

City of Red Bluff

Red Bluff, California

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2022



CITY OF RED BLUFF, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For The Fiscal Year Ended
June 30, 2022

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

March 11, 2023

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 Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022. The Finance Department publishes the ACFR 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 auditor.

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, 2022, received an unqualified opinion in the independent auditor's 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 14,710 at the 2020 census, up from 14,076 at the 2010 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, with our motel tax revenues leading the way with a 35.4% increase. Overall, governmental activities general revenues increased 5.0% over the prior year.

On November 4, 2014, the City's residents voted in a quarter cent sales tax increase to help improve public safety, parks, recreation, and other general fund services. The additional increase in quarter cent sales tax has allowed the City to purchase much needed capital assets and equipment, as well as providing for several new employees in the police, fire, and parks departments. Sales tax revenue is approximately 51% of all governmental activities general revenues.

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.

The budget committee is monitoring over \$2.5 million in street improvement projects, and almost \$6 million in capital projects, beginning in FY 17/18. Completion of the majority of these projects is expected in FY 22/23. The City is currently looking into the next round of major capital projects to address the city-wide infrastructure condition. The City is working on surveying the condition of the roads, equipment, water & wastewater infrastructure, and facilities. Once completed, the city will be developing a funding plan for the capital projects identified and aligning it with the capital plan for the city to work out the timing of these projects.

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. To combat these increasing expenses, on July 15, 2021 the City issued \$18,540,000 of Pension Obligation Bonds. The financing of this bond paid \$18,170,470 of the unfunded liabilities of the police, fire, and other city employees retirement plans. The funding of the PERS Unfunded Liability from the bonds replaces annual Unfunded Liability payments based on market conditions with fixed rate bond payments with interest ranging from 0.47% to 3.226% over an 18-year repayment schedule for the amount funded by the bond.

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 City's aging infrastructure, 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, 2021. 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,

A handwritten signature in black ink, appearing to read 'Paul Young', written above a horizontal line.

Paul Young, Finance Director

A handwritten signature in black ink, appearing to read 'Tom Westbrook', written above a horizontal line.

Tom Westbrook, City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

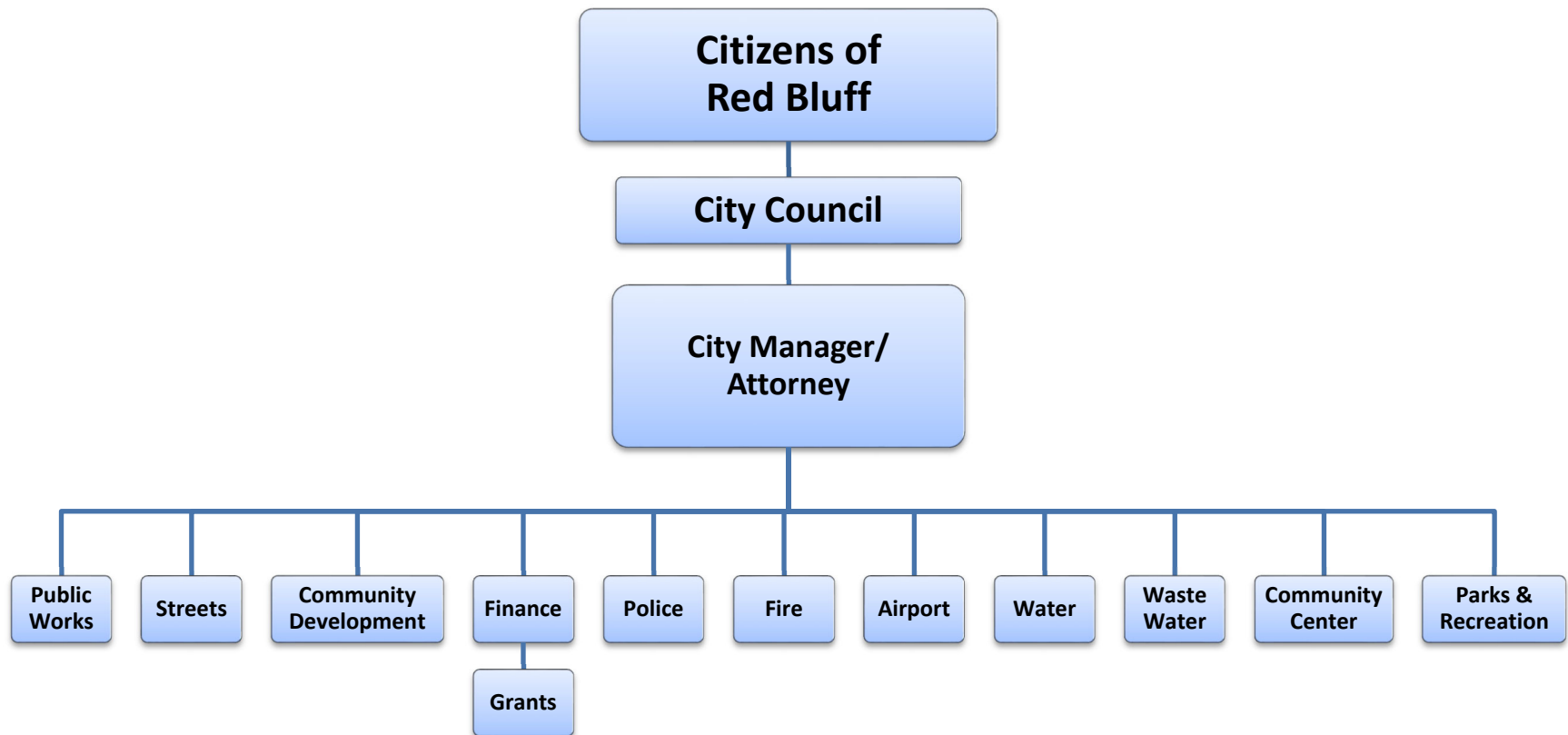
**City of Red Bluff
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

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, 2022

CITY COUNCIL

Mayor..... Kris Deiters
Mayor Pro Tem Clay Parker
Council Member..... Daniele Eyestone
Council Member..... Johnna Jones
Council Member.....J. R. Gonzalez

ADMINISTRATIVE PERSONNEL

City Manager..... Tom Westbrook
City Attorney Sophia Meyer
City Treasurer..... Donna Gordy
Finance Director Sandy Ryan
Director of Public Works/City Engineer Robin Kampmann
Community Development Director..... Tom Westbrook
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

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Red Bluff (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2022, 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.

Basis for Opinions

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

Responsibility of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern one year after the date that the financial statements are issued.

INDEPENDENT AUDITORS' REPORT

(Continued)

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

INDEPENDENT AUDITORS' REPORT

(Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14 through 23 and pension and other postemployment benefits disclosure schedules on pages 73 through 75 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

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

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.

INDEPENDENT AUDITORS' REPORT

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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

AGT CPAs & Advisors

Redding, California

March 11, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of City of Red Bluff (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, 2022, titled "Management's Discussion and Analysis" or MD&A.

FINANCIAL HIGHLIGHTS

The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$59,358,564 (net position). Of this amount, \$6,112,812 (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 increased by \$3,293,207. Most of this increase is because of Covid grant activities and increased revenues from taxes and fees.

As of the close of the current fiscal year, the City's governmental activities reported combined total net position of \$33,420,374. Of this amount \$(4,919,228) 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 total 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 \$367,971 or 1.26% of the total General Fund expenditures. The assigned fund balance of \$10,249,451 is comprised of the following: 1) assigned for contingencies - \$2,838,709 or 10% of the total General Fund expenditures; 2) assigned for uncertainties - \$1,419,355 or 5% of the total General Fund expenditures; 3) assigned for fire apparatus and vehicles - \$400,000; 4) assigned for vehicles - \$225,000; 5) assigned for city buildings - \$3,645,000; 6) assigned for technology - \$325,000; 7) assigned for ADA projects - \$325,000; 8) assigned for quarter cent sales tax one-time expenses - \$750,000; and 9) assigned for parks equipment and improvements - \$321,387.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are 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 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, wastewater, 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 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 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 major funds. The General Fund consists of three different budgeted 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 waste water, 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 Waste Water, Water and Community Center Funds since all three are major funds of the City. Data from the other two 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 \$59,358,564 as of June 30, 2022.

The largest portion of the City's net position (69.8%) 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 \$11,830,203 of the City's net position (19.9%) represents resources that are subject to external restriction on how they are used. The remaining balance of unrestricted net position, \$6,112,812, is 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, 2022 and 2021.

CITY OF RED BLUFF'S NET POSITION

June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
ASSETS						
Current and other assets	\$ 25,695,431	\$ 24,116,693	\$ 15,003,478	\$ 15,024,914	\$ 40,698,909	\$ 39,141,607
Capital assets	28,069,804	27,234,886	14,906,150	15,533,368	42,975,954	42,768,254
TOTAL ASSETS	53,765,235	51,351,579	29,909,628	30,558,282	83,674,863	81,909,861
Deferred outflows from						
OPEB, pensions	20,441,831	4,006,165	5,180,860	765,764	25,622,691	4,771,929
LIABILITIES						
Total OPEB liability	2,556,716	3,199,817	468,481	637,295	3,025,197	3,837,112
Net pension liability	9,886,691	16,114,844	2,346,739	3,336,582	12,233,430	19,451,426
Long-term liabilities	17,547,897	2,881,586	2,729,364	138,476	20,277,261	3,020,062
Other liabilities	2,229,717	2,439,631	684,233	376,462	2,913,950	2,816,093
TOTAL LIABILITIES	32,221,021	24,635,878	6,228,817	4,488,815	38,449,838	29,124,693
Deferred inflows from						
leases, OPEB, pensions	8,565,671	1,187,823	2,923,481	303,917	11,489,152	1,491,740
NET POSITION						
Net investment in capital assets	26,509,399	25,677,364	14,906,150	15,533,368	41,415,549	41,210,732
Restricted	11,830,203	12,507,118	-	-	11,830,203	12,507,118
Unrestricted	(4,919,228)	(8,650,439)	11,032,040	10,997,946	6,112,812	2,347,507
TOTAL NET POSITION	\$ 33,420,374	\$ 29,534,043	\$ 25,938,190	\$ 26,531,314	\$ 59,358,564	\$ 56,065,357

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, 2022 and 2021.

CITY OF RED BLUFF'S STATEMENT OF ACTIVITIES

Years Ended June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues:						
Charges for services	\$ 767,369	\$ 652,713	\$ 5,968,967	\$ 6,043,139	\$ 6,736,336	\$ 6,695,852
Operating grants and contributions	5,513,376	2,111,419	106,657	30,000	5,620,033	2,141,419
Capital grants and contributions	260,789	2,264,802	446,445	90,216	707,234	2,355,018
General Revenues:						
Sales taxes	6,663,813	6,398,956	-	-	6,663,813	6,398,956
Property taxes	1,938,756	1,851,491	126,561	87,989	2,065,317	1,939,480
Motel taxes	1,589,670	1,174,303	-	-	1,589,670	1,174,303
Special gas taxes	343,483	316,965	-	-	343,483	316,965
Franchise taxes	466,893	434,059	-	-	466,893	434,059
Other taxes	321,757	258,156	-	-	321,757	258,156
Motor vehicle license fees	1,510,581	1,433,904	-	-	1,510,581	1,433,904
Impact fees	159,226	96,638	-	-	159,226	96,638
Investment earnings	(202,490)	197,016	51,344	139,105	(151,146)	336,121
Gain on sale of assets	-	323,080	15	-	15	323,080
Total Revenues	19,333,223	17,513,502	6,699,989	6,390,449	26,033,212	23,903,951
Expenses						
General Government:						
City administration	26,856	668,538	-	-	26,856	668,538
Finance	710,341	604,592	-	-	710,341	604,592
Community promotion and economic development	141,630	83,021	-	-	141,630	83,021
Human resources	208,481	212,255	-	-	208,481	212,255
Engineering and administration	284,007	270,381	-	-	284,007	270,381
Government buildings	856,896	472,467	-	-	856,896	472,467
General government	359,463	258,779	-	-	359,463	258,779
Public Safety:						
Fire	3,484,369	3,123,518	-	-	3,484,369	3,123,518
Police	8,355,082	7,059,387	-	-	8,355,082	7,059,387
Parks and recreation	729,181	524,349	-	-	729,181	524,349
Transportation and streets	1,082,314	2,227,078	-	-	1,082,314	2,227,078
Community development	-	-	409,768	409,166	409,768	409,166
Waste water	-	-	3,611,569	3,169,608	3,611,569	3,169,608
Water	-	-	1,863,502	1,891,006	1,863,502	1,891,006
Airport	-	-	284,522	254,744	284,522	254,744
Community center	-	-	332,024	389,565	332,024	389,565
Total Expenses	16,238,620	15,504,365	6,501,385	6,114,089	22,740,005	21,618,454
Excess (deficiency) before transfers	3,094,603	2,009,137	198,604	276,360	3,293,207	2,285,497
Transfers	791,728	685,322	(791,728)	(685,322)	-	-
Change in Net Position						
(Expense) revenue - net	3,886,331	2,694,459	(593,124)	(408,962)	3,293,207	2,285,497
Net Position - Beg. of Year	29,534,043	26,839,584	26,531,314	26,940,276	56,065,357	53,779,860
Net Position - End of Year	\$ 33,420,374	\$ 29,534,043	\$ 25,938,190	\$ 26,531,314	\$ 59,358,564	\$ 56,065,357

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

The governmental activities net position increased \$3,886,331. The following are significant changes from the prior year:

- 1) Operating grants and contributions increased by \$3,402,000 mainly due to the increased Coronavirus Relief Funding \$3,226,000, CALCOPS grant funding \$72,960, and RMRA funding \$46,270.
- 2) Capital grants and contributions decreased by \$2,004,000 mainly due to completion of the Boat Launch Grant.
- 3) Sales tax revenue increased by \$264,900 due to increased sales across the board for most of the year, for everything from on-line purchases to general consumer goods. 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.
- 4) Motel tax revenue increased by \$415,400 due to relaxed COVID restrictions on travel.
- 5) Governmental expenses increased by \$734,250 mainly due to increased salary expenses.

The business activities net position decreased \$593,124. The following are significant changes from the prior year.

- 1) Charges for services revenues decreased by \$74,200 mainly because Water moratorium on utility shutoffs resulting in decreased revenues.
- 2) Operating grants and contributions increased \$76,700 due to the Tehama County contributions to the Community Center operations returning to pre-covid operations.
- 3) Capital grants and contributions revenues increased by \$356,200 due to the FAA grant project for the design of improving the apron and taxiway.
- 4) Investment earnings revenue decreased by \$147,400 due to decreased interest rates and accrued interest on the pension obligation bond.
- 5) Wastewater expenses increased by \$418,300 due to an increase in WWTP Operations Contract costs, personnel expenses, insurance, and depreciation.
- 6) Operating transfers out increased by \$106,400 due to the update of the cost allocation plan.

Overall, the primary government net position has increased \$3,293,207 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, actuarial adjustments, etc.

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The following table provides a summary of the City's change in fund balance for the year ended June 30, 2022.

	General Fund	Traffic Control Capital Improvement Fund	Grants/ Program Income Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues	\$ 17,189,060	\$ 52,944	\$ 438,395	\$ 1,613,220	\$ 19,293,619
Expenditures	29,262,758	83,830	485,029	3,054,733	32,886,350
Other financing sources (uses) - net	15,909,923	-	(136,315)	744,890	16,518,498
Change in Fund Balances	3,836,225	(30,886)	(182,949)	(696,623)	2,925,767
Fund Balance - July 1, 2021	6,846,893	2,277,031	4,101,530	6,918,954	20,144,408
Fund Balance - June 30, 2022	\$ 10,683,118	\$ 2,246,145	\$ 3,918,581	\$ 6,222,331	\$ 23,070,175

The main reason for the increase in the general fund balance is revenue increases in Sales taxes - \$264,900, Property taxes - \$87,300, Motel taxes - \$415,400, Intergovernmental revenue - \$3,407,600, and a revenue decrease in Other revenues - \$112,700. Intergovernmental revenue increases were from Motor Vehicle License fees - \$76,700, and the Coronavirus Relief Funding - \$3,226,000. Other revenue decreases were from Fire donations - \$27,800, and Miscellaneous Police income of - \$103,000. The increase in expenditures and offsetting increase in Other financing sources relates to the payoff of unfunded pension liabilities from bond proceeds (see Capital Assets and Debt discussion later in the MD&A).

Other Grants Fund is no longer a major fund and has been consolidated into Nonmajor Governmental Funds.

Non-major governmental funds balance decreased mainly due to RSTP and RMRA funds, \$416,000 and \$450,000, respectively, funds spent on streets projects.

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. 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 \$4,219,450 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 working towards the assigned fund balance for the capital asset reserves. The current assigned fund balance of \$10,249,451 is detailed as follows: \$2,838,709 assigned for the contingency reserve; \$1,419,355 assigned for the economic uncertainty reserve; \$225,000 assigned for vehicle reserve; \$3,645,000 assigned for building reserve; \$325,000 assigned for technology reserve; \$325,000 assigned for ADA reserve; \$321,387 assigned for parks reserve; \$400,000 assigned for Fire Department apparatus and vehicles reserve; and an additional \$750,000 assigned for quarter cent sales tax expenses in the economic uncertainty reserve.

City of Red Bluff

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$23,070,175. Approximately 61.93% of this total amount constitutes unassigned and assigned fund balance. The remainder of the fund balance is restricted, committed or nonspendable 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. The unrestricted net position of the respective major proprietary funds are Wastewater Fund \$2,934,222, Water Fund \$7,545,676, and Community Center (\$388,033). All Other Enterprise Funds had an unrestricted net position of \$940,175.

General Fund Budgetary Highlights

In the General Fund, the City budgeted for a reduction in the fund balance of \$1,922,663 which was a result of authorized budgeted expenditures exceeding appropriations. Actual revenues were \$17,189,060 with the final budget being \$11,940,516 with a favorable variance of \$5,248,544 and actual expenditures being more than budgeted expenditures with an unfavorable variance of \$14,754,779.

The City revised 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 \$168,778 and \$1,195,357, respectively. The increases were due to new grants and donations which increased revenue and expenditures by the same amount, and increases in Machinery & Equipment, Land, Improvements, Salary increases, and several legal fees.

General Fund expenditures overall were \$14,754,779 over budget. This was due to the net effects of the issuance of the pension obligation bonds. Although the pension obligation bonds were approved by the council, the budget was not adjusted to take into consideration the effects to the financial statements. The payoff of the unfunded liabilities caused pension expenses to increase in General Government \$2,138,923, Fire \$2,600,194, Police \$9,955,601 and Parks & Recreation \$267,365. Also, the cost of issuance of the bonds increased expenses in general government \$24,970, Fire \$30,355, police \$116,224 and parks and recreation of \$3,121. The total expenditures in the general fund due to the issuance of the pension obligation bonds were \$15,136,755.

The City's total budgeted revenue at final budget was \$11,940,516. Revenue received over budgeted was broad based and the only type to not see an increase was Fines, forfeitures, and penalties. Revenue increases over budget include Sales taxes - \$989,070, Property taxes - \$72,070, Motel taxes - \$589,670, Franchise taxes - \$55,290, Licenses and permits - \$55,300, Intergovernmental revenue - \$3,533,300, Other revenues - \$208,030. Intergovernmental revenue increases were from Motor Vehicle License fees - \$76,700, the Coronavirus Relief Funding - \$3,226,000. Other revenue increases were from miscellaneous police revenue - \$100,800, and insurance reimbursement - \$85,000.

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, 2022, amounts to \$42,975,954 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, improvements, infrastructure, vehicles, construction in progress, and leased assets. Additional information is located in the Notes to the Financial Statements, Note 4. Capital Assets.

The City implemented GASB 87, *Leases*, that resulted in recognizing leased assets (net of amortization) of \$29,764 for the most recent fiscal year.

