircraft Sales & Service
Pneumatic Conveying & Manufacturing	Heavy Industrial
Raleys	Grocery Stores Liquor
Red Bluff Chrysler Dodge Jeep Ram	New Motor Vehicle Dealers
Red Bluff Gas	Service Stations
Red Bluff Shell	Service Stations
Ross	Family Apparel
Tractor Supply Company	Garden/Agricultural Supplies
Valero	Service Stations
Valero	Service Stations
Walmart Supercenter	Discount Dept Stores

Percent of Fiscal Year Total Paid By Top 25 Accounts = 66.96%

Period: July 2018 through March 2019

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

FOR FISCAL YEAR 2010-11	
Business Name	Business Category
Adobe Road Chevron	Service Stations
Antelope Liquors Power Gas	Service Stations
Antelope Valero	Service Stations
Arco AM PM	Service Stations
Big 5 Sporting Goods	Sporting Goods/Bike Stores
Circle 7 Days	Service Stations
CVS Pharmacy	Drug Stores
Five Star Gas & Food Mart	Service Stations
Food Maxx	Grocery Stores
Gas 4 Less	Service Stations
Growney Motors Buick/GMC	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
Pneumatic Conveying & Manufacturing	Heavy Industrial
Raleys	Grocery 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

City of Red Bluff

TAXABLE SALES BY CATEGORY

Last Ten Calendar Years (In Thousands of Dollars)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Apparel stores	\$ 876	\$ 1,108	\$ 1,297	\$ 1,360	\$ 1,479	\$ 2,179	\$ 2,041	\$ 2,170	\$ 2,407	\$ 9,960
Food stores	14,111	12,572	13,786	13,390	13,204	13,419	11,593	10,567	10,322	10,930
Eating and drinking places	28,277	28,632	30,388	30,790	31,960	34,441	36,396	37,515	38,705	42,011
Building materials	33,058	33,763	34,293	38,424	38,446	42,350	44,767	47,820	48,979	58,196
Auto dealers and supplies	20,380	18,266	26,944	42,610	53,799	68,583	71,996	74,473	69,833	67,065
Service stations	62,271	78,102	82,164	83,619	77,604	66,062	60,041	68,303	77,367	83,677
Other retail stores	65,609	65,525	71,369	70,573	74,281	73,757	77,893	77,993	78,740	82,806
All other outlets	46,846	45,460	45,858	48,241	52,851	64,062	67,991	66,512	68,109	119,424
Total	\$ 271,428	\$ 283,428	\$ 306,099	\$ 329,007	\$ 343,624	\$ 364,853	\$ 372,718	\$ 385,353	\$ 394,462	\$ 474,069

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



**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, 2020, 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 3, 2020.

Internal Control Over Financial Reporting

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

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

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

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
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(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.

AGT CPAs & Advisors

December 3, 2020
AGT CPAs & Advisors
Redding, California