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

Airport: taxiway/apron improvements - \$433,900

Wastewater: multi-rake bar screen - \$165,235; trash pump - \$49,800; Reeds Creek lift station HVAC - \$5,800; video surveillance - \$4,900

Streets - progress on S. Main and S. Jackson design (CIP) - \$1,071,011; Monroe Street resurfacing (CIP) - \$407,000; First and Franklin ST Rehab - \$70,970; truck - \$73,700; patch trailer - \$34,913; forestry mulcher - \$29,253

Fire: station design - \$397,500

Police: mobile radios - \$139,000

CAPITAL ASSETS AT YEAR END NET OF ACCUMULATED DEPRECIATION

Years Ended June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land	\$ 305,206	\$ 305,206	\$ 910,368	\$ 910,368	\$ 1,215,574	\$ 1,215,574
Buildings	607,691	434,604	311,009	329,541	918,700	764,145
Improvements	4,431,634	1,795,017	6,100,458	6,038,354	10,532,092	7,833,371
Equipment	511,169	404,029	1,291,285	1,451,212	1,802,454	1,855,241
Vehicles	2,176,059	1,980,037	354,924	370,378	2,530,983	2,350,415
Infrastructure	17,752,951	18,970,576	5,898,837	6,100,999	23,651,788	25,071,575
Construction in progress	2,261,387	3,345,417	33,213	332,516	2,294,600	3,677,933
Lease assets	23,707	-	6,056	-	29,763	-
Total	\$ 28,069,804	\$ 27,234,886	\$ 14,906,150	\$ 15,533,368	\$ 42,975,954	\$ 42,768,254

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 notes payable/bonds payable of \$19,877,009. At the end of the current fiscal year, the City had a total leave/OPEB/pension liabilities/leases liabilities of \$16,570,582. Due to the measurement date of pensions being June 30, 2021, the effects of the payoff of pension liabilities from the pension obligation bond will not be recorded into pension liability until fiscal year ending 2023. Additional information is in the Notes to the Financial Statements, Note 7 Long-Term Liabilities.

OUTSTANDING DEBT AT YEAR END

Years Ended June 30	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Leave/OPEB/Pension/Leases	\$ 13,632,003	\$ 20,638,725	\$ 2,938,579	\$ 4,112,353	\$ 16,570,582	\$ 24,751,078
Notes payable	17,168,350	1,557,522	2,708,659	-	19,877,009	1,557,522
Total	\$ 30,800,353	\$ 22,196,247	\$ 5,647,238	\$ 4,112,353	\$ 36,447,591	\$ 26,308,600

ECONOMIC FACTORS INFLUENCING NEXT YEAR'S BUDGETS

City Management and the budget committee recommended, and the City Council considered these key factors in adopting the 2022-23 budgets which includes:

1. The impact of the slowdown in economic activity.
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, 2022	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS			
Assets			
Cash and cash equivalents	\$ 11,619,081	\$ 13,502,678	\$ 25,121,759
Investments	4,907,632	-	4,907,632
Receivables:			
Taxes	327,110	-	327,110
Accounts - net	68,013	991,824	1,059,837
Lease	-	405,471	405,471
Interest	1,621,780	11,959	1,633,739
Prepaid items	67,358	30,430	97,788
Due from other governments	3,616,542	161,890	3,778,432
Internal balances	100,774	(100,774)	-
Loans receivable	3,367,141	-	3,367,141
Nondepreciable capital assets	2,566,593	943,580	3,510,173
Depreciable capital assets - net	25,503,211	13,962,570	39,465,781
Total Assets	53,765,235	29,909,628	83,674,863
Deferred Outflows of Resources			
Deferred outflows from other postemployment benefits	306,970	64,183	371,153
Deferred outflows from pensions	20,134,861	5,116,677	25,251,538
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 74,207,066	\$ 35,090,488	\$ 109,297,554

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

City of Red Bluff
STATEMENT OF NET POSITION
(Continued)

June 30, 2022	Governmental Activities	Business-Type Activities	Total
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION			
Liabilities			
Cash overdraft	\$ 27,167	\$ 4,678	\$ 31,845
Accounts payable	682,662	287,462	970,124
Accrued interest payable	367,098	62,259	429,357
Accrued payroll and benefits	151,088	26,092	177,180
Customer/employee deposits	2,400	161,156	163,556
Unearned revenue	45,681	9,000	54,681
Other liabilities	144,571	30,933	175,504
Long-term liabilities:			
Due within one year			
Loans, leases, compensated absences	809,050	102,653	911,703
Due in more than one year			
Loans, leases, compensated absences	17,547,897	2,729,364	20,277,261
Total other postemployment benefits liability	2,556,716	468,481	3,025,197
Net pension liability	9,886,691	2,346,739	12,233,430
Total Liabilities	32,221,021	6,228,817	38,449,838
Deferred Inflows of Resources			
Deferred inflows from leases	-	393,698	393,698
Deferred inflows from other postemployment benefits	1,299,081	306,907	1,605,988
Deferred inflows from pension	7,266,590	2,222,876	9,489,466
Net Position			
Net investment in capital assets	26,509,399	14,906,150	41,415,549
Restricted for:			
Grant programs and program income	3,918,581	-	3,918,581
Impact fee development	5,797,301	-	5,797,301
Transportation	1,660,842	-	1,660,842
Other	453,479	-	453,479
Unrestricted	(4,919,228)	11,032,040	6,112,812
Total Net Position	33,420,374	25,938,190	59,358,564
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 74,207,066	\$ 35,090,488	\$ 109,297,554

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

City of Red Bluff

STATEMENT OF ACTIVITIES

Year Ended June 30, 2022	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	\$ 26,856	\$ -	\$ -	\$ -	\$ (26,856)
Finance	710,341	-	-	-	(710,341)
Community promotion and economic development	141,630	-	17,111	-	(124,519)
Human resources	208,481	-	-	-	(208,481)
Engineering and administration	284,007	-	-	-	(284,007)
Government buildings	856,896	-	-	-	(856,896)
General government	359,463	560,953	3,662,081	-	3,863,571
Public safety:					
Fire	3,484,369	66,572	405,072	-	(3,012,725)
Police	8,355,082	78,909	572,766	-	(7,703,407)
Parks and recreation	729,181	60,935	67	260,789	(407,390)
Transportation and streets	1,082,314	-	856,279	-	(226,035)
Total Governmental Activities	16,238,620	767,369	5,513,376	260,789	(9,697,086)
Business-type activities:					
Community development	409,768	500,759	124	-	91,115
Waste water	3,611,569	2,935,273	-	-	(676,296)
Water	1,863,502	2,268,181	2,720	-	407,399
Airport	284,522	132,920	-	446,445	294,843
Community center	332,024	131,834	103,813	-	(96,377)
Total Business-Type Activities	6,501,385	5,968,967	106,657	446,445	20,684
Total Primary Government	\$ 22,740,005	\$ 6,736,336	\$ 5,620,033	\$ 707,234	\$ (9,676,402)

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

City of Red Bluff
STATEMENT OF ACTIVITIES
(Continued)

Year Ended June 30, 2022	Governmental Activities	Business-Type Activities	Total
Change in Net Position			
(Expense) revenue - net	\$ (9,697,086)	\$ 20,684	\$ (9,676,402)
General Revenues and Transfers			
General revenues:			
Taxes:			
Sales taxes	6,663,813	-	6,663,813
Property taxes	1,938,756	126,561	2,065,317
Motel taxes	1,589,670	-	1,589,670
Special gas taxes	343,483	-	343,483
Franchise taxes	466,893	-	466,893
Other taxes	321,757	-	321,757
Motor vehicle license fees	1,510,581	-	1,510,581
Impact fees	159,226	-	159,226
Investment earnings	(202,490)	51,344	(151,146)
Gain (loss) on sale of assets	-	15	15
Transfers	791,728	(791,728)	-
Total General Revenues and Transfers	13,583,417	(613,808)	12,969,609
Change in Net Position	3,886,331	(593,124)	3,293,207
Net Position - Beginning of Year	29,534,043	26,531,314	56,065,357
Net Position - End of Year	\$ 33,420,374	\$ 25,938,190	\$ 59,358,564

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

City of Red Bluff

BALANCE SHEET – GOVERNMENTAL FUNDS

		General	Traffic Control Capital Improvement	Grants/ Program Income	Nonmajor Governmental	Total Governmental
June 30, 2022		Fund	Fund	Fund	Funds	Funds
ASSETS						
Cash and cash equivalents	\$	2,105,300	\$ 2,258,422	\$ 394,649	\$ 6,860,710	\$ 11,619,081
Investments		4,907,632	-	-	-	4,907,632
Receivables:						-
Taxes		327,110	-	-	-	327,110
Accounts		59,913	-	-	8,100	68,013
Interest		4,226	1,399	1,612,135	4,020	1,621,780
Loans		-	-	3,367,141	-	3,367,141
Prepaid items		65,696	-	-	1,662	67,358
Due from other governments		3,182,410	-	156,547	277,585	3,616,542
Due from other funds		471,843	-	-	-	471,843
TOTAL ASSETS	\$	11,124,130	\$ 2,259,821	\$ 5,530,472	\$ 7,152,077	\$ 26,066,500
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Cash overdraft	\$	-	\$ -	\$ -	27,167	\$ 27,167
Accounts payable		193,399	13,676	-	475,587	682,662
Accrued payroll and benefits		146,728	-	-	4,360	151,088
Accrued interest payable		-	-	-	17	17
Customer/employee deposits		2,400	-	-	-	2,400
Unearned revenue		35,681	-	-	10,000	45,681
Other liabilities		62,804	-	-	41,546	104,350
Due to other funds		-	-	-	371,069	371,069
Total Liabilities		441,012	13,676	-	929,746	1,384,434
Deferred Inflows of Resources						
Interest on notes receivable		-	-	1,611,891	-	1,611,891
Fund Balances (Deficit)						
Nonspendable		65,696	-	-	1,662	67,358
Restricted		-	2,022,644	3,888,915	5,295,576	11,207,135
Committed		-	-	-	486,485	486,485
Assigned		10,249,451	223,501	29,666	475,792	10,978,410
Unassigned		367,971	-	-	(37,184)	330,787
Total Fund Balances		10,683,118	2,246,145	3,918,581	6,222,331	23,070,175
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$	11,124,130	\$ 2,259,821	\$ 5,530,472	\$ 7,152,077	\$ 26,066,500

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, 2022

Total Fund Balances Included in the Balance Sheet - Governmental Funds	\$ 23,070,175
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Assets recorded within the Statement of Net Position not reported in
the funds:

Nondepreciable capital assets		2,566,593
Depreciable capital assets	\$ 71,099,534	
Accumulated depreciation	<u>(45,596,323)</u>	25,503,211

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

Interest on notes receivable	1,611,891
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Liabilities recorded within the Statement of Net Position not reported in
the funds:

Accrued interest payable	(367,098)
Retentions payable	(40,204)
Net pension liability	(9,886,691)
Compensated absences	(1,164,811)
Long-term obligations	(17,192,136)
Other postemployment benefits obligation	(2,556,716)

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	306,970
Deferred outflows of resources relating to pensions	20,134,861
Deferred inflows of resources relating to other postemployment benefits	(1,299,081)
Deferred inflows of resources relating to pensions	<u>(7,266,590)</u>

Net Position Reported Within the Statement of Net Position - Governmental Activities	\$ 33,420,374
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The accompanying notes are an integral part of these financial statements.

City of Red Bluff

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

Year Ended June 30, 2022	General Fund	Traffic Control Capital Improvement Fund	Grants/ Program Income Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Sales taxes	\$ 6,663,813	\$ -	\$ -	\$ -	\$ 6,663,813
Property taxes	1,938,756	-	-	-	1,938,756
Motel taxes	1,589,670	-	-	-	1,589,670
Franchise taxes	466,893	-	-	-	466,893
Other taxes	70,659	-	-	251,098	321,757
Licenses and permits	476,523	-	-	-	476,523
Fines, forfeitures, and penalties	19,317	-	-	22,320	41,637
Use of money and property	(285,073)	6,797	1,384	21,220	(255,672)
Intergovernmental revenue	5,727,213	-	408,724	1,205,419	7,341,356
Charges for current services	122,613	-	-	-	122,613
Other revenues	398,676	46,147	28,287	113,163	586,273
Total Revenues	17,189,060	52,944	438,395	1,613,220	19,293,619
Expenditures					
Current:					
General government	4,767,401	-	-	73,151	4,840,552
Fire public safety	5,894,678	-	-	-	5,894,678
Police public safety	16,718,646	-	-	-	16,718,646
Parks and recreation	760,520	-	-	-	760,520
Transportation and streets	-	-	-	1,254,118	1,254,118
Grants and program income	-	-	87,572	19,349	106,921
Capital outlay	798,192	83,830	397,457	1,701,788	2,981,267
Debt service:					-
Bond issuance cost	174,670	-	-	6,243	180,913
Principal	98,474	-	-	-	98,474
Interest	50,177	-	-	84	50,261
Total Expenditures	29,262,758	83,830	485,029	3,054,733	32,886,350
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,073,698)	(30,886)	(46,634)	(1,441,513)	(13,592,731)
Other Financing Sources (Uses)					
Transfers in	761,883	-	-	203,376	965,259
Transfers out	(37,216)	-	(136,315)	-	(173,531)
Pension bond proceeds	15,266,365	-	-	545,606	15,811,971
Discount on pension bond issued	(114,498)	-	-	(4,092)	(118,590)
Leases (as lessee)	33,389	-	-	-	33,389
Total Other Financing Sources (Uses)	15,909,923	-	(136,315)	744,890	16,518,498
Net Change in Fund Balances	3,836,225	(30,886)	(182,949)	(696,623)	2,925,767
Fund Balances - Beginning of Year	6,846,893	2,277,031	4,101,530	6,918,954	20,144,408
Fund Balances - End of Year	\$ 10,683,118	\$ 2,246,145	\$ 3,918,581	\$ 6,222,331	\$ 23,070,175

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, 2022

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

\$ 2,925,767

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	\$ 2,981,267	
Depreciation expense	(2,186,566)	794,701

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

Interest income	55,311
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The issuance of long-term debt 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	98,475
Bond proceeds	(15,811,971)
Leases issued	(33,389)
Bond Premium	118,590
Amortization of bond premium	(6,318)

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	(193,263)
Pension costs	16,122,332

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.

Compensated absences expense	159,253
Interest accrued	(343,157)

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

\$ 3,886,331

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 – GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS

Year Ended June 30, 2022	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	\$ 5,674,745	\$ 5,674,745	\$ 6,663,813	\$ 989,068	\$ -	\$ -	\$ -	\$ -
Property taxes	1,866,689	1,866,689	1,938,756	72,067	-	-	-	-
Motel taxes	1,000,000	1,000,000	1,589,670	589,670	-	-	-	-
Franchise taxes	415,000	415,000	466,893	51,893	-	-	-	-
Other taxes	40,000	40,000	70,659	30,659	-	-	-	-
Licenses and permits	421,229	421,229	476,523	55,294	-	-	-	-
Fines, forfeitures, and penalties	21,200	21,200	19,317	(1,883)	-	-	-	-
Use of money and property	3,000	3,000	(285,073)	(288,073)	600	600	1,384	784
Intergovernmental revenue	2,070,175	2,193,910	5,727,213	3,533,303	-	370,000	408,724	38,724
Charges for current services	114,100	114,100	122,613	8,513	-	-	-	-
Other revenues	145,600	190,643	398,676	208,033	-	-	28,287	28,287
Total Revenues	11,771,738	11,940,516	17,189,060	5,248,544	600	370,600	438,395	67,795
Expenditures								
Current:								
General government	2,385,844	2,534,505	4,767,401	(2,232,896)	-	-	-	-
Fire public safety	3,075,195	3,228,655	5,894,678	(2,666,023)	-	-	-	-
Police public safety	6,951,203	7,022,823	16,718,646	(9,695,823)	-	-	-	-
Parks and recreation	538,520	538,520	760,520	(222,000)	-	-	-	-
Grants and program income	-	-	-	-	22,500	22,500	87,572	(65,072)
Capital outlay	223,000	1,044,616	798,192	246,424	-	431,700	397,457	34,243
Debt service:								
Bond issuance cost	-	-	174,670	(174,670)	-	-	-	-
Principal	138,860	138,860	98,474	40,386	-	-	-	-
Interest	-	-	50,177	(50,177)	-	-	-	-
Total Expenditures	13,312,622	14,507,979	29,262,758	(14,754,779)	22,500	454,200	485,029	(30,829)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,540,884)	(2,567,463)	(12,073,698)	(9,506,235)	(21,900)	(83,600)	(46,634)	36,966
Other Financing Sources (Uses)								
Transfers in	872,973	1,282,857	761,883	(520,974)	-	-	-	-
Transfers out	(195,028)	(638,057)	(37,216)	600,841	-	-	(136,315)	(136,315)
Pension bond proceeds	-	-	15,266,365	15,266,365	-	-	-	-
Discount on pension bond issued	-	-	(114,498)	(114,498)	-	-	-	-
Leases (as lessee)	-	-	33,389	33,389	-	-	-	-
Total Other Financing Sources (Uses)	677,945	644,800	15,909,923	15,265,123	-	-	(136,315)	(136,315)
Net Change in Fund Balances	(862,939)	(1,922,663)	3,836,225	5,758,888	(21,900)	(83,600)	(182,949)	(99,349)
Fund Balances - Beginning of Year	6,846,893	6,846,893	6,846,893	-	4,101,530	4,101,530	4,101,530	-
Fund Balances - End of Year	\$ 5,983,954	\$ 4,924,230	\$ 10,683,118	\$ 5,758,888	\$ 4,079,630	\$ 4,017,930	\$ 3,918,581	\$ (99,349)

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

City of Red Bluff

STATEMENT OF NET POSITION – PROPRIETARY FUNDS

June 30, 2022	Waste Water Fund	Water Fund	Community Center Fund	Nonmajor Enterprise Funds	Total
ASSETS AND DEFERRED OUTFLOWS					
Current Assets					
Cash and cash equivalents	\$ 3,801,345	\$ 8,479,737	\$ -	\$ 1,221,596	\$ 13,502,678
Receivables:					
Accounts - net	530,038	443,796	16,878	1,112	991,824
Lease	-	405,471	-	-	405,471
Interest	5,611	5,459	-	889	11,959
Prepaid items	16,869	8,293	3,716	1,552	30,430
Due from other governments	-	-	103,813	58,077	161,890
Total Current Assets	4,353,863	9,342,756	124,407	1,283,226	15,104,252
Noncurrent Assets					
Nondepreciable capital assets	381,283	175,371	-	386,926	943,580
Depreciable capital assets - net	5,033,642	6,962,457	20,609	1,945,862	13,962,570
Total Noncurrent Assets	5,414,925	7,137,828	20,609	2,332,788	14,906,150
Total Assets	9,768,788	16,480,584	145,016	3,616,014	30,010,402
Deferred Outflows of Resources					
Deferred outflows from other postemployment benefits	23,234	22,307	11,185	7,457	64,183
Deferred outflows from pensions	2,004,960	2,076,115	515,425	520,177	5,116,677
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 11,796,982	\$ 18,579,006	\$ 671,626	\$ 4,143,648	\$ 35,191,262
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION					
Current Liabilities					
Cash overdraft	\$ -	\$ -	\$ 4,678	\$ -	\$ 4,678
Accounts payable	204,419	69,222	4,373	9,448	287,462
Accrued interest payable	26,675	23,682	5,982	5,920	62,259
Accrued payroll and benefits	10,581	10,361	3,136	2,014	26,092
Customer/employee deposits	-	152,911	5,625	2,620	161,156
Unearned revenue	-	-	-	9,000	9,000
Other liabilities	20,260	2	10,510	161	30,933
Due to other funds	-	-	100,774	-	100,774
Compensated absences payable - current	13,089	6,801	5,274	3,016	28,180
Bonds, loans, and leases payable - current	29,134	29,134	8,921	7,284	74,473
Total Current Liabilities	304,158	292,113	149,273	39,463	785,007
Noncurrent Liabilities					
Compensated absences - net	39,266	20,402	19,239	9,047	87,954
Bonds, loans, and leases payable - net	1,054,329	1,054,329	269,170	263,582	2,641,410
Total other postemployment benefits liability	137,468	178,516	91,499	60,998	468,481
Net pension liability	919,565	952,200	236,397	238,577	2,346,739
Total Noncurrent Liabilities	2,150,628	2,205,447	616,305	572,204	5,544,584
Total Liabilities	2,454,786	2,497,560	765,578	611,667	6,329,591
Deferred Inflows of Resources					
Deferred inflows from leases	-	393,698	-	-	393,698
Deferred inflows from other postemployment benefits	122,019	102,302	49,552	33,034	306,907
Deferred inflows from pension	871,030	901,942	223,920	225,984	2,222,876
Net Position					
Net investment in capital assets	5,414,925	7,137,828	20,609	2,332,788	14,906,150
Unrestricted	2,934,222	7,545,676	(388,033)	940,175	11,032,040
Total Net Position	8,349,147	14,683,504	(367,424)	3,272,963	25,938,190
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 11,796,982	\$ 18,579,006	\$ 671,626	\$ 4,143,648	\$ 35,191,262

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, 2022	Waste Water Fund	Water Fund	Community Center Fund	Nonmajor Enterprise Funds	Totals
Operating Revenues					
Charges for current services:					
Waste water and water charges	\$ 2,935,273	\$ 2,268,181	\$ -	\$ -	\$ 5,203,454
Permits and fees	-	-	-	500,759	500,759
Rental revenue	-	-	127,486	115,721	243,207
Other revenue	-	-	4,348	17,199	21,547
Total Operating Revenues	2,935,273	2,268,181	131,834	633,679	5,968,967
Operating Expenses					
Cost of power and transportation	349,705	483,493	61,799	34,741	929,738
Maintenance, operations, and administration	2,544,201	859,942	261,047	447,440	4,112,630
Depreciation expense	693,981	496,385	2,837	206,189	1,399,392
Total Operating Expenses	3,587,887	1,839,820	325,683	688,370	6,441,760
Operating Income (Loss)	(652,614)	428,361	(193,849)	(54,691)	(472,793)
Nonoperating Revenues (Expenses)					
Intergovernmental revenues	-	2,720	103,813	436,569	543,102
Property taxes	-	-	-	126,561	126,561
Investment income	11,366	36,504	-	3,474	51,344
Gain on sale of assets	-	-	-	15	15
Interest expense	(23,682)	(23,682)	(6,341)	(5,920)	(59,625)
Total Nonoperating Revenues (Expenses)	(12,316)	15,542	97,472	560,699	661,397
Income Before Capital Contributions and Operating Transfers	(664,930)	443,903	(96,377)	506,008	188,604
Capital contributions	-	-	-	10,000	10,000
Transfers in	-	-	136,315	-	136,315
Transfers out	(404,724)	(314,307)	-	(209,012)	(928,043)
Change in Net Position	(1,069,654)	129,596	39,938	306,996	(593,124)
Total Net Position - Beginning of Year	9,418,801	14,553,908	(407,362)	2,965,967	26,531,314
Total Net Position - End of Year	\$ 8,349,147	\$ 14,683,504	\$ (367,424)	\$ 3,272,963	\$ 25,938,190

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, 2022	Waste Water Fund	Water Fund	Community Center Fund	Nonmajor Enterprise Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 2,876,225	\$ 2,256,050	\$ 154,944	\$ 638,233	\$ 5,925,452
Cash paid to employees (including employee benefits)	(2,053,608)	(1,935,023)	(531,344)	(540,577)	(5,060,552)
Cash paid to suppliers	(1,916,260)	(900,906)	(127,810)	(307,953)	(3,252,929)
Net Cash Provided (Used) By Operating Activities	(1,093,643)	(579,879)	(504,210)	(210,297)	(2,388,029)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Property taxes received	-	-	-	126,561	126,561
Cash received from (paid to) other funds	-	-	93,182	-	93,182
Transfers in	-	-	136,315	-	136,315
Transfers out	(404,724)	(314,307)	-	(209,012)	(928,043)
Net Cash Provided (Used) By Noncapital Financing Activities	(404,724)	(314,307)	229,497	(82,451)	(571,985)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from pension bond note	1,083,463	1,083,463	270,866	270,866	2,708,658
Capital contributions	-	-	-	10,000	10,000
Intergovernmental revenue received	-	2,720	-	396,012	398,732
Payments for the purchase of capital assets	(396,623)	(171,758)	(6,489)	(433,891)	(1,008,761)
Lease payments received	-	(11,773)	-	-	(11,773)
Lease payments made	-	-	6,086	-	6,086
Interest paid	-	-	(428)	(164)	(592)
Proceeds from the sale of assets	236,587	-	-	15	236,602
Net Cash Provided (Used) By Capital and Related Financing Activities	923,427	902,652	270,035	242,838	2,338,952
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	10,109	33,548	-	3,169	46,826
Net Cash Provided (Used) By Investing Activities	10,109	33,548	-	3,169	46,826
Net Increase (Decrease) in Cash and Cash Equivalents	(564,831)	42,014	(4,678)	(46,741)	(574,236)
Cash and Cash Equivalents - Beginning of Year	4,366,176	8,437,723	-	1,268,337	14,072,236
Cash and Cash Equivalents - End of Year	\$ 3,801,345	\$ 8,479,737	\$ (4,678)	\$ 1,221,596	\$ 13,498,000

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, 2022	Waste Water Fund	Water Fund	Community Center Fund	Nonmajor Enterprise Funds	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (652,614)	\$ 428,361	\$ (193,849)	\$ (54,691)	\$ (472,793)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	693,981	496,385	2,837	206,189	1,399,392
Changes in:					
Accounts receivable	(59,048)	(18,208)	19,984	2,882	(54,390)
Prepaid expense	(16,869)	(8,293)	(3,716)	(1,552)	(30,430)
Deferred outflows from other postemployment benefits	2,388	1,858	796	531	5,573
Deferred outflows from pensions	(1,750,850)	(1,773,251)	(445,470)	(451,098)	(4,420,669)
Accounts payable	148,935	(32,309)	(4,500)	(16,016)	96,110
Accrued payroll and benefits	4,048	3,979	1,046	400	9,473
Customer/employee deposits	-	6,077	3,126	1,672	10,875
Other liabilities	20,260	-	2,603	(39)	22,824
Total other postemployment benefits liability	(72,349)	(56,271)	(24,116)	(16,078)	(168,814)
Net pension liability	(298,605)	(499,696)	(98,960)	(92,582)	(989,843)
Compensated absences payable	1,376	(9,969)	2,727	(15,337)	(21,203)
Deferred inflows from other postemployment benefits	91,703	71,324	30,568	20,378	213,973
Deferred inflows from pensions	794,001	810,134	202,714	205,044	2,011,893
Net Cash Provided (Used) By Operating Activities	\$ (1,093,643)	\$ (579,879)	\$ (504,210)	\$ (210,297)	\$ (2,388,029)

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.

Community Center Fund: This enterprise fund accounts for the revenues and expenses related to the operation and maintenance of the community center 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, other postemployment benefits, 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, 2022, for the water and waste water departments were \$60,090 and \$59,594, 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.

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.

Unearned Revenue In the government-wide financial statements and fund financial statements, unearned revenue is recorded for transactions for which revenues have not been earned.

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 assets 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 assets that applies to a future period(s) and would only be recognized as an inflow of resources (revenue) at that time.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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 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.

Total Other Postemployment Benefits Liability and Net Pension Liability For purposes of measuring the total 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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

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

The government-wide statement of net position reports \$11,830,203 of restricted net position, of which \$5,797,301 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 prepaid items) 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.

Leases The City has entered into various leases as both a lessee and a lessor.

Lessee: The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

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

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is a lessor for a noncancellable lease of a telecommunication tower. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

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

The City uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lease.

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

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The City has entered into certain lease agreements that do not qualify for GASB Statement No. 87 accounting and reporting treatment. These leases are either short-term in nature or outside the scope of the standard. These lease agreements have not been recognized and measured as part of the City's lease receivable or lease payable and the receipts and expenditures related to these agreements are recognized as revenue and expense as appropriate under standard GAAP revenue recognition rules.

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

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

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

Subsequent Events Management has evaluated subsequent events through March 11, 2023, the date on which the financial statements were available to be issued.

Adoption of GASB Pronouncements GASB Statement No. 87, *Leases*, improves accounting and financial reporting for leases. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, while a lessor is required to recognize a lease receivable and a deferred inflow of resources. This statement substantially impacts the City's lease accounting and reporting. Previously, unless a lease met specific criteria for capitalization, lessee leases were recorded as operating lease expense and lessor leases were recorded as operating lease revenue.

Future Accounting Pronouncements The following Governmental Accounting Standards Board (GASB) Statements will be implemented in future financial statements:

Statement No. 96 "Subscription-Based Information Technology Arrangements" - The requirements of this Statement are effective for the reporting periods beginning after December 15, 2021 (FY22/23).

Statement No. 99 "Omnibus 2022" - The requirements of this Statement are effective for the reporting periods beginning after December 15, 2021 (FY22/23).

Statement No. 100 "Accounting Changes and Error Corrections" - The requirements of this Statement are effective for the reporting periods beginning after December 15, 2022 (FY23/24).

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Statement No. 101 "Compensated Absences" - The requirements of this Statement are effective for the reporting periods beginning after December 15, 2023 (FY24/25).

Management is currently evaluating the impact of these Standards on the City's financial statements.

Change in Auditors' Report In accordance with SAS No. 134, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit Financial Statements*, the audit report format was changed to present the opinion section first, followed by the basis for opinion. The original effective date for this implementation was for audits of financial statements for periods ending on or after December 15, 2020, but was extended by SAS No. 141 to periods ending on or after December 15, 2021, with early implementation allowed. The City has implemented SAS No. 134.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following:

June 30, 2022

Cash in banks and on hand	\$	4,518,233
Umpqua public funds money market account		1,751,476
Certificates of deposit		8,919,000
State of California - Local Agency Investment Fund (LAIF)		9,901,205
Total Cash and Cash Equivalents	\$	25,089,914

Cash and cash equivalents	\$	25,121,759
Cash overdraft		(31,845)
Total Cash and Cash Equivalents	\$	25,089,914

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, 2022, 1.88% of LAIF's investment portfolio was invested in structured notes and other asset-backed securities. In addition, PMIA's weighted average maturities was 1.07 years at June 30, 2022. (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, 2022	Interest Rate	Maturity Date	Face Value	Amortized Cost	Fair Value
Federal Farm Credit Bank	1.45%	February 21, 2023	\$ 1,000,000	\$ 1,001,456	\$ 992,621
Federal Home Loan MTG Corp	0.60%	August 12, 2025	2,000,000	2,000,000	1,849,766
Federal Home Loan Bank	1.00%	August 26, 2026	1,000,000	1,000,000	922,891
US Treasury Note	0.75%	May 31, 2026	1,000,000	981,630	910,938
US Treasury Note	1.25%	December 31, 2026	250,000	247,732	231,416
Total Investment Activities			\$ 5,250,000	\$ 5,230,818	\$ 4,907,632

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Interest Rate Risk

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

Credit Risk

The *California Government Code* and the investment policy of the City authorize the City to invest in obligations, participations, or other instruments of the U.S. Government or its agencies, state and municipal bonds, commercial paper of “prime” quality of the highest ranking or of the highest letter and numerical rating as provided by Standard & Poor’s Corporation or Moody’s Investor Service, Inc., bankers’ acceptances, repurchase agreements, the State Treasurer’s Investment Pool Local Agency Investment Fund, certificates of deposit or time deposits, and passbook savings account demand deposits. Reverse repurchase agreements may be made only when prior approval of the City Council has been given. As of June 30, 2022, 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 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	\$ 992,621
Federal Home Loan MTG Corp	Federal Agency Securities	\$ 1,849,766
Federal Home Loan Bank	Federal Agency Securities	\$ 231,416
US Treasury Note	Treasury Obligations	\$ 910,938
US Treasury Note	Treasury Obligations	\$ 231,416

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, 2022	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	\$ 305,206	\$ -	\$ -	\$ -	305,206
Construction in progress	3,345,417	2,033,282	-	(3,117,312)	2,261,387
Total Nondepreciable Capital Assets	3,650,623	2,033,282	-	(3,117,312)	2,566,593
Depreciable Capital Assets					
Buildings	2,368,431	70,198	-	134,559	2,573,188
Improvements	4,508,760	193,190	-	2,937,636	7,639,586
Equipment	1,767,155	241,680	-	-	2,008,835
Vehicles	4,695,928	442,846	-	-	5,138,774
Right-to-use leased equipment	-	33,389	-	-	33,389
Infrastructure	53,653,746	6,899	-	45,117	53,705,762
Total Depreciable Capital Assets	66,994,020	988,202	-	3,117,312	71,099,534
Less: Accumulated Depreciation/Amortization					
Buildings	1,933,827	31,670	-	-	1,965,497
Improvements	2,713,743	494,209	-	-	3,207,952
Equipment	1,363,126	134,540	-	-	1,497,666
Vehicles	2,715,891	246,824	-	-	2,962,715
Right-to-use leased equipment	-	9,682	-	-	9,682
Infrastructure	34,683,170	1,269,641	-	-	35,952,811
Total Less: Accumulated Depreciation/Amortization	43,409,757	2,186,566	-	-	45,596,323
Depreciable Capital Assets - Net	23,584,263	(1,198,364)	-	3,117,312	25,503,211
Governmental Capital Assets - Net	\$ 27,234,886	\$ 834,918	\$ -	\$ -	28,069,804

Depreciation/Amortization expense was charged to functions as follows:

Year Ended June 30, 2022

Governmental Activities

General Government	\$ 114,939
Fire	191,360
Police	173,347
Parks and recreation	395,388
Transportation and streets	1,311,532
Total Governmental Activities Depreciation/Amortization Expense	\$ 2,186,566

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Business-Type Activities:

Year Ended June 30, 2022	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	\$ 910,368	\$ -	\$ -	\$ -	910,368
Construction in progress	332,516	33,213	236,588	(95,929)	33,212
Total Nondepreciable Capital Assets	1,242,884	33,213	236,588	(95,929)	943,580
Depreciable Capital Assets					
Buildings	1,714,736	-	-	-	1,714,736
Improvements	18,150,235	499,470	-	85,831	18,735,536
Equipment	3,025,411	230,629	-	-	3,256,040
Vehicles	1,173,268	111,111	-	-	1,284,379
Right-to-use leased equipment	-	6,489	-	-	6,489
Infrastructure	15,115,204	127,850	-	10,098	15,253,152
Total Depreciable Capital Assets	39,178,854	975,549	-	95,929	40,250,332
Less: Accumulated Depreciation/Amortization					
Buildings	1,385,195	18,532	-	-	1,403,727
Improvements	12,111,881	523,197	-	-	12,635,078
Equipment	1,574,199	390,556	-	-	1,964,755
Vehicles	802,890	126,565	-	-	929,455
Right-to-use leased equipment	-	432	-	-	432
Infrastructure	9,014,205	340,110	-	-	9,354,315
Total Less: Accumulated Depreciation/Amortization	24,888,370	1,399,392	-	-	26,287,762
Depreciable Capital Assets - Net	14,290,484	(423,843)	-	95,929	13,962,570
Business-Type Capital Assets - Net	\$ 15,533,368	\$ (390,630)	\$ 236,588	\$ -	14,906,150

Depreciation/Amortization expense was charged to functions as follows:

Year Ended June 30, 2022

Business-Type Activities	
Community development	\$ 10,315
Waste water	693,981
Water	496,385
Airport	195,874
Community center	2,837
Total Business-Type Activities Depreciation/Amortization Expense	\$ 1,399,392

5. UNEARNED REVENUE

Unearned revenue for the year ended June 30, 2022 totaled \$54,681. This balance was made up of \$45,681 of grant revenues and \$9,000 of lease prepayments. As of June 30, 2022, no expenditures have been allocated to these grant funds and, therefore revenue will be recognized in future years as the City makes qualifying expenditures. The lease prepayments will be recognized over the term of the lease.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

6. LEASES

Lessor Lease Receivables

The City is the lessor under one telecommunications lease agreement which meets the lease criteria as defined by GASB Statement No. 87, *Leases*. The lease expires on January 7, 2038, has an interest rate of 2.95%, and has monthly payments for the current year of \$2,106 increasing 3% annually. As of June 30, 2022, the City's receivable for lease payments was \$405,471. The City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$393,698.

Future annual lease receivables as of June 30, 2022, are as follows:

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ -	\$ -	\$ 14,811	\$ 11,610
2024	-	-	16,053	11,161
2025	-	-	17,353	10,677
2026	-	-	18,716	10,155
2027	-	-	20,149	9,588
2028-2032	-	-	124,683	37,933
2033-2037	-	-	171,984	16,533
2038	-	-	21,722	195
Total Future Lease Receivables	\$ -	\$ -	\$ 405,471	\$ 107,852

The City entered into certain lease agreements that do not qualify for GASB Statement No. 87 accounting and reporting treatment. These leases were regulated leases and therefore outside the scope of the standard. These lease agreements have not been recognized and measured as part of the City's lease receivable, and the receipts related to these agreements are recognized as revenue as appropriate under the standard GAAP revenue recognition rules.

The City is lessor for the following regulated leases at the Red Bluff Municipal Airport:

Airport Hanger Lease: The City has approximately 50 non-commercial hanger leases at the Red Bluff Municipal Airport. These hanger leases are subject to exclusive use by the counterparties under the agreements. The hanger leases cover various ranges with the latest expiring on December 21, 2042. The lessees are required to make annual fixed principal and interest payments ranging from \$462 to \$2,784 based on the square footage leased and rate at inception on lease. Lease payments increase 3.0% each year. The City recognized rent revenue of \$55,303 for year-ended June 30, 2022.

Airport Premise Lease: The City has approximately 8 premise leases at the Red Bluff Municipal Airport. These premise leases are subject to exclusive use by the counterparties under the agreements. The premise leases terms are month to month at the convenience of the Operators and the City. The lessees are required to make annual fixed principal and interest payments ranging from \$1,793 to \$8,270 based on the square footage leased and rate at inception on lease. Lease payments increase 3.0% each year. The City recognized rent revenue of \$60,268 for year-ended June 30, 2022.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The future minimum lease payments for the next five years of regulated leases are as follows:

Year Ending June 30	Governmental Activities	Business-Type Activities
2023	\$ -	\$ 42,793
2024	-	41,666
2025	-	30,650
2026	-	22,635
2027	-	22,241
2028-2032	-	111,204
2033-2037	-	103,842
2038-2042	-	44,264
2043	-	1,108
Total Minimum Lease Payments	\$ -	\$ 420,403

Lessee Lease Payable

The City is the lessee under 3 equipment lease agreements, which meet the lease criteria as defined by GASB Statement No. 87, Leases.

The lease agreement for the city hall copier expires on November 1, 2024. As of June 30, 2022, the City's lease liability was \$15,211. The City is required to make monthly principal and interest payments of \$529. The lease has an interest rate of 0.75%. The value of the right-to-use asset and accumulated amortization as of June 30, 2022, were \$20,389 and \$5,230, respectively.

The lease agreement for the police department copier expires on May 1, 2024. As of June 30, 2022, the City's lease liability was \$8,574. The City is required to make monthly principal and interest payments of \$375. The lease has an interest rate of 0.68%. The value of the right-to-use asset and accumulated amortization as of June 30, 2022, were \$13,000 and \$4,452, respectively.

The lease agreement for the community center copier expires on February 1, 2027. As of June 30, 2022, the City's lease liability was \$6,086. The City is required to make monthly principal and interest payments of \$116. The lease has an interest rate of 2.87%. The value of the right-to-use asset and accumulated amortization as of June 30, 2022, were \$6,489 and \$432, respectively.

The future principal and interest lease payments as of June 30, 2022, are as follows:

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 10,710	\$ 138	\$ 1,234	\$ 156
2024	10,421	59	1,270	120
2025	2,654	5	1,306	84
2026	-	-	1,343	47
2027	-	-	933	10
Thereafter	-	-	-	-
Total Future Lease Commitments	\$ 23,785	\$ 202	\$ 6,086	\$ 417

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The City entered into certain lease agreements that do not qualify for GASB Statement No. 87 accounting and reporting treatment. These leases were outside the scope of the standard. These lease agreements have not been recognized and measured as part of the City's lease payable. The City leases two fire trucks which are contracts that transfer ownership. The underlying assets are reported as capital assets and the related debt as a financing lease in long-term liabilities. See Footnote 7 for further disclosures.

7. LONG-TERM LIABILITIES

Activity

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

Year Ended June 30, 2022	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
Pension obligation bond	\$ -	\$ 15,811,971	\$ -	\$ 15,811,971	\$ 422,164
Discount	-	(118,590)	(6,318)	(112,272)	(6,588)
Total Bonds Payable	-	15,693,381	(6,318)	15,699,699	415,576
Financing Leases					
PNC Lease - Fire Truck	384,002	-	25,881	358,121	26,859
Community First Lease - Fire Truck	1,173,520	-	62,990	1,110,530	64,894
Total Financing Leases	1,557,522	-	88,871	1,468,651	91,753
Other liabilities:					
Leases	-	33,389	9,604	23,785	10,518
Compensated absences	1,324,064	633,882	793,135	1,164,811	291,203
Other postemployment benefits	3,199,817	-	643,101	2,556,716	-
Net pension liability	16,114,844	-	6,228,153	9,886,691	-
Total Other Liabilities	20,638,725	667,271	7,673,993	13,632,003	301,721
Total Governmental Activities	22,196,247	16,360,652	7,756,546	30,800,353	809,050
Business-Type Activities					
Bonds payable:					
Pension obligation bond	-	2,728,029	-	2,728,029	72,836
Discount	-	(20,460)	(1,090)	(19,370)	(1,137)
Total Bonds Payable	-	2,707,569	(1,090)	2,708,659	71,699
Other liabilities:					
Leases	-	6,489	403	6,086	1,637
Compensated absences	138,476	87,910	109,113	117,273	29,317
Other postemployment benefits	637,295	-	168,814	468,481	-
Net pension liability	3,336,582	-	989,843	2,346,739	-
Total Business-Type Activities	4,112,353	2,801,968	1,267,083	5,647,238	102,653
Total Long-Term Liabilities	\$ 26,308,600	\$ 19,162,620	\$ 9,023,629	\$ 36,447,591	\$ 911,703

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

2021 Pension Obligation Bond

In July 2021, the City issued \$18,540,000 in Pension Obligation Bonds to finance the rolled forward Pension Liability as of June 30, 2020, as projected by CalPERS. Interest is payable semi-annually on July 15 and January 15 of each year, commencing July 15, 2022. As of June 30, 2022, the outstanding balance is \$18,540,000. The Bonds are allocated among the various funds on the same basis as the City's net pension liability. The portion of the Bonds attributable to government and business-type activities as of June 30, 2022, was \$15,811,971 and \$2,728,029, respectively.

Financing Leases

In September 2017, the City entered into a financing lease for the purchase of a fire truck and related equipment with a cost of \$656,123 and accumulated depreciation of \$175,099 as of June 30, 2022. 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 \$444,355, including interest in the amount of \$86,233. The present value of the remaining payments is \$358,121.

In January 2021, the City entered into a financing lease for the purchase of a ladder fire truck and related equipment with a cost of \$1,173,519 and accumulated depreciation of \$117,352 as of June 30, 2022. The lease was payable in 15 annual installments of \$98,465, including interest at 3.0%. The installment repayment began in January 2022. Principal and interest paid in the current year were \$98,465. Total remaining payments under the lease are \$1,378,514, including interest in the amount of \$267,984. The present value of the remaining payments is \$1,110,530.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

Year Ending June 30	Governmental Activities	Business-Type Activities
2023	\$ 138,862	\$ -
2024	138,862	-
2025	138,862	-
2026	138,861	-
2027	138,861	-
Thereafter	1,128,560	-
Total Minimum Lease Payments	1,822,868	-
Less: Amount representing interest	(354,217)	-
Present Value of Minimum Lease Payments	\$ 1,468,651	\$ -

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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.

Long-Term Debt Summary

Annual debt service requirements and maturity for the bonds and financing leases are as follows:

Governmental Activities:

Year Ending June 30	Principal		Interest		Total
2023	\$	507,328	\$	582,913	\$ 1,090,241
2024		774,690		397,952	1,172,642
2025		871,579		389,196	1,260,775
2026		925,925		377,456	1,303,381
2027		984,640		362,762	1,347,402
Thereafter		13,104,188		2,150,467	15,254,655
Total	\$	17,168,350	\$	4,260,746	\$ 21,429,096

Business-Type Activities:

Year Ending June 30	Principal		Interest		Total
2023	\$	71,700	\$	92,444	\$ 164,144
2024		117,315		61,046	178,361
2025		133,501		60,066	193,567
2026		142,330		58,588	200,918
2027		151,895		56,619	208,514
Thereafter		2,091,918		345,245	2,437,163
Total	\$	2,708,659	\$	674,008	\$ 3,382,667

Interest Expense

The total interest incurred for the year ended June 30, 2022, on long-term debt was \$452,540. 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.

8. 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 \$4,500,000 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 \$750,000. Excess coverage is provided for workers' compensation claims over the shared risk layer up to \$45,000,000 and any statutory excess over \$50,000,000.

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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2022, 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, 2022, including incurred but not reported claims (IBNRs). Claims paid for the workers’ compensation and general liability programs for the fiscal year ended June 30, 2022, were \$453,459 and \$29,779, respectively.

As of June 30, 2022, the JPA reported that the City had a surplus in the workers’ compensation program in the amount of \$131,178. 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 \$116,506. This amount has not been included in the City’s financial statements.

9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Balances

The following is a summary of interfund balances:

June 30, 2022	Due From Other Funds	Due to Other Funds	Internal Balances
Governmental Activities			
General Fund	471,843 \$	- \$	471,843
Nonmajor governmental	-	371,069	(371,069)
Total Governmental Activities	471,843	371,069	100,774
Business-Type Activities			
Community Center Fund	-	100,774	(100,774)
Total Business-Type Activities	-	100,774	(100,774)
Total Government-Wide Statement	\$ 471,843	\$ 471,843	\$ -

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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Transfers

The following is a summary of transfers:

Year Ended June 30, 2022	Transfers In	Transfers Out	Net Transfers
Governmental Activities			
General	\$ 761,883	\$ 37,216	\$ 724,667
Grants/Program Income Fund	-	136,315	(136,315)
Nonmajor governmental	203,376	-	203,376
Total Governmental Activities	965,259	173,531	791,728
Business-Type Activities			
Waste water	-	404,724	(404,724)
Water	-	314,307	(314,307)
Community Center Fund	136,315	-	136,315
Nonmajor enterprise	-	209,012	(209,012)
Total Business-Type Activities	136,315	928,043	(791,728)
Total Government-Wide Statement	\$ 1,101,574	\$ 1,101,574	\$ -

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.

10. 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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2022, 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	10.88%	7.59%

Hire Date	Safety - Police		
	Prior to May 16, 2011	May 17, 2011 to December 31, 2012	On or after January 1, 2013
Benefit formula	3% at 50	3% at 55	2.7% at 57
Benefit vesting schedule	5 years	5 years	5 years
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50-55	50-57
Monthly benefits (as a % of eligible compensation)	3.0%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rate	9.00%	9.00%	11.50%
Required employer contribution rate	23.71%	21.79%	13.13%

Hire Date	Safety - Fire	
	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% at 50	2.7% at 57
Benefit vesting schedule	5 years	5 years
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	50-57
Monthly benefits (as a % of eligible compensation)	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rate	9.00%	11.50%
Required employer contribution rate	19.25%	13.13%

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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, 2022, were \$8,404,144 and \$12,124,584 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, 2022, the City reported a net pension liability of \$12,233,430 for its proportionate share of the net pension liability. This breakdown of the net pension liability between the miscellaneous and safety is \$4,913,150 and \$7,320,280, respectively. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, 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, 2020, the City's employer allocation factor was 0.0015238 for the miscellaneous plans and 0.0015645 for the safety plans.

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

For the year ended June 30, 2022, the City recognized pension expense of \$920,010. At June 30, 2022, 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, 2022		
Deferred contributions	\$ 8,404,144	\$ -
Differences between expected and actual experience	550,957	-
Differences due to changes in actuarial assumptions	-	-
Differences due to differences in proportions	1,757,211	-
Differences between projected and actual earnings on pension plan investments	-	4,288,924
Differences between projected and actual contributions	-	364,906
Total	\$ 10,712,312	\$ 4,653,830

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

(Continued)

<u>Safety Plan</u>	Deferred Outflows Resources	Deferred Inflows Resources
June 30, 2022		
Deferred contributions	\$ 12,124,584	\$ -
Differences between expected and actual experience	1,250,665	-
Differences due to changes in actuarial assumptions	-	-
Differences due to differences in proportions	1,163,977	-
Differences between projected and actual earnings on pension plan investments	-	4,356,974
Differences between projected and actual contributions	-	478,662
Total	\$ 14,539,226	\$ 4,835,636

Amounts of \$8,404,144 and \$12,124,584 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plans will be recognized as pension expense as follows:

Miscellaneous Plan

Year Ending June 30

2023	\$ (312,254)
2024	(308,723)
2025	(539,450)
2026	(1,185,235)
2027	-
Thereafter	-
Total	\$ (2,345,662)

Safety Plan

Year Ending June 30

2023	\$ (216,110)
2024	(342,288)
2025	(663,616)
2026	(1,198,980)
2027	-
Thereafter	-
Total	\$ (2,420,994)

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2020, actuarial valuation for each plan for CalPERS was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by entry age and service
Payroll Growth	2.75%
Investment rate of return	7.00%, net of pension plan investment and administrative expenses; includes inflation

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. The mortality table used was developed based on CalPERS specific data. The table includes 15 years of mortality improvements using 90% of Scale MP 2016 by the Society of Actuaries.

The actuarial assumptions used in the June 30, 2020 valuation were derived from the June 30, 2019, 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 7.00% 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 7.15%. 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.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11 to 60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

	Target Allocation	Rate of Return	
		Years 1-10	Years 11+
Asset Class			
Public equity	50%	4.80%	6.00%
Global fixed income	28%	1.00%	2.62%
Real estate	13%	3.75%	4.93%
Private equity	8%	6.30%	7.23%
Inflation sensitive	0%	0.77%	1.81%
Liquidity	1%	0.00%	-0.92%
Total	100%		

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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	\$ 8,929,801	\$ 4,913,150	\$ 1,592,643
Plan's Net Pension Liability - Safety	12,840,053	7,320,280	2,786,468
Total	\$ 21,769,854	\$ 12,233,430	\$ 4,379,111

Pension Plan Fiduciary Net Position

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

11. 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). The City is part of a "cost-sharing" pool within CalPERS and Teamsters. CalPERS issues a publicly available financial report that can be obtained at www.calpers.ca.gov and the Teamster's OPEB financial information can be obtained by writing to Teamsters Local 137, 3540 South Market Street, Redding, CA 96001.

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Employees Covered

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

June 30, 2022

Inactive plan members or beneficiaries currently receiving benefit payments	15
Active plan members	106
Total	121

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, 2022, the City paid \$81,221 on behalf of its retirees.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2022. The total OPEB liability was based on the actuarial methods and assumptions as shown below.

Actuarial Assumptions

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2022
Measurement date	June 30, 2022
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	2.18% as of June 30, 2021 4.09% as of June 30, 2022
General inflation rate	2.50%
Salary increases	3.00%
Healthcare cost trend rate	5.6% decreasing to 3.9%

City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Demographic actuarial assumptions used in this valuation are based on the 2021 experience study of the California Public Employees Retirement System using data from 2000 to 2019, 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 2021 and projected forward applied generationally using MacLeod Watts Scale 2022.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.09%. The discount rate was based on the published change in return for the applicable municipal bond index.

Changes in the Total OPEB Liability

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

Year Ended June 30, 2022

Total OPEB Liability	
Service cost	\$ 354,194
Interest	90,485
Changes of benefit terms	-
Difference between expected and actual experience	21,199
Changes of assumptions	(1,196,572)
Benefit payments	(81,221)
Net Change in Total OPEB Liability	(811,915)
Total OPEB Liability - Beginning of Year	3,837,112
Total OPEB Liability - End of Year	\$ 3,025,197
Covered payroll	\$ 7,070,045
Net OPEB liability as a percentage of covered payroll	42.79%

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 4.09%, as well as the City's total OPEB liability if it was calculated using a discount rate that is one percentage point lower (3.09%) or one percentage point higher (5.09%) than the current rate:

	1% Decrease (3.09%)	Current Discount Rate (4.09%)	1% Increase (5.09%)
June 30, 2022			
Total OPEB Liability	\$ 3,539,396	\$ 3,025,197	\$ 2,612,175

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

(Continued)

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 5.6%, 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 (4.6%) or one percentage point higher (6.6%) than the current rate:

	Health Cost		
	1% Decrease	Current	1% Increase
June 30, 2022	(4.6%)	Trend (5.6%)	(6.6%)
Total OPEB Liability	\$ 2,532,701	\$ 3,025,197	\$ 3,665,216

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

For the year ended June 30, 2022, the City recognized OPEB expense of \$325,218. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows		Deferred Inflows	
June 30, 2022	Resources		Resources	
Differences due to changes in actuarial assumptions	\$	351,747	\$	1,437,789
Differences between expected and actual experience		19,406		168,199
Total	\$	371,153	\$	1,605,988

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

Year Ending June 30	
2023	\$ (119,462)
2024	(119,462)
2025	(119,462)
2026	(119,462)
2027	(119,462)
Thereafter	(637,525)
Total	\$ (1,234,835)

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

12. FUND BALANCE/NET POSITION

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

June 30, 2022

Governmental Funds

Grants Fund	\$	10,000
Fire Protection Capital Improvement Fund	\$	27,184

Enterprise Funds

Community Center Fund	\$	367,424
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City of Red Bluff

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Fund balances are composed of the following:

June 30, 2022	Nonspendable	Restricted	Committed	Assigned
General Fund:				
Building reserve	\$ -	\$ -	\$ -	3,645,000
Contingency reserve	-	-	-	2,838,709
Quarter cent sales tax reserve	-	-	-	750,000
Economic uncertainty reserve	-	-	-	1,419,355
Fire apparatus and vehicles reserve	-	-	-	400,000
Vehicle reserve	-	-	-	225,000
Technology reserve	-	-	-	325,000
ADA reserve	-	-	-	325,000
Parks reserve	-	-	-	321,387
Prepays	65,696	-	-	-
Traffic Control:				
Traffic Control Impact Fee	-	2,022,644	-	223,501
Grants/Program Income Fund:				
Long-term receivables	-	3,367,141	-	-
Grants	-	521,774	-	29,666
Other Governmental Funds:				
ISTEA/RSTP Revenue	-	1,037,943	-	36,836
Waste Water Facility Impact Fees	-	1,006,297	-	87,623
Water Capital Impact Fees	-	988,883	-	91,051
Waste Water Collection Impact Fees	-	898,662	-	77,205
Transportation	1,662	216,251	-	17,432
Flood Protection Impact Fees	-	213,638	-	21,457
PEG Fees	-	205,831	-	18,546
Local Transportation	-	171,474	-	-
Public Safety	-	146,846	-	1,880
Road Maintenance & Rehab Act	-	115,327	-	16,521
Airport Impact Fees	-	106,624	-	6,643
Special Gas Tax	-	47,396	-	-
Meadow Brook Street Fees	-	40,423	-	4,213
SB1186 Revenue	-	32,893	-	935
Park Capital Improvement Fees	-	23,773	-	2,448
Traffic Safety	-	22,320	-	-
Police Protection Impact Fees	-	18,699	-	944
City Admin and Equipment Impact Fees	-	2,296	-	4,913
Waste Water Treatment Plant Capital Reserves	-	-	480,399	76,030
Transportation - City Design Fees	-	-	6,086	9,203
Prop 30 (Public Safety) Revenue	-	-	-	1,793
Asset Forfeiture	-	-	-	119
Total	\$ 67,358	\$ 11,207,135	\$ 486,485	\$ 10,978,410

13. 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.

14. 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.

15. CONSTRUCTION COMMITMENTS

At June 30, 2022, the City had \$25,151 outstanding in the form of contracts and/or purchase orders for construction.

16. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2022, expenditures exceeded appropriations in the following funds: \$14,754,779 in the General Fund, \$30,829 in the Grants Fund, \$1,364 in the Proposition 30 Fund and \$435,907 in the Transportation Fund. The expenditures in the General Fund and the Transportation Fund were funded by Pension Bonds issued during the year. The expenditures in the Grants Fund were funded by unbudgeted revenue received. The expenditures in the Proposition 30 fund were funded by available fund balance.

17. 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, 2022, 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, 2022	June 30, 2021	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)	0.25875%	0.18709%	0.18098%	0.17497%	0.16576%	0.15638%	0.14010%	0.05814%
City's proportionate share of the net pension liability (asset)	\$ 4,913,150	\$ 7,891,679	\$ 7,247,204	\$ 6,594,232	\$ 6,534,135	\$ 5,432,492	\$ 3,842,872	\$ 3,617,616
City's covered payroll	\$ 3,203,426	\$ 2,982,829	\$ 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	153.37%	264.57%	245.49%	231.80%	233.33%	208.89%	153.58%	157.89%
Plan fiduciary net position as a percentage of the total pension liability	83.85%	73.70%	75.15%	76.47%	76.06%	78.26%	78.40%	84.35%
Safety								
City's proportion of the net pension liability (asset)	0.20859%	0.17351%	0.16875%	0.16559%	0.16033%	0.16059%	0.15580%	0.08912%
City's proportionate share of the net pension liability (asset)	\$ 7,320,280	\$ 11,559,747	\$ 10,534,358	\$ 9,715,776	\$ 9,580,019	\$ 8,317,270	\$ 6,417,679	\$ 5,545,207
City's covered payroll	\$ 2,966,613	\$ 2,951,059	\$ 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	246.76%	391.72%	342.85%	332.97%	352.05%	333.64%	275.20%	249.67%
Plan fiduciary net position as a percentage of the total pension liability	82.15%	70.74%	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, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	\$ 917,788	\$ 883,044	\$ 685,961	\$ 585,672	\$ 495,908	\$ 201,977	\$ 235,886	\$ 201,470
Contributions in relation to the contractually required contribution	(8,404,144)	(883,044)	(685,961)	(585,672)	(495,908)	(201,977)	(235,886)	(201,470)
Contribution deficiency (excess)	\$ (7,486,356)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 3,625,487	\$ 3,203,426	\$ 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	231.81%	27.57%	23.00%	19.84%	17.43%	7.77%	9.43%	8.79%
Safety								
Contractually required contribution	\$ 1,440,470	\$ 1,382,924	\$ 1,142,914	\$ 1,016,599	\$ 888,434	\$ 368,918	\$ 638,660	\$ 538,795
Contributions in relation to the contractually required contribution	(12,124,584)	(1,382,924)	(1,142,914)	(1,016,599)	(888,434)	(368,918)	(638,660)	(538,795)
Contribution deficiency (excess)	\$ (10,684,114)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 3,444,559	\$ 2,966,613	\$ 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	351.99%	46.62%	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, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability					
Service cost	\$ 354,194	\$ 305,399	\$ 356,387	\$ 333,506	\$ 305,729
Interest	90,485	92,672	107,590	99,010	91,100
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	21,199	-	(233,644)	-	-
Changes of assumptions	(1,196,572)	295,638	(475,701)	83,063	113,416
Benefit payments	(81,221)	(70,191)	(81,833)	(64,029)	(51,619)
Net Change in Total OPEB Liability	(811,915)	623,518	(327,201)	451,550	458,626
Total OPEB Liability - Beginning of Year	3,837,112	3,213,594	3,540,795	3,089,245	2,630,619
Total OPEB Liability - End of Year	\$ 3,025,197	\$ 3,837,112	\$ 3,213,594	\$ 3,540,795	\$ 3,089,245
Covered payroll	\$ 7,070,045	\$ 7,126,509	\$ 6,014,550	\$ 6,074,806	\$ 5,762,688
Total OPEB liability as a percentage of covered payroll	42.79%	53.84%	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, 2022

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.

Other Grants Fund: This special revenue 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, 2022	Special Revenue			
	Traffic Safety Fund	Charter - PEG Fees Fund	Public Safety Fund	Balance Forward
ASSETS				
Cash and cash equivalents	\$ 45,375	\$ 224,238	\$ 298,420	\$ 568,033
Receivables:				
Accounts	-	-	-	-
Interest	14	139	92	245
Loans	-	-	-	-
Prepays	-	-	-	-
Due from other governments	3,031	-	17,231	20,262
Due from other funds	-	-	-	-
TOTAL ASSETS	\$ 48,420	\$ 224,377	\$ 315,743	\$ 588,540
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll and benefits	-	-	-	-
Accrued interest payable	-	-	-	-
Customer/employee deposits	-	-	-	-
Unearned revenue	-	-	-	-
Other liabilities	-	-	-	-
Due to other funds	26,100	-	167,017	193,117
Total Liabilities	26,100	-	167,017	193,117
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	22,320	205,831	146,846	374,997
Committed	-	-	-	-
Assigned	-	18,546	1,880	20,426
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	22,320	224,377	148,726	395,423
TOTAL LIABILITIES AND FUND BALANCES	\$ 48,420	\$ 224,377	\$ 315,743	\$ 588,540

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

June 30, 2022	Special Revenue				
	Balance Brought Forward	Proposition 30 Fund	Asset Forfeiture Fund	Local Transportation Fund	Balance Forward
ASSETS					
Cash and cash equivalents	\$ 568,033	\$ 2,355	\$ 41,639	\$ 178,750	\$ 790,777
Receivables:					
Accounts	-	-	-	-	-
Interest	245	1	26	111	383
Loans	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other governments	20,262	-	-	-	20,262
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 588,540	\$ 2,356	\$ 41,665	\$ 178,861	\$ 811,422
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ 563	\$ -	\$ 7,387	\$ 7,950
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Other liabilities	-	-	41,546	-	41,546
Due to other funds	193,117	-	-	-	193,117
Total Liabilities	193,117	563	41,546	7,387	242,613
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	374,997	-	-	171,474	546,471
Committed	-	-	-	-	-
Assigned	20,426	1,793	119	-	22,338
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	395,423	1,793	119	171,474	568,809
TOTAL LIABILITIES AND FUND BALANCES	\$ 588,540	\$ 2,356	\$ 41,665	\$ 178,861	\$ 811,422

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

	Special Revenue				
	Balance Brought Forward	Special Gas Tax Fund	ISTEA/RSTP Revenue Fund	Other Grants Fund	Balance Forward
June 30, 2022					
ASSETS					
Cash and cash equivalents	\$ 790,777	\$ 21,871	\$ 1,438,140	\$ -	\$ 2,250,788
Receivables:					
Accounts	-	-	-	-	-
Interest	383	-	891	-	1,274
Loans	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other governments	20,262	27,787	-	177,952	226,001
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 811,422	\$ 49,658	\$ 1,439,031	\$ 177,952	\$ 2,478,063
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 7,950	\$ -	\$ 364,252	\$ -	\$ 372,202
Accrued payroll and benefits	-	2,262	-	-	2,262
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Unearned revenue	-	-	-	10,000	10,000
Other liabilities	41,546	-	-	-	41,546
Due to other funds	193,117	-	-	177,952	371,069
Total Liabilities	242,613	2,262	364,252	187,952	797,079
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	546,471	47,396	1,037,943	-	1,631,810
Committed	-	-	-	-	-
Assigned	22,338	-	36,836	-	59,174
Unassigned	-	-	-	(10,000)	(10,000)
Total Fund Balances (Deficit)	568,809	47,396	1,074,779	(10,000)	1,680,984
TOTAL LIABILITIES AND FUND BALANCES	\$ 811,422	\$ 49,658	\$ 1,439,031	\$ 177,952	\$ 2,478,063

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

June 30, 2022	Special Revenue				
	Balance Brought Forward	SB1186 Fund	RMRA Fund	Transportation Fund	Total
ASSETS					
Cash and cash equivalents	\$ 2,250,788	\$ 33,961	\$ 179,681	\$ 231,348	\$ 2,695,778
Receivables:					
Accounts	-	-	-	8,100	8,100
Interest	1,274	21	111	36	1,442
Loans	-	-	-	-	-
Prepays	-	-	-	1,662	1,662
Due from other governments	226,001	-	51,584	-	277,585
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 2,478,063	\$ 33,982	\$ 231,376	\$ 241,146	\$ 2,984,567
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 372,202	\$ 154	\$ 99,528	\$ 3,703	\$ 475,587
Accrued payroll and benefits	2,262	-	-	2,098	4,360
Accrued interest payable	-	-	-	-	-
Customer/employee deposits	-	-	-	-	-
Unearned revenue	10,000	-	-	-	10,000
Other liabilities	41,546	-	-	-	41,546
Due to other funds	371,069	-	-	-	371,069
Total Liabilities	797,079	154	99,528	5,801	902,562
Fund Balances (Deficit)					
Nonspendable	-	-	-	1,662	1,662
Restricted	1,631,810	32,893	115,327	216,251	1,996,281
Committed	-	-	-	-	-
Assigned	59,174	935	16,521	17,432	94,062
Unassigned	(10,000)	-	-	-	(10,000)
Total Fund Balances (Deficit)	1,680,984	33,828	131,848	235,345	2,082,005
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,478,063	\$ 33,982	\$ 231,376	\$ 241,146	\$ 2,984,567

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	Fund	Fund	Improvement		Balance				
	Fund	Fund	Fund	Fund		Forward				
June 30, 2022										
ASSETS										
Cash and cash equivalents	\$	-	\$	15,280	\$	556,085	\$	234,949	\$	806,314
Receivables:										
Accounts		-		-		-		-		-
Interest		-		9		344		146		499
Loans		-		-		-		-		-
Prepays		-		-		-		-		-
Due from other governments		-		-		-		-		-
Due from other funds		-		-		-		-		-
TOTAL ASSETS	\$	-	\$	15,289	\$	556,429	\$	235,095	\$	806,813
LIABILITIES AND FUND BALANCES										
Liabilities										
Cash overdraft	\$	-	\$	-	\$	-	\$	-	\$	-
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		-		-		-		213,638		213,638
Committed		-		6,086		480,399		-		486,485
Assigned		-		9,203		76,030		21,457		106,690
Unassigned		-		-		-		-		-
Total Fund Balances (Deficit)		-		15,289		556,429		235,095		806,813
TOTAL LIABILITIES AND FUND BALANCES	\$	-	\$	15,289	\$	556,429	\$	235,095	\$	806,813

City of Red Bluff

COMBINING BALANCE SHEET – 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
June 30, 2022						
ASSETS						
Cash and cash equivalents	\$ 806,314	\$ -	\$ 19,631	\$ 7,205	\$	833,150
Receivables:						
Accounts	-	-	-	-		-
Interest	499	-	12	4		515
Loans	-	-	-	-		-
Prepays	-	-	-	-		-
Due from other governments	-	-	-	-		-
Due from other funds	-	-	-	-		-
TOTAL ASSETS	\$ 806,813	\$ -	\$ 19,643	\$ 7,209	\$	833,665
LIABILITIES AND FUND BALANCES						
Liabilities						
Cash overdraft	\$ -	\$ 27,167	\$ -	\$ -	\$	27,167
Accounts payable	-	-	-	-		-
Accrued payroll and benefits	-	-	-	-		-
Accrued interest payable	-	17	-	-		17
Customer/employee deposits	-	-	-	-		-
Other liabilities	-	-	-	-		-
Due to other funds	-	-	-	-		-
Total Liabilities	-	27,184	-	-		27,184
Fund Balances (Deficit)						
Nonspendable	-	-	-	-		-
Restricted	213,638	-	18,699	2,296		234,633
Committed	486,485	-	-	-		486,485
Assigned	106,690	-	944	4,913		112,547
Unassigned	-	(27,184)	-	-		(27,184)
Total Fund Balances (Deficit)	806,813	(27,184)	19,643	7,209		806,481
TOTAL LIABILITIES AND FUND BALANCES	\$ 806,813	\$ -	\$ 19,643	\$ 7,209	\$	833,665

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, 2022						
ASSETS						
Cash and cash equivalents	\$ 833,150	\$ 44,608	\$ 1,093,243	\$ 975,263	\$ 2,946,264	
Receivables:						
Accounts	-	-	-	-	-	
Interest	515	28	677	604	1,824	
Loans	-	-	-	-	-	
Prepays	-	-	-	-	-	
Due from other governments	-	-	-	-	-	
Due from other funds	-	-	-	-	-	
TOTAL ASSETS	\$ 833,665	\$ 44,636	\$ 1,093,920	\$ 975,867	\$ 2,948,088	
LIABILITIES AND FUND BALANCES						
Liabilities						
Cash overdraft	\$ 27,167	\$ -	\$ -	\$ -	\$ 27,167	
Accounts payable	-	-	-	-	-	
Accrued payroll and benefits	-	-	-	-	-	
Accrued interest payable	17	-	-	-	17	
Customer/employee deposits	-	-	-	-	-	
Other liabilities	-	-	-	-	-	
Due to other funds	-	-	-	-	-	
Total Liabilities	27,184	-	-	-	27,184	
Fund Balances (Deficit)						
Nonspendable	-	-	-	-	-	
Restricted	234,633	40,423	1,006,297	898,662	2,180,015	
Committed	486,485	-	-	-	486,485	
Assigned	112,547	4,213	87,623	77,205	281,588	
Unassigned	(27,184)	-	-	-	(27,184)	
Total Fund Balances (Deficit)	806,481	44,636	1,093,920	975,867	2,920,904	
TOTAL LIABILITIES AND FUND BALANCES	\$ 833,665	\$ 44,636	\$ 1,093,920	\$ 975,867	\$ 2,948,088	

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, 2022					
ASSETS					
Cash and cash equivalents	\$ 2,946,264	\$ 1,079,266	\$ 113,197	\$ 26,205	\$ 4,164,932
Receivables:					
Accounts	-	-	-	-	-
Interest	1,824	668	70	16	2,578
Loans	-	-	-	-	-
Prepays	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 2,948,088	\$ 1,079,934	\$ 113,267	\$ 26,221	\$ 4,167,510
LIABILITIES AND FUND BALANCES					
Liabilities					
Cash overdraft	\$ 27,167	\$ -	\$ -	\$ -	\$ 27,167
Accounts payable	-	-	-	-	-
Accrued payroll and benefits	-	-	-	-	-
Accrued interest payable	17	-	-	-	17
Customer/employee deposits	-	-	-	-	-
Other liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	27,184	-	-	-	27,184
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	2,180,015	988,883	106,624	23,773	3,299,295
Committed	486,485	-	-	-	486,485
Assigned	281,588	91,051	6,643	2,448	381,730
Unassigned	(27,184)	-	-	-	(27,184)
Total Fund Balances (Deficit)	2,920,904	1,079,934	113,267	26,221	4,140,326
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,948,088	\$ 1,079,934	\$ 113,267	\$ 26,221	\$ 4,167,510

City of Red Bluff

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

(Continued)

June 30, 2022	Capital Projects		Total Nonmajor Governmental Funds
	Balance Brought Forward	Total	
ASSETS			
Cash and cash equivalents	\$ 4,164,932	\$ 4,164,932	\$ 6,860,710
Receivables:			
Accounts	-	-	8,100
Interest	2,578	2,578	4,020
Loans	-	-	-
Prepays	-	-	1,662
Due from other governments	-	-	277,585
Due from other funds	-	-	-
TOTAL ASSETS	\$ 4,167,510	\$ 4,167,510	\$ 7,152,077
LIABILITIES AND FUND BALANCES			
Liabilities			
Cash overdraft	\$ 27,167	\$ 27,167	\$ 27,167
Accounts payable	-	-	475,587
Accrued payroll and benefits	-	-	4,360
Accrued interest payable	17	17	17
Customer/employee deposits	-	-	-
Unearned revenue	-	-	10,000
Other liabilities	-	-	41,546
Due to other funds	-	-	371,069
Total Liabilities	27,184	27,184	929,746
Fund Balances (Deficit)			
Nonspendable	-	-	1,662
Restricted	3,299,295	3,299,295	5,295,576
Committed	486,485	486,485	486,485
Assigned	381,730	381,730	475,792
Unassigned	(27,184)	(27,184)	(37,184)
Total Fund Balances (Deficit)	4,140,326	4,140,326	6,222,331
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,167,510	\$ 4,167,510	\$ 7,152,077

City of Red Bluff

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

Year Ended June 30, 2022	Special Revenue			
	Traffic Safety Fund	Charter - PEG Fees Fund	Public Safety Fund	Balance Forward
Revenues				
Other taxes	\$ -	\$ -	\$ 148,416	\$ 148,416
Fines, forfeitures, and penalties	22,320	-	-	22,320
Use of money and property	-	650	310	960
Intergovernmental revenue	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	22,320	650	148,726	171,696
Expenditures				
Current:				
General government	-	-	-	-
Police public safety	-	-	-	-
Parks and recreation	-	-	-	-
Transportation and streets	-	-	-	-
Grants and program income	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Bond issuance cost	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,320	650	148,726	171,696
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Pension bond proceeds	-	-	-	-
Discount on pension bond issued	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	22,320	650	148,726	171,696
Fund Balances (Deficit) - Beginning of Year	-	223,727	-	223,727
Fund Balances (Deficit) - End of Year	\$ 22,320	\$ 224,377	\$ 148,726	\$ 395,423

City of Red Bluff

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

Year Ended June 30, 2022	Special Revenue				
	Balance Brought Forward	Proposition 30 Fund	Asset Forfeiture Fund	Local Transportation Fund	Balance Forward
Revenues					
Other taxes	\$ 148,416	\$ -	\$ -	\$ -	148,416
Fines, forfeitures, and penalties	22,320	-	-	-	22,320
Use of money and property	960	24	119	-	1,103
Intergovernmental revenue	-	-	-	214,874	214,874
Other revenues	-	-	-	-	-
Total Revenues	171,696	24	119	214,874	386,713
Expenditures					
Current:					
General government	-	7,364	-	-	7,364
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	197,586	197,586
Grants and program income	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Bond issuance cost	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	-	7,364	-	197,586	204,950
Excess (Deficiency) of Revenues Over (Under) Expenditures	171,696	(7,340)	119	17,288	181,763
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Pension bond proceeds	-	-	-	-	-
Discount on pension bond issued	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	171,696	(7,340)	119	17,288	181,763
Fund Balances (Deficit) - Beginning of Year	223,727	9,133	-	154,186	387,046
Fund Balances (Deficit) - End of Year	\$ 395,423	\$ 1,793	\$ 119	\$ 171,474	\$ 568,809

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	Other Grants Fund	Balance Forward
Year Ended June 30, 2022					
Revenues					
Other taxes	\$ 148,416	\$ -	\$ -	\$ -	148,416
Fines, forfeitures, and penalties	22,320	-	-	-	22,320
Use of money and property	1,103	26	4,695	-	5,824
Intergovernmental revenue	214,874	343,399	351,050	-	909,323
Other revenues	-	84	-	-	84
Total Revenues	386,713	343,509	355,745	-	1,085,967
Expenditures					
Current:					
General government	7,364	-	-	-	7,364
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	197,586	293,518	-	-	491,104
Grants and program income	-	-	-	19,349	19,349
Capital outlay	-	-	771,417	-	771,417
Debt service:					
Bond issuance cost	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	204,950	293,518	771,417	19,349	1,289,234
Excess (Deficiency) of Revenues Over (Under) Expenditures	181,763	49,991	(415,672)	(19,349)	(203,267)
Other Financing Sources (Uses)					
Transfers in	-	-	-	9,349	9,349
Transfers out	-	-	-	-	-
Pension bond proceeds	-	-	-	-	-
Discount on pension bond issued	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	9,349	9,349
Net Change in Fund Balances	181,763	49,991	(415,672)	(10,000)	(193,918)
Fund Balances (Deficit) - Beginning of Year	387,046	(2,595)	1,490,451	-	1,874,902
Fund Balances (Deficit) - End of Year	\$ 568,809	\$ 47,396	\$ 1,074,779	\$ (10,000)	\$ 1,680,984

City of Red Bluff

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

Year Ended June 30, 2022	Special Revenue				
	Balance Brought Forward	SB1186 Fund	RMRA Fund	Transportation Fund	Total
Revenues					
Other taxes	\$ 148,416	\$ -	\$ -	\$ 102,682	\$ 251,098
Fines, forfeitures, and penalties	22,320	-	-	-	22,320
Use of money and property	5,824	79	3,009	265	9,177
Intergovernmental revenue	909,323	5,741	290,355	-	1,205,419
Other revenues	84	-	-	-	84
Total Revenues	1,085,967	5,820	293,364	102,947	1,488,098
Expenditures					
Current:					
General Government	7,364	-	-	-	7,364
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	491,104	-	-	763,014	1,254,118
Grants and program income	19,349	-	-	-	19,349
Capital outlay	771,417	-	743,678	-	1,515,095
Debt service:					
Bond issuance cost	-	-	-	6,243	6,243
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	1,289,234	-	743,678	769,257	2,802,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	(203,267)	5,820	(450,314)	(666,310)	(1,314,071)
Other Financing Sources (Uses)					
Transfers in	9,349	-	-	194,027	203,376
Transfers out	-	-	-	-	-
Pension bond proceeds	-	-	-	545,606	545,606
Discount on pension bond issued	-	-	-	(4,092)	(4,092)
Total Other Financing Sources (Uses)	9,349	-	-	735,541	744,890
Net Change in Fund Balances	(193,918)	5,820	(450,314)	69,231	(569,181)
Fund Balances (Deficit) - Beginning of Year	1,874,902	28,008	582,162	166,114	2,651,186
Fund Balances (Deficit) - End of Year	\$ 1,680,984	\$ 33,828	\$ 131,848	\$ 235,345	\$ 2,082,005

City of Red Bluff

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

Year Ended June 30, 2022	Capital Projects				
	General Plan Update Fund	Transportation City Design Fund	Waste Water Treatment Plant Capital Reserve Fund	Flood Protection Capital Improvement Fund	Balance Forward
Revenues					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	211	44	1,638	672	2,565
Intergovernmental revenue	-	-	-	-	-
Other revenues	-	-	-	3,553	3,553
Total Revenues	211	44	1,638	4,225	6,118
Expenditures					
Current:					
General government	65,617	-	-	-	65,617
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	-	-	186,693	-	186,693
Debt service:					
Bond issuance cost	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	65,617	-	186,693	-	252,310
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,406)	44	(185,055)	4,225	(246,192)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Pension bond proceeds	-	-	-	-	-
Discount on pension bond issued	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(65,406)	44	(185,055)	4,225	(246,192)
Fund Balances (Deficit) - Beginning of Year	65,406	15,245	741,484	230,870	1,053,005
Fund Balances (Deficit) - End of Year	\$ -	\$ 15,289	\$ 556,429	\$ 235,095	\$ 806,813

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, 2022					
Revenues					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	2,565	-	46	16	2,627
Intergovernmental revenue	-	-	-	-	-
Other revenues	3,553	2,043	3,981	1,278	10,855
Total Revenues	6,118	2,043	4,027	1,294	13,482
Expenditures					
Current:					
General government	65,617	-	-	-	65,617
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	186,693	-	-	-	186,693
Debt service:					
Bond issuance cost	-	-	-	-	-
Principal	-	-	-	-	-
Interest	-	84	-	-	84
Total Expenditures	252,310	84	-	-	252,394
Excess (Deficiency) of Revenues Over (Under) Expenditures	(246,192)	1,959	4,027	1,294	(238,912)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Pension bond proceeds	-	-	-	-	-
Discount on pension bond issued	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(246,192)	1,959	4,027	1,294	(238,912)
Fund Balances (Deficit) - Beginning of Year	1,053,005	(29,143)	15,616	5,915	1,045,393
Fund Balances (Deficit) - End of Year	\$ 806,813	\$ (27,184)	\$ 19,643	\$ 7,209	\$ 806,481

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, 2022					
Revenues					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	2,627	130	3,094	2,755	8,606
Intergovernmental revenue	-	-	-	-	-
Other revenues	10,855	-	32,677	31,761	75,293
Total Revenues	13,482	130	35,771	34,516	83,899
Expenditures					
Current:					
General government	65,617	170	-	-	65,787
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	186,693	-	-	-	186,693
Debt service:					
Bond issuance cost	-	-	-	-	-
Principal	-	-	-	-	-
Interest	84	-	-	-	84
Total Expenditures	252,394	170	-	-	252,564
Excess (Deficiency) of Revenues Over (Under) Expenditures	(238,912)	(40)	35,771	34,516	(168,665)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Pension bond proceeds	-	-	-	-	-
Discount on pension bond issued	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(238,912)	(40)	35,771	34,516	(168,665)
Fund Balances (Deficit) - Beginning of Year	1,045,393	44,676	1,058,149	941,351	3,089,569
Fund Balances (Deficit) - End of Year	\$ 806,481	\$ 44,636	\$ 1,093,920	\$ 975,867	\$ 2,920,904

City of Red Bluff

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

	Capital Projects				
	Balance Brought Forward	Water Capital Improvement Fund	Airport Capital Improvement Fund	Parks and Recreation Facilities Capital Improvement Fund	Balance Forward
Year Ended June 30, 2022					
Revenues					
Other taxes	\$ -	\$ -	\$ -	\$ -	-
Fines, forfeitures, and penalties	-	-	-	-	-
Use of money and property	8,606	3,061	323	53	12,043
Intergovernmental revenue	-	-	-	-	-
Other revenues	75,293	28,501	1,745	7,540	113,079
Total Revenues	83,899	31,562	2,068	7,593	125,122
Expenditures					
Current:					
General government	65,787	-	-	-	65,787
Police public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Transportation and streets	-	-	-	-	-
Grants and program income	-	-	-	-	-
Capital outlay	186,693	-	-	-	186,693
Debt service:					
Bond issuance cost	-	-	-	-	-
Principal	-	-	-	-	-
Interest	84	-	-	-	84
Total Expenditures	252,564	-	-	-	252,564
Excess (Deficiency) of Revenues Over (Under) Expenditures	(168,665)	31,562	2,068	7,593	(127,442)
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Pension bond proceeds	-	-	-	-	-
Discount on pension bond issued	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(168,665)	31,562	2,068	7,593	(127,442)
Fund Balances (Deficit) - Beginning of Year	3,089,569	1,048,372	111,199	18,628	4,267,768
Fund Balances (Deficit) - End of Year	\$ 2,920,904	\$ 1,079,934	\$ 113,267	\$ 26,221	\$ 4,140,326

City of Red Bluff

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

Year Ended June 30, 2022	Capital Projects		Total Nonmajor Governmental Funds
	Balance Brought Forward	Total	
Revenues			
Other taxes	\$ -	\$ -	\$ 251,098
Fines, forfeitures, and penalties	-	-	22,320
Use of money and property	12,043	12,043	21,220
Intergovernmental revenue	-	-	1,205,419
Other revenues	113,079	113,079	113,163
Total Revenues	125,122	125,122	1,613,220
Expenditures			
Current:			
General government	65,787	65,787	73,151
Police public safety	-	-	-
Parks and recreation	-	-	-
Transportation and streets	-	-	1,254,118
Grants and program income	-	-	19,349
Capital outlay	186,693	186,693	1,701,788
Debt service:			
Bond issuance cost	-	-	6,243
Principal	-	-	-
Interest	84	84	84
Total Expenditures	252,564	252,564	3,054,733
Excess (Deficiency) of Revenues Over (Under) Expenditures	(127,442)	(127,442)	(1,441,513)
Other Financing Sources (Uses)			
Transfers in	-	-	203,376
Transfers out	-	-	-
Pension bond proceeds	-	-	545,606
Discount on pension bond issued	-	-	(4,092)
Total Other Financing Sources (Uses)	-	-	744,890
Net Change in Fund Balances	(127,442)	(127,442)	(696,623)
Fund Balances (Deficit) - Beginning of Year	4,267,768	4,267,768	6,918,954
Fund Balances (Deficit) - End of Year	\$ 4,140,326	\$ 4,140,326	\$ 6,222,331

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, 2022	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	26,230	26,230	22,320	(3,910)	-	-	-	-
Use of money and property	35	35	-	(35)	3,700	3,700	650	(3,050)
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	26,265	26,265	22,320	(3,945)	3,700	3,700	650	(3,050)
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	26,265	26,265	22,320	(3,945)	3,700	3,700	650	(3,050)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(26,265)	(26,265)	-	26,265	-	-	-	-
Total Other Financing Sources (Uses)	(26,265)	(26,265)	-	26,265	-	-	-	-
Net Change in Fund Balances	-	-	22,320	22,320	3,700	3,700	650	(3,050)
Fund Balances (Deficit) - Beginning of Year	-	-	-	-	223,727	223,727	223,727	-
Fund Balances (Deficit) - End of Year	\$ -	\$ -	\$ 22,320	\$ 22,320	\$ 227,427	\$ 227,427	\$ 224,377	\$ (3,050)

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, 2022	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	\$ 97,800	\$ 97,800	\$ 148,416	\$ 50,616	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	50	50	310	260	20	20	24	4
Intergovernmental revenue	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	97,850	97,850	148,726	50,876	20	20	24	4
Expenditures								
Current:								
General government	-	-	-	-	6,000	6,000	7,364	(1,364)
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	6,000	6,000	7,364	(1,364)
Excess (Deficiency) of Revenues Over (Under) Expenditures	97,850	97,850	148,726	50,876	(5,980)	(5,980)	(7,340)	(1,360)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(97,850)	(97,850)	-	97,850	-	-	-	-
Total Other Financing Sources (Uses)	(97,850)	(97,850)	-	97,850	-	-	-	-
Net Change in Fund Balances	-	-	148,726	148,726	(5,980)	(5,980)	(7,340)	(1,360)
Fund Balances (Deficit) - Beginning of Year	-	-	-	-	9,133	9,133	9,133	-
Fund Balances (Deficit) - End of Year	\$ -	\$ -	\$ 148,726	\$ 148,726	\$ 3,153	\$ 3,153	\$ 1,793	\$ (1,360)

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, 2022	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	-	-	119	119	200	200	-	(200)
Intergovernmental revenue	-	-	-	-	215,000	215,000	214,874	(126)
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	-	-	119	119	215,200	215,200	214,874	(326)
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	268,650	268,650	197,586	71,064
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	268,650	268,650	197,586	71,064
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	119	119	(53,450)	(53,450)	17,288	70,738
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	-	-	119	119	(53,450)	(53,450)	17,288	70,738
Fund Balances (Deficit) - Beginning of Year	-	-	-	-	154,186	154,186	154,186	-
Fund Balances (Deficit) - End of Year	\$ -	\$ -	\$ 119	\$ 119	\$ 100,736	\$ 100,736	\$ 171,474	\$ 70,738

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, 2022	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	-	-	26	26	3,000	3,000	4,695	1,695
Intergovernmental revenue	350,397	350,397	343,399	(6,998)	250,300	250,300	351,050	100,750
Other revenues	-	-	84	84	-	-	-	-
Total Revenues	350,397	350,397	343,509	(6,888)	253,300	253,300	355,745	102,445
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	367,205	367,205	293,518	73,687	-	-	-	-
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	341,000	1,920,352	771,417	1,148,935
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	367,205	367,205	293,518	73,687	341,000	1,920,352	771,417	1,148,935
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,808)	(16,808)	49,991	66,799	(87,700)	(1,667,052)	(415,672)	1,251,380
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(16,808)	(16,808)	49,991	66,799	(87,700)	(1,667,052)	(415,672)	1,251,380
Fund Balances (Deficit) - Beginning of Year	(2,595)	(2,595)	(2,595)	-	1,490,451	1,490,451	1,490,451	-
Fund Balances (Deficit) - End of Year	\$ (19,403)	\$ (19,403)	\$ 47,396	\$ 66,799	\$ 1,402,751	\$ (176,601)	\$ 1,074,779	\$ 1,251,380

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, 2022	Other 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	-	-	-	-	100	100	79	(21)
Intergovernmental revenue	5,000	260,700	-	(260,700)	5,000	5,000	5,741	741
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	5,000	260,700	-	(260,700)	5,100	5,100	5,820	720
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	10,000	10,000	-	10,000
Grants and program income	5,000	5,000	19,349	(14,349)	-	-	-	-
Capital outlay	-	418,226	-	418,226	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	5,000	423,226	19,349	403,877	10,000	10,000	-	10,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(162,526)	(19,349)	143,177	(4,900)	(4,900)	5,820	10,720
Other Financing Sources (Uses)								
Transfers in	-	33,145	9,349	(23,796)	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	33,145	9,349	(23,796)	-	-	-	-
Net Change in Fund Balances	-	(129,381)	(10,000)	119,381	(4,900)	(4,900)	5,820	10,720
Fund Balances (Deficit) - Beginning of Year	-	-	-	-	28,008	28,008	28,008	-
Fund Balances (Deficit) - End of Year	\$ -	\$ (129,381)	\$ (10,000)	\$ 119,381	\$ 23,108	\$ 23,108	\$ 33,828	\$ 10,720

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, 2022	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	\$ -	\$ -	\$ -	\$ -	\$ 87,000	\$ 87,000	\$ 102,682	\$ 15,682
Fines, forfeitures, and penalties	-	-	-	-	-	-	-	-
Use of money and property	500	500	3,009	2,509	200	200	265	65
Intergovernmental revenue	244,910	244,910	290,355	45,445	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-
Total Revenues	245,410	245,410	293,364	47,954	87,200	87,200	102,947	15,747
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Transportation and streets	-	-	-	-	333,350	333,350	763,014	(429,664)
Grants and program income	-	-	-	-	-	-	-	-
Capital outlay	578,000	945,560	743,678	201,882	-	-	-	-
Debt service:								
Bond issuance cost	-	-	-	-	-	-	6,243	(6,243)
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	578,000	945,560	743,678	201,882	333,350	333,350	769,257	(435,907)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(332,590)	(700,150)	(450,314)	249,836	(246,150)	(246,150)	(666,310)	(420,160)
Other Financing Sources (Uses)								
Transfers In	-	-	-	-	194,027	194,027	194,027	-
Transfers out	-	-	-	-	-	-	-	-
Pension bond proceeds	-	-	-	-	-	-	545,606	545,606
Discount on pension bond issued	-	-	-	-	-	-	(4,092)	(4,092)
Total Other Financing Sources (Uses)	-	-	-	-	194,027	194,027	735,541	541,514
Net Change in Fund Balances	(332,590)	(700,150)	(450,314)	249,836	(52,123)	(52,123)	69,231	121,354
Fund Balances (Deficit) - Beginning of Year	582,162	582,162	582,162	-	166,114	166,114	166,114	-
Fund Balances (Deficit) - End of Year	\$ 249,572	\$ (117,988)	\$ 131,848	\$ 249,836	\$ 113,991	\$ 113,991	\$ 235,345	\$ 121,354

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.

City of Red Bluff

COMBINING STATEMENT OF NET POSITION – NONMAJOR PROPRIETARY FUNDS

	Nonmajor Enterprise		
	Community Development Fund	Airport Fund	Total
June 30, 2022			
ASSETS AND DEFERRED OUTFLOWS			
Current Assets			
Cash and cash equivalents	\$ 856,939	\$ 364,657	\$ 1,221,596
Receivables:			
Accounts - net	-	1,112	1,112
Interest	616	273	889
Prepaid items	1,552	-	1,552
Due from other governments	-	58,077	58,077
Total Current Assets	859,107	424,119	1,283,226
Noncurrent Assets			
Nondepreciable capital assets	-	386,926	386,926
Depreciable capital assets - net	7,417	1,938,445	1,945,862
Total Noncurrent Assets	7,417	2,325,371	2,332,788
Total Assets	866,524	2,749,490	3,616,014
Deferred Outflows of Resources			
Deferred outflows from other postemployment benefits	7,457	-	7,457
Deferred outflows from pensions	520,177	-	520,177
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 1,394,158	\$ 2,749,490	\$ 4,143,648
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION			
Current Liabilities			
Accounts payable	\$ 6,970	\$ 2,478	\$ 9,448
Accrued payroll and benefits	2,014	-	2,014
Accrued interest payable	5,920	-	5,920
Customer/employee deposits	2,620	-	2,620
Unearned revenue	-	9,000	9,000
Other liabilities	161	-	161
Compensated absences payable - current	3,016	-	3,016
Bonds, loans, and leases payable - current	7,284	-	7,284
Total Current Liabilities	27,985	11,478	39,463
Noncurrent Liabilities			
Compensated absences - net	9,047	-	9,047
Bonds, loans, and leases payable - net	263,582	-	263,582
Total other postemployment benefits liability	60,998	-	60,998
Net pension liability	238,577	-	238,577
Total Noncurrent Liabilities	572,204	-	572,204
Total Liabilities	600,189	11,478	611,667
Deferred Inflows of Resources			
Deferred inflows from other postemployment benefits	33,034	-	33,034
Deferred inflows from pension	225,984	-	225,984
Net Position			
Net investment in capital assets	7,417	2,325,371	2,332,788
Unrestricted	527,534	412,641	940,175
Total Net Position	534,951	2,738,012	3,272,963
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 1,394,158	\$ 2,749,490	\$ 4,143,648

City of Red Bluff

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

Year Ended June 30, 2022	Nonmajor Enterprise		
	Community Development Fund	Airport Fund	Totals
Operating Revenues			
Charges for current services:			
Permits and fees	\$ 500,759	\$ -	\$ 500,759
Rental revenue	-	115,721	115,721
Other revenue	-	17,199	17,199
Total Operating Revenues	500,759	132,920	633,679
Operating Expenses			
Cost of power and transportation	-	34,741	34,741
Maintenance, operations, and administration	393,533	53,907	447,440
Depreciation expense	10,315	195,874	206,189
Total Operating Expenses	403,848	284,522	688,370
Operating Income (Loss)	96,911	(151,602)	(54,691)
Nonoperating Revenues (Expenses)			
Intergovernmental revenues	124	436,445	436,569
Property taxes	-	126,561	126,561
Investment income	2,415	1,059	3,474
Gain on sale of assets	15	-	15
Interest expense	(5,920)	-	(5,920)
Total Nonoperating Revenues (Expenses)	(3,366)	564,065	560,699
Income Before Capital Contributions and Operating Transfers	93,545	412,463	506,008
Capital Contributions	-	10,000	10,000
Transfers in	-	-	-
Transfers out	(132,395)	(76,617)	(209,012)
Change in Net Position	(38,850)	345,846	306,996
Total Net Position - Beginning of Year	573,801	2,392,166	2,965,967
Total Net Position - End of Year	\$ 534,951	\$ 2,738,012	\$ 3,272,963

City of Red Bluff

COMBINING STATEMENT OF CASH FLOWS – NONMAJOR PROPRIETARY FUNDS

Year Ended June 30, 2022	Nonmajor Enterprise		
	Community Development Fund	Airport Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 502,431	\$ 135,802	\$ 638,233
Cash paid to employees (including employee benefits)	(540,577)	-	(540,577)
Cash paid to suppliers	(206,489)	(101,464)	(307,953)
Net Cash Provided (Used) By Operating Activities	(244,635)	34,338	(210,297)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property taxes received	-	126,561	126,561
Cash received from (paid to) other funds	-	-	-
Transfers in	-	-	-
Transfers out	(132,395)	(76,617)	(209,012)
Net Cash Provided (Used) By Noncapital Financing Activities	(132,395)	49,944	(82,451)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from pension bond	270,866	-	270,866
Capital contributions	-	10,000	10,000
Intergovernmental revenue received	124	395,888	396,012
Payments for the purchase of capital assets	-	(433,891)	(433,891)
Interest paid	-	(164)	(164)
Proceeds from the sale of assets	15	-	15
Net Cash Provided (Used) By Capital and Related Financing Activities	271,005	(28,167)	242,838
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	2,110	1,059	3,169
Net Cash Provided (Used) By Investing Activities	2,110	1,059	3,169
Net Increase (Decrease) in Cash and Cash Equivalents	(103,915)	57,174	(46,741)
Cash and Cash Equivalents - Beginning of Year	960,854	307,483	1,268,337
Cash and Cash Equivalents - End of Year	\$ 856,939	\$ 364,657	\$ 1,221,596
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 96,911	\$ (151,602)	\$ (54,691)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	10,315	195,874	206,189
Changes in:			
Accounts receivable	-	2,882	2,882
Prepaid expenses	(1,552)	-	(1,552)
Deferred outflows from other postemployment benefits	531	-	531
Deferred outflows from pensions	(451,098)	-	(451,098)
Accounts payable	(3,400)	(12,616)	(16,016)
Accrued payroll and benefits	400	-	400
Customer/employee deposits	1,672	-	1,672
Other liabilities	161	(200)	(39)
Net other post employment benefits liability	(16,078)	-	(16,078)
Net pension liability	(92,582)	-	(92,582)
Compensated absences payable	(15,337)	-	(15,337)
Deferred inflows from other postemployment benefits	20,378	-	20,378
Deferred inflows from pensions	205,044	-	205,044
Net Cash Provided (Used) By Operating Activities	\$ (244,635)	\$ 34,338	\$ (210,297)

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.

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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)

	2012-2013	2013-2014*	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Governmental activities:										
Net investment in capital assets	\$ 30,983,036	\$ 29,608,502	\$ 28,525,737	\$ 27,884,748	\$ 26,806,257	\$ 26,567,947	\$ 25,886,592	\$ 24,550,658	\$ 25,677,364	\$ 26,509,399
Restricted	10,235,224	9,840,230	10,910,942	10,465,626	10,620,467	10,701,432	10,955,263	11,991,022	12,507,118	11,830,203
Unrestricted	638,560	(8,236,458)	(8,144,522)	(7,270,399)	(6,672,378)	(8,494,036)	(8,424,483)	(9,702,096)	(8,650,439)	(4,919,228)
Total governmental activities net position	\$ 41,856,820	\$ 31,212,274	\$ 31,292,157	\$ 31,079,975	\$ 30,754,346	\$ 28,775,343	\$ 28,417,372	\$ 26,839,584	\$ 29,534,043	\$ 33,420,374
Business-type activities:										
Net investment in capital assets	\$ 15,109,831	\$ 14,665,508	\$ 14,556,258	\$ 14,424,080	\$ 14,803,046	\$ 15,150,132	\$ 14,838,636	\$ 15,483,091	\$ 15,533,368	\$ 14,906,150
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	8,267,400	8,402,921	9,695,587	10,819,817	11,865,877	11,569,826	12,230,702	11,457,185	10,997,946	11,032,040
Total business-type activities net position	\$ 23,377,231	\$ 23,068,429	\$ 24,251,845	\$ 25,243,897	\$ 26,668,923	\$ 26,719,958	\$ 27,069,338	\$ 26,940,276	\$ 26,531,314	\$ 25,938,190
Primary Government:										
Net investment in capital assets	\$ 46,092,867	\$ 44,274,010	\$ 43,081,995	\$ 42,308,828	\$ 41,609,303	\$ 41,718,079	\$ 40,725,228	\$ 40,033,749	\$ 41,210,732	\$ 41,415,549
Restricted	10,235,224	9,840,230	10,910,942	10,465,626	10,620,467	10,701,432	10,955,263	11,991,022	12,507,118	11,830,203
Unrestricted	8,905,960	166,463	1,551,065	3,549,418	5,193,499	3,075,790	3,806,219	1,755,089	2,347,507	6,112,812
Total primary government net position	\$ 65,234,051	\$ 54,280,703	\$ 55,544,002	\$ 56,323,872	\$ 57,423,269	\$ 55,495,301	\$ 55,486,710	\$ 53,779,860	\$ 56,065,357	\$ 59,358,564

* 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.

Source: City of Red Bluff Financial Reports

City of Red Bluff

STATEMENT OF ACTIVITIES

Last Ten Fiscal Years (Accrual Basis of Accounting)

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Expenses:										
Governmental activities:										
General government										
City administration	\$ 398,463	\$ 356,920	\$ 393,618	\$ 472,291	\$ 533,939	\$ 766,534	\$ 375,257	\$ 678,447	\$ 668,538	\$ 26,856
Finance	400,727	407,240	455,859	457,445	465,684	507,501	536,268	531,270	604,592	710,341
Community promotion and economic development	107,225	102,792	99,330	97,611	93,420	91,609	65,224	153,048	83,021	141,630
Human resources	119,776	114,370	139,099	125,048	128,960	187,749	193,442	194,912	212,255	208,481
Engineering and administration	132,156	121,491	92,074	105,265	176,189	173,262	181,824	185,095	270,381	284,007
Government buildings	107,852	147,159	148,608	186,650	358,403	404,680	519,926	436,497	472,467	856,896
General government	191,725	171,826	297,374	53,313	114,071	212,508	244,478	340,872	258,779	359,463
Public safety:										
Fire	1,847,624	1,779,441	1,948,383	2,092,629	3,008,573	2,337,619	2,982,813	3,132,503	3,123,518	3,484,369
Police	4,180,695	4,430,643	4,847,057	4,993,565	4,727,324	6,234,793	6,375,624	6,729,993	7,059,387	8,355,082
Parks and recreation	423,235	429,042	221,909	287,670	564,815	538,507	627,982	549,841	524,349	729,181
Transportation and streets	2,000,901	2,197,832	2,386,819	2,437,016	1,772,811	2,294,797	2,107,137	2,303,414	2,227,078	1,082,314
Senior nutrition program	251,390	-	-	-	-	-	-	-	-	-
Grants & program income	74,919	185,102	305,553	251,425	990,726	149,233	-	-	-	-
Total governmental activities expenses	10,236,688	10,443,858	11,335,683	11,559,928	12,934,915	13,898,792	14,209,975	15,235,892	15,504,365	16,238,620
Business-type activities:										
Community development	359,033	332,345	280,094	313,412	201,601	314,442	360,923	397,452	409,166	403,848
Waste water	1,691,332	1,807,789	2,148,694	2,261,824	2,397,433	2,409,070	2,585,023	2,716,976	3,169,608	3,587,887
Water	1,223,665	1,310,922	1,354,882	1,429,373	1,630,846	1,807,750	1,712,325	2,105,350	1,891,006	1,839,820
Airport	182,889	204,006	181,269	174,170	2,952,281	236,729	250,246	242,743	254,744	284,522
Community center	247,415	259,764	295,266	293,399	310,670	252,542	358,204	352,283	389,565	325,683
Total business-type activities expenses	3,704,334	3,914,826	4,260,205	4,472,178	7,492,831	5,020,533	5,266,721	5,814,804	6,114,089	6,441,760
Total primary government expenses	13,941,022	14,358,684	15,595,888	16,032,106	20,427,746	18,919,325	19,476,696	21,050,696	21,618,454	22,680,380

City of Red Bluff

STATEMENT OF ACTIVITIES

Last Ten Fiscal Years (Accrual Basis of Accounting)

(Continued)

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	374,250	380,997	390,026	400,832	423,257	476,866	451,138	451,933	456,957	560,953
Public safety										
Fire	13,391	6,528	41,494	7,858	11,423	29,063	15,102	63,093	74,611	66,572
Police	82,080	91,386	81,411	77,959	89,356	92,027	84,829	74,938	98,674	78,909
Parks & recreation	61,678	62,068	54,493	86,132	85,626	80,958	69,342	44,057	22,471	60,935
Grants & program income	15,359	8,507	4,895	110,263	-	-	-	-	-	-
Operating grants and contributions	1,079,441	749,627	902,343	870,914	2,073,783	1,513,461	1,437,725	1,514,594	2,111,419	5,513,376
Capital grants and contributions	400,427	32,149	191,479	162,907	32,143	449,658	64,970	156,453	2,264,802	260,789
Total governmental activities program revenues	2,026,626	1,331,262	1,666,141	1,716,865	2,715,588	2,642,033	2,123,106	2,305,068	5,028,934	6,541,534
Business-type activities:										
Charges for services:										
Community development	369,002	471,603	536,699	519,261	458,409	399,395	428,062	506,037	545,131	500,759
Waste water	2,893,933	2,917,443	2,915,534	2,909,695	3,152,427	2,919,265	2,935,002	2,936,304	2,903,137	2,935,273
Water	2,312,459	2,315,557	2,137,292	2,003,215	2,212,746	2,221,532	2,227,451	2,319,314	2,373,217	2,268,181
Airport	120,826	128,133	130,101	121,416	113,790	134,988	124,068	137,494	141,835	132,920
Community center	82,482	104,768	124,712	124,139	127,425	132,348	120,158	83,144	79,819	131,834
Operating grants and contributions	67,586	77,175	83,318	76,457	90,030	97,710	45,050	98,893	30,000	106,657
Capital grants and contributions	12,920	10,128	36,348	31,330	462,227	111,640	37,928	12,500	90,216	446,445
Total business-type activities program revenues	5,859,208	6,024,807	5,964,004	5,785,513	6,617,054	6,016,878	5,917,719	6,093,686	6,163,355	6,522,069
Total primary government program revenues	7,885,834	7,356,069	7,630,145	7,502,378	9,332,642	8,658,911	8,040,825	8,398,754	11,192,289	13,063,603
Net (expense)/revenue:										
Governmental activities	(8,210,062)	(9,112,596)	(9,669,542)	(9,843,063)	(10,219,327)	(11,256,759)	(12,086,869)	(12,930,824)	(10,475,431)	(9,697,086)
Business-type activities	2,154,874	2,109,981	1,703,799	1,313,335	1,831,223	996,345	650,998	278,882	49,266	80,309
Total primary government net expense	(6,055,188)	(7,002,615)	(7,965,743)	(8,529,728)	(8,388,104)	(10,260,414)	(11,435,871)	(12,651,942)	(10,426,165)	(9,616,777)

City of Red Bluff

STATEMENT OF ACTIVITIES

Last Ten Fiscal Years (Accrual Basis of Accounting)

(Continued)

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes:										
Sales taxes	2,795,660	2,972,009	3,386,116	4,471,064	4,352,561	4,444,998	5,399,869	5,266,540	6,398,956	6,663,813
Property taxes	1,273,648	1,330,013	1,396,361	1,409,976	1,538,737	1,492,031	1,661,525	1,723,402	1,851,491	1,938,756
Motel taxes	711,274	720,122	835,533	928,374	939,306	977,215	1,473,204	964,054	1,174,303	1,589,670
Special gas taxes	338,911	478,119	364,333	314,726	275,095	289,366	277,846	315,199	316,965	343,483
Franchise taxes	303,909	306,342	324,229	346,867	359,147	378,888	399,784	415,714	434,059	466,893
Other taxes	203,453	219,093	221,998	220,719	235,859	252,212	215,329	245,959	258,156	321,757
Motor vehicle license fees	959,291	979,512	992,407	1,057,086	1,138,014	1,199,422	1,298,324	1,365,543	1,433,904	1,510,581
Impact fees	230,787	8,551	1,454,334	204,968	264,947	112,997	53,692	57,325	96,638	159,226
Investment earnings	133,603	130,680	145,522	170,436	177,092	201,797	218,846	196,474	197,016	(202,490)
Gain/loss on sale of asset	-	1,200	30,560	184	-	-	5,000	35,808	323,080	-
Transfers	154,511	541,691	598,032	506,481	612,940	828,038	725,479	767,018	685,322	791,728
Total governmental activities	7,105,047	7,687,332	9,749,425	9,630,881	9,893,698	10,176,964	11,728,898	11,353,036	13,169,890	13,583,417
Business-type activities:										
Taxes	56,428	67,617	-	59,973	71,582	105,298	105,576	97,047	87,989	126,561
Investment earnings	61,469	62,019	77,649	125,225	135,161	172,188	318,285	262,027	139,105	(8,281)
Gain on sale of assets	-	-	-	-	-	-	-	-	-	15
Transfers	(154,511)	(541,691)	(598,032)	(506,481)	(612,940)	(828,038)	(725,479)	(767,018)	(685,322)	(791,728)
Total business-type activities	(36,614)	(412,055)	(520,383)	(321,283)	(406,197)	(550,552)	(301,618)	(407,944)	(458,228)	(673,433)
Total primary government	7,068,433	7,275,277	9,229,042	9,309,598	9,487,501	9,626,412	11,427,280	10,945,092	12,711,662	12,909,984
Change in Net Position:										
Governmental activities	(1,105,015)	(1,425,264)	79,883	(212,182)	(325,629)	(1,079,795)	(357,971)	(1,577,788)	2,694,459	3,886,331
Business-type activities	2,118,260	1,697,926	1,183,416	992,052	1,425,026	445,793	349,380	(129,062)	(408,962)	(593,124)
Total primary government	\$ 1,013,245	\$ 272,662	\$ 1,263,299	\$ 779,870	\$ 1,099,397	\$ (634,002)	\$ (8,591)	\$ (1,706,850)	\$ 2,285,497	\$ 3,293,207

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)

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	9,057	539	-	-	1,524	200,000	916	49,072	-	65,696
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	700,000	850,000	1,400,000	2,498,000	2,953,000	2,600,000	3,600,000	4,000,000	6,030,000	10,249,451
Unassigned	30,102	42,950	32,922	22,128	40,070	68,972	112,775	376,370	816,893	367,971
Total general fund	\$ 739,159	\$ 893,489	\$ 1,432,922	\$ 2,520,128	\$ 2,994,594	\$ 2,868,972	\$ 3,713,691	\$ 4,425,442	\$ 6,846,893	\$ 10,683,118
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Nonspendable**	-	-	-	-	-	-	-	902	-	1,662
Restricted*	999,380	9,561,683	10,799,948	10,301,972	10,394,940	10,712,625	10,794,612	11,434,606	11,891,199	11,207,135
Committed*	1,086,144	1,321,899	1,057,287	1,038,783	1,023,968	904,409	904,409	805,850	730,594	486,485
Assigned	60,250	90,890	132,782	191,745	263,071	352,935	501,951	638,947	707,460	728,959
Unassigned	(69,626)	(70,650)	(55,343)	(47,901)	(40,290)	(36,934)	(35,663)	(34,006)	(31,738)	(37,184)
Total all other governmental funds	\$ 2,076,148	\$ 10,903,822	\$ 11,934,674	\$ 11,484,599	\$ 11,641,689	\$ 11,933,035	\$ 12,165,309	\$ 12,846,299	\$ 13,297,515	\$ 12,387,057
Total Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable**	9,057	539	-	-	1,524	200,000	916	49,974	-	67,358
Restricted	999,380	9,561,683	10,799,948	10,301,972	10,394,940	10,712,625	10,794,612	11,434,606	11,891,199	11,207,135
Committed	1,086,144	1,321,899	1,057,287	1,038,783	1,023,968	904,409	904,409	805,850	730,594	486,485
Assigned	760,250	940,890	1,532,782	2,689,745	3,216,071	2,952,935	4,101,951	4,638,947	6,737,460	10,978,410
Unassigned	(39,524)	(27,700)	(22,421)	(25,773)	(220)	32,038	77,112	342,364	785,155	330,787
Total all other governmental funds	\$ 2,815,307	\$ 11,797,311	\$ 13,367,596	\$ 14,004,727	\$ 14,636,283	\$ 14,802,007	\$ 15,879,000	\$ 17,271,741	\$ 20,144,408	\$ 23,070,175

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)

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Revenues:										
Sales tax	\$ 2,795,660	\$ 2,972,009	\$ 3,386,116	\$ 4,471,064	\$ 4,352,561	\$ 4,444,998	\$ 5,399,869	\$ 5,266,540	\$ 6,398,956	\$ 6,663,813
Property tax	1,273,648	1,330,013	1,396,361	1,409,976	1,538,737	1,492,031	1,661,525	1,723,402	1,851,491	1,938,756
Motel tax	711,274	720,122	835,533	928,374	939,306	977,215	1,473,204	964,054	1,174,303	1,589,670
Franchise tax	303,909	306,342	324,229	346,867	359,147	378,888	399,784	415,714	434,059	466,893
Other taxes	187,840	195,985	204,512	202,061	216,299	242,251	215,329	245,959	258,156	321,757
Licenses and permits	359,517	361,808	390,072	402,631	418,791	407,951	425,605	434,283	464,349	476,523
Fines, forfeitures, and penalties	48,549	59,028	48,277	44,306	46,281	52,455	47,169	37,354	49,698	41,637
Use of money and property	41,968	35,111	43,235	62,133	76,543	93,769	159,358	152,726	110,981	(255,672)
Intergovernmental revenue	2,629,884	2,172,264	2,334,436	2,383,984	3,420,253	3,333,040	2,850,153	3,225,917	5,992,987	7,341,356
Charges for current services	86,966	87,478	100,901	107,719	119,180	154,689	107,427	88,039	86,506	122,613
Other revenues	446,312	154,424	1,651,574	438,972	408,699	305,664	299,893	293,350	607,970	586,273
Total revenues	8,885,527	8,394,584	10,715,246	10,798,087	11,895,797	11,882,951	13,039,316	12,847,338	17,429,456	19,293,619
Expenditures:										
Current:										
General government	1,303,999	1,261,014	1,325,612	1,461,645	1,759,720	1,856,718	1,894,970	2,052,955	2,215,279	4,840,552
Fire public safety	1,883,035	1,670,002	1,804,086	2,073,642	2,358,334	2,552,505	2,634,641	2,724,962	2,917,661	5,894,678
Police public safety	5,593,288	4,000,627	4,203,081	4,295,756	4,756,752	5,054,444	5,483,543	5,422,835	5,956,489	16,718,646
Parks and recreation	304,834	325,701	330,534	395,027	370,533	439,388	436,547	379,921	388,781	760,520
Transportation and streets	679,055	851,368	928,607	1,051,201	757,283	739,865	713,345	769,872	766,435	1,254,118
Senior Nutrition program	292,339	-	-	-	-	-	-	-	-	-
Grants and program income	74,917	176,802	133,166	87,916	990,726	149,255	9,412	89,804	22,190	106,921
Capital outlay	438,909	345,076	640,530	912,668	586,275	1,445,583	1,616,977	426,138	4,095,557	2,981,267
Debt Service:										
Debt issuance costs	59,555	-	-	-	-	-	-	-	-	180,913
Principal	60,000	248,000	307,904	334,157	254,920	275,000	306,154	328,029	24,938	98,474
Interest	25,702	71,681	69,473	55,425	42,638	32,507	48,336	27,099	28,300	50,261
Total expenditures	10,715,633	8,950,271	9,742,993	10,667,437	11,877,181	12,545,265	13,143,925	12,221,615	16,415,630	32,886,350
Excess (deficiency) of revenues over (under) expenditures	(1,830,106)	(555,687)	972,253	130,650	18,616	(662,314)	(104,609)	625,723	1,013,826	(13,592,731)
Other financing sources (uses):										
Operating transfers in	1,493,342	1,640,816	961,858	889,879	954,292	1,157,226	1,069,528	1,044,187	1,126,937	965,259
Operating transfers out	(1,338,831)	(1,099,125)	(363,826)	(383,398)	(341,352)	(329,188)	(344,049)	(277,169)	(441,615)	(173,531)
Debt proceeds **	1,948,000	-	-	-	-	-	456,123	-	1,173,519	15,726,770
Total other financing sources (uses)	2,102,511	541,691	598,032	506,481	612,940	828,038	1,181,602	767,018	1,858,841	16,518,498
Net change in fund balance	\$ 272,405	\$ (13,996)	\$ 1,570,285	\$ 637,131	\$ 631,556	\$ 165,724	\$ 1,076,993	\$ 1,392,741	\$ 2,872,667	\$ 2,925,767
Debt service as a percentage of non capital expenditures	0.83%	3.71%	4.15%	3.99%	2.64%	2.77%	3.08%	3.01%	0.43%	1.10%

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>
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%
2020-2021	\$ 6,846,893	\$ 7,010,931	97.7%
2021-2022	\$ 10,683,118	\$ 14,507,979	73.6%

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
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
2020-2021	\$ 9,910,169	\$ 464,349	\$ 15,611	\$ 26,785	\$ 2,319,585	\$ 86,506	\$ 511,332	\$ 13,334,337
2021-2022	\$ 10,729,791	\$ 476,523	\$ 19,317	\$ (285,073)	\$ 5,727,213	\$ 122,613	\$ 398,676	\$ 17,189,060

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
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
2020-2021	\$ 6,398,956	\$ 1,851,491	\$ 1,174,303	\$ 434,059	\$ 51,360	\$ -	\$ 419,511	\$ 44,838
2021-2022	\$ 6,663,813	\$ 1,938,756	\$ 1,589,670	\$ 466,893	\$ 70,659	\$ -	\$ 445,534	\$ 30,989

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
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	\$ 5,593,288	\$ 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
2020-2021	\$ 2,215,279	\$ 2,917,661	\$ 5,956,489	\$ 388,781	\$ 766,435	\$ -	\$ 22,190	\$ 4,095,557	\$ 53,238	\$ 16,415,630
2021-2022	\$ 4,840,552	\$ 5,894,678	\$ 16,718,646	\$ 760,520	\$ 1,254,118	\$ -	\$ 106,921	\$ 2,981,267	\$ 329,649	\$ 32,886,351

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

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	
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%
2020-2021	1.0000%	0.16767%	0.17245%	0.0210%	0.0220%	0.0139%	1.0569%
2021-2022	1.0000%	0.16767%	0.17220%	0.0118%	0.0010%	0.0141%	1.0269%

(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
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%
2020-2021	\$ 964,385,495	\$ 84,341,449	\$ 2,011,830	\$ 1,050,738,774	5.04%
2021-2022	\$ 1,008,949,003	\$ 92,400,781	\$ 2,264,748	\$ 1,103,614,532	5.03%
				Average % Change:	3.66%

Source: Tehama County Assessor's Annual Combined Tax Rolls

City of Red Bluff

PRINCIPAL SECURED PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Helibro LLC	\$ 30,819,070	1	2.79%	\$ 6,832,405	6	1.00%
Walmart Stores, Inc.	27,027,900	2	2.45%	10,610,691	1	1.56%
Kumar Hotels, Inc.	22,716,917	3	2.06%	-	n/a	0.00%
Belle Mill Pad Owner	11,155,183	4	1.01%	-	n/a	0.00%
PJ Helicopters, Inc.	11,147,550	5	1.01%	9,153,841	3	1.34%
Home Depot USA, Inc.	9,022,713	6	0.82%	9,157,959	2	1.34%
Cabernet Apartments ETAL	8,899,518	7	0.81%	5,825,900	9	0.86%
Raleys, Inc.	8,297,513	8	0.75%	7,191,305	5	1.06%
Greenville Rancheria	7,193,791	9	0.65%	-	n/a	0.00%
Tehama Medical Arts LLC	6,942,445	10	0.63%	5,982,805	8	0.88%
Marshall Belle Mill LLC ETAL	-	n/a	0.00%	7,800,000	4	1.15%
Kumar Pawan	-	n/a	0.00%	6,356,462	7	0.93%
Assisted Living Facilities	-	n/a	0.00%	5,825,208	10	0.86%
Sum of Ten Largest Property Valuation	143,222,600		12.98%	74,736,576		10.97%
Other Taxpayers	960,391,932		87.02%	606,473,632		89.03%
Total Property Valuations - Net of Exemptions	\$ 1,103,614,532		100.00%	\$ 681,210,208		100.00%

Source: Tehama County Assessor 2021/22 and 201/13 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, 2021

Category	Parcels	Assessed Value		Net Taxable Value	
Residential	4,037	\$ 697,316,035	56.1%	\$ 640,329,626	58.0%
Commercial	523	\$ 304,287,507	24.5%	\$ 289,943,959	26.3%
Industrial	81	\$ 44,655,635	3.6%	\$ 44,655,635	4.0%
Dry Farm	4	\$ 211,044	0.0%	\$ 211,044	0.0%
Govt. Owned	1	\$ 317,852	0.0%	\$ 317,862	0.0%
Institutional	45	\$ 71,294,808	5.7%	\$ 7,326,797	0.7%
Miscellaneous	20	\$ 534,944	0.0%	\$ 374,858	0.0%
Recreational	12	\$ 9,029,831	0.7%	\$ 8,693,581	0.8%
Vacant	263	\$ 12,289,586	1.0%	\$ 11,950,540	1.1%
Exempt	277	\$ -	0.0%	\$ -	0.0%
SBE Nonunitary	[10]	\$ 2,264,748	0.2%	\$ 2,264,748	0.2%
Cross Reference	[178]	\$ 5,169,760	0.4%	\$ 5,145,101	0.5%
Unsecured	[1,005]	\$ 95,484,535	7.7%	\$ 92,400,781	8.4%
TOTALS	5,263	\$ 1,242,856,285	100.0%	\$ 1,103,614,532	100.0%

Data Source: Tehama County Assessor 2021/22 Combined Tax Rolls

Single Family Residential Full Value Sales (01/01/2018 - 06/30/2022)

Year	Full Value Sales	Average Price	Median Price	Median % Change
2019	225	\$ 204,854	\$ 195,000	
2020	200	\$ 222,538	\$ 220,000	12.82%
2021	229	\$ 254,272	\$ 250,000	13.64%
2022	115	\$ 271,024	\$ 274,500	9.80%

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

Data Source: Tehama County Recorder

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

Data compiled by 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
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%
2020-2021	\$ 1,939,480	\$ 1,939,480	100%	\$ -	\$ 1,939,480	100%
2021-2022	\$ 2,065,317	\$ 2,065,317	100%	\$ -	\$ 2,065,317	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, 2021

	Secured	Nonunitary Utilities	Unsecured
Parcels	4,986	10	991
TRAs	22	1	14
Values			
Land	\$ 265,079,206	\$ 1,464,748	\$ 1,317,038
Improvements	824,963,080	-	7,187,850
Personal property	42,273,497	800,000	32,903,225
Fixtures	12,791,229	-	15,422,482
Aircraft	-	-	38,653,930
Total Values	1,145,107,012	2,264,748	56,830,595
Exemptions			
Real estate	106,851,258	-	-
Personal property	21,621,147	-	1,393,842
Fixtures	7,685,604	-	1,249,695
Aircraft	-	-	440,207
Homeowners*	13,304,300	-	-
Total Exemptions	136,158,009	-	2,643,537
Total Net Values	\$ 1,008,949,003	\$ 2,264,748	\$ 54,187,058

Combined Values	Total
Total Values	\$ 1,204,202,355
Total Exemptions	\$ 138,801,546
Net Total Values	\$ 1,065,400,809
Net Aircraft Values	\$ 38,213,723

* Note: Homeowner exemptions are not included in total exemptions

Totals do not include aircraft values or aircraft exemptions

Data Source: Tehama County Assessor 2021/22 Combined Tax Rolls

City of Red Bluff

ASSESSED VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Category	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Residential	\$ 416,542,159	\$ 414,200,942	\$ 425,652,465	\$ 461,044,374	\$ 470,843,087	\$ 491,740,930	\$ 534,569,842	\$ 571,316,411	\$ 599,828,697	\$ 640,329,626
Commercial	182,089,869	209,413,795	199,323,043	218,216,076	250,687,235	259,917,895	272,375,182	278,319,493	288,085,799	289,943,959
Industrial	26,039,963	25,409,557	24,710,396	30,414,376	32,424,487	35,161,316	37,798,045	41,378,095	42,914,929	44,655,635
Dry Farm	333,692	337,974	342,107	187,701	190,562	194,371	200,774	204,789	208,883	211,044
Govt. owned	273,929	616,718	504,192	686,282	690,647	715,409	672,327	687,159	314,603	317,862
Institutional	1,459,189	1,512,791	1,533,029	4,809,444	4,856,231	5,541,659	5,294,368	5,221,575	7,265,836	7,326,797
Irrigated	177,334	180,880	181,701	-	-	-	-	-	-	-
Miscellaneous	16,046,052	10,199,439	17,216,109	657,456	642,246	602,427	735,334	557,378	470,562	374,858
Recreational	5,160,623	5,231,513	5,310,943	8,392,086	8,509,162	8,489,874	7,963,570	8,459,821	8,618,516	8,693,581
Vacant	26,179,149	24,342,469	24,258,735	11,553,503	10,896,341	11,243,604	11,984,110	11,492,517	11,575,127	11,950,540
SBE nonunitary	1,564,942	1,564,942	1,318,125	1,318,125	1,318,125	1,311,830	1,311,830	1,311,830	2,011,830	2,264,748
Cross reference	5,343,307	5,174,011	5,034,510	4,965,430	4,694,146	4,729,296	4,785,893	4,759,397	5,102,543	5,145,101
Unsecured	57,748,827	58,382,220	59,432,383	62,194,249	85,230,689	74,043,382	76,326,939	76,622,129	84,341,449	92,400,781
Totals	<u>\$ 738,959,035</u>	<u>\$ 756,567,251</u>	<u>\$ 764,817,738</u>	<u>\$ 804,439,102</u>	<u>\$ 870,982,958</u>	<u>\$ 893,691,993</u>	<u>\$ 954,018,214</u>	<u>\$ 1,000,330,594</u>	<u>\$ 1,050,738,774</u>	<u>\$ 1,103,614,532</u>
Total Direct Rate	0.17516	0.17536	0.17527	0.17764	0.17378	0.17102	0.17315	0.17284	0.17245	0.17220

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 2011/12 - 2020/21 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
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
2020-2021	\$ -	\$ -
2021-2022	\$ -	\$ -

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
	General Obligation Bonds	Revenue Bonds	Loans	Capital Leases	General Obligation Bonds	Revenue Bonds	Loans		
2012-2013	\$ -	\$ -	\$ 1,888,000	\$ -	\$ -	\$ -	\$ 932,042	\$ 2,820,042	1.12%
2013-2014	\$ -	\$ -	\$ 1,640,000	\$ 120,080	\$ -	\$ -	\$ 805,924	\$ 2,566,004	1.06%
2014-2015	\$ -	\$ -	\$ 1,378,000	\$ 72,710	\$ -	\$ -	\$ 677,532	\$ 2,128,242	0.90%
2015-2016	\$ -	\$ -	\$ 1,095,000	\$ 21,920	\$ -	\$ -	\$ 546,825	\$ 1,663,745	0.72%
2016-2017	\$ -	\$ -	\$ 850,000	\$ 12,000	\$ -	\$ -	\$ 413,760	\$ 1,275,760	0.54%
2017-2018	\$ -	\$ -	\$ 587,000	\$ -	\$ -	\$ -	\$ 293,815	\$ 880,815	0.38%
2018-2019	\$ -	\$ -	\$ 304,000	\$ 432,969	\$ -	\$ -	\$ 148,377	\$ 885,346	0.35%
2019-2020	\$ -	\$ -	\$ -	\$ 408,940	\$ -	\$ -	\$ -	\$ 408,940	0.16%
2020-2021	\$ -	\$ -	\$ -	\$ 1,557,522	\$ -	\$ -	\$ -	\$ 1,557,522	0.64%
2021-2022	\$ 15,811,971	\$ -	\$ -	\$ 1,468,651	\$ 2,728,029	\$ -	\$ -	\$ 20,008,651	4.24%

Source:

City of Red Bluff Financial Report

U.S. Census Bureau

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
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
2020-2021	\$ -	\$ -	\$ -	0.00%	\$ -	14,272	\$ 1,050,738,774
2021-2022	\$ 18,540,000	\$ -	\$ 18,540,000	1.68%	\$ 1,269	14,605	\$ 1,103,614,532

Source:

City of Red Bluff Financial Report

U.S. Census Bureau

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>
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%
2020-2021	\$ -	\$ -	\$ 12,922,752	0.00%
2021-2022	\$ 18,540,000	\$ -	\$ 29,262,758	0.00%

Source: City of Red Bluff Financial Reports

City of Red Bluff

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2021

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City	City Share of Debt
Overlapping Debt Repaid with Property Tax:			
Red Bluff Elementary	\$ 3,665,000	59.26%	\$ 2,171,879
Red Bluff High	12,390,000	23.48%	2,909,172
Shasta Community College	<u>139,998,838</u>	16.27%	<u>22,777,811</u>
Sub-Total overlapping debt	156,053,838		27,858,862
City of Red Bluff direct debt	<u>20,008,652</u>	100.00%	<u>\$ 20,008,652</u>
Total direct and overlapping debt	<u><u>\$ 176,062,490</u></u>		<u><u>\$ 47,867,514</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

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

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Assessed Valuation	\$ 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	\$ 1,050,738,774	\$ 1,103,614,532
Debt Limit 15% of Total Assessed Valuation*	\$ 110,843,855	\$ 113,485,088	\$ 114,722,661	\$ 120,665,865	\$ 130,647,444	\$ 134,053,799	\$ 143,102,732	\$ 150,049,589	\$ 157,610,816	\$ 165,542,180
Debt Applicable to Debt Limit	-	-	-	-	-	-	-	-	-	18,540,000
Legal Debt Margin	\$ 110,843,855	\$ 113,485,088	\$ 114,722,661	\$ 120,665,865	\$ 130,647,444	\$ 134,053,799	\$ 143,102,732	\$ 150,049,589	\$ 157,610,816	\$ 147,002,180
Total Net	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	11.20%

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

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

City of Red Bluff
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years

Fiscal Year	Pension Obligation Bond					CalPERS Refunding Loan				
	Gross Revenue	Operating Expenses	Net Revenue		Coverage	Gross Revenue	Operating Expenses	Net Revenue		Coverage
			Available for Debt Service	Total Debt Service				Available for Debt Service	Total Debt Service	
2012-2013	\$ -	\$ -	\$ -	\$ -	-	\$ 9,681,065	\$ 9,414,811	\$ 266,254	\$ 85,746	3.11
2013-2014	\$ -	\$ -	\$ -	\$ -	-	\$ 7,950,884	\$ 7,796,554	\$ 154,330	\$ 319,214	0.48
2014-2015	\$ -	\$ -	\$ -	\$ -	-	\$ 8,732,372	\$ 8,192,939	\$ 539,433	\$ 323,405	1.67
2015-2016	\$ -	\$ -	\$ -	\$ -	-	\$ 10,004,548	\$ 8,917,342	\$ 1,087,206	\$ 333,993	3.26
2016-2017	\$ -	\$ -	\$ -	\$ -	-	\$ 10,480,892	\$ 10,006,426	\$ 474,466	\$ 285,306	1.66
2017-2018	\$ -	\$ -	\$ -	\$ -	-	\$ 11,097,061	\$ 11,222,683	\$ (125,622)	\$ 293,596	(0.43)
2018-2019	\$ -	\$ -	\$ -	\$ -	-	\$ 12,403,758	\$ 12,015,162	\$ 388,596	\$ 303,143	1.28
2019-2020	\$ -	\$ -	\$ -	\$ -	-	\$ 11,855,440	\$ 11,143,689	\$ 711,751	\$ 304,000	2.34
2020-2021	\$ -	\$ -	\$ -	\$ -	-	\$ 14,234,102	\$ 12,986,170	\$ 1,247,932	\$ -	-
2021-2022	\$ 34,573,883	\$ 29,414,472	\$ 5,159,411	\$ -	-	\$ -	\$ -	\$ -	\$ -	-

Fiscal Year	State Revolving Loan Fund and Revenue Bonds							CIEDB Loan				
	Gross Revenue	Operating Expenses	Net Revenue		Revenue Bonds		Coverage	Gross Revenue	Operating Expenses	Net Revenue		Coverage
			Available for Debt Service	SRL Debt Debt Service	Bonds Debt Service	Total Debt Service				Available for Debt Service	Total Debt Service	
2012-2013	\$ 2,893,933	\$ 1,644,415	\$ 1,249,518	\$ 142,923	\$ -	\$ 142,923	8.74	\$ 2,312,459	\$ 1,193,942	\$ 1,118,517	\$ 263,912	4.24
2013-2014	\$ 2,917,443	\$ 1,790,688	\$ 1,126,755	\$ 142,923	\$ -	\$ 142,923	7.88	\$ -	\$ -	\$ -	\$ -	-
2014-2015	\$ 2,915,534	\$ 2,135,496	\$ 780,038	\$ 142,923	\$ -	\$ 142,923	5.46	\$ -	\$ -	\$ -	\$ -	-
2015-2016	\$ 2,909,695	\$ 2,251,500	\$ 658,195	\$ 142,923	\$ -	\$ 142,923	4.61	\$ -	\$ -	\$ -	\$ -	-
2016-2017	\$ 3,152,427	\$ 2,389,832	\$ 762,595	\$ 142,923	\$ -	\$ 142,923	5.34	\$ -	\$ -	\$ -	\$ -	-
2017-2018	\$ 2,919,265	\$ 2,403,646	\$ 515,619	\$ 142,923	\$ -	\$ 142,923	3.61	\$ -	\$ -	\$ -	\$ -	-
2018-2019	\$ 2,935,002	\$ 2,563,099	\$ 371,903	\$ 142,923	\$ -	\$ 142,923	2.60	\$ -	\$ -	\$ -	\$ -	-
2019-2020	\$ 2,936,304	\$ 2,706,819	\$ 229,485	\$ 140,392	\$ -	\$ 140,392	1.63	\$ -	\$ -	\$ -	\$ -	-
2020-2021	\$ 2,903,137	\$ 3,165,089	\$ (261,952)	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	-
2021-2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	-

Source: City of Red Bluff Financial Reports

City of Red Bluff

GENERAL INFORMATION

As of June 30, 2021

Miscellaneous Information

Year of Incorporation	1876
Population	14,605
Area in Acres	4,490
Form of Government	Council/Manager
Employees	
Full-time	100
Part-time	33
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	16
Number of volunteers	15
Police Protection	
Number of volunteers	8
Number of stations	1
Number of police officers	26
Number of records clerks	3
Dispatchers/ CSOs	12

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	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
County of Tehama	756	1	14%	836	1	14%
St. Elizabeth Hospital	610	2	11%	440	2	7%
Wal-Mart	340	3	6%	257	4	4%
Tehama County Department of Education	285	4	5%	171	6	3%
Red Bluff Elementary School District	261	5	5%	272	3	4%
Red Bluff High School District	213	6	4%	195	5	3%
City of Red Bluff	144	7	3%	127	9	2%
Home Depot	140	8	3%	152	7	2%
PJ Helicopters	180	9	3%	-	n/a	0%
Raleys	85	10	2%	76	10	1%
California Division of Forestry	-	n/a	0%	148	9	2%
Total Employment Estimate - City of Red Bluff	5,600			6,170		

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*
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%
2020	14,272	11.3%	\$ 241,966	\$ 16,953	32.6	87.4%	10.4%
2021	14,605	5.1%	\$ 471,590	\$ 32,289	33.9	88.2%	12.2%

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
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
2020-2021	133.0	7	90	14	60	2.5	5,431	57	32,411	1,213	1,280	2,627	635
2021-2022	133.0	7	90	14	60	2.5	5,431	57	39,051	1,291	1,524	3,012	635

Source: City of Red Bluff records

*Statistics only available in calendar year, so providing 2020 calendar year for 2020-21 fiscal year statistics.

City of Red Bluff

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

Department	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
General Government	17	17	14	15	16	16	17	10	10	8
Community Development	3	2	2	2	2	2	2	2	3	5
Fire	31	31	36	32	38	33	38	31	26	22
Police	53	46	41	42	42	40	41	36	36	33
Public Works	16	13	10	9	10	9	12	10	11	7
Sewer	7	7	6	6	4	6	6	6	5	4
Water	6	6	6	6	6	6	5	6	5	5
Parks & Recreation	20	11	8	14	16	25	35	49	49	43
Total City	153	133	123	126	134	137	156	150	145	127

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
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
2020-2021	15.04	0.63	34.00	2.69
2021-2022	15.04	0.79	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 restaurants.

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 2021-22	
Business Name	Business Category
No Name On File 262841024	Receivables/Master Outlets
A Wireless	Electronics/Appliance Stores
Adobe Minimart	Service Stations
Antelope Liquors & Gas	Service Stations
Arco	Service Stations
Arco AM PM	Service Stations
Dollar General	Variety Stores
Flyers	Service Stations
Food Maxx	Grocery Stores
Growney Motors	New Motor Vehicle Dealers
Home Depot	Building Materials
Les Schwab Tire Center	Automotive Supply Stores
Marshalls	Family Apparel
One Stop Gas & Food	Service Stations
Park Planet	Specialty Stores
Raley's	Grocery Stores
Red Bluff Chrysler Dodge Jeep Ram	New Motor Vehicle Dealers
Red Bluff Gas	Service Stations
Red Bluff Shell	Service Stations
Reynolds Ranch & Farm Supply	Garden/Agricultural Supplies
Rina's Mini Mart	Service Stations
Ross	Family Apparel
Tractor Supply	Garden/Agricultural Supplies
Valero	Service Stations
Walmart Supercenter	Discount Dept Stores

Percent of Fiscal Year Total Paid By Top 25 Accounts = 65.70%

Period: July 2021 through June 2022

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

FOR FISCAL YEAR 2012-13	
Business Name	Business Category
Adobe Road Chevron	Service Stations
Antelope Valero	Service Stations
Arco AM PM	Service Stations
Arco AM PM	Service Stations
CVS Pharmacy	Drug Stores
Food Maxx	Grocery Stores
Growney Motors Buick/GMC	New Motor Vehicle Dealers
Home Depot	Building Materials
Jack in the Box	Quick-Service Restaurants
Les Schwab Tire Center	Automotive Supply Stores
Liquor & Food	Convenience Stores/Liquor
Main Street Chevron	Service Stations
McDonalds	Quick-Service Restaurants
More for Less Gas	Service Stations
One Stop Gas & Food	Service Stations
O'Reilly Auto Parts	Automotive Supply Stores
Raley's	Grocery Stores
Red Bluff Chrysler Dodge Jeep Ram	New Motor Vehicle Dealers
Red Bluff Shell	Service Stations
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 = 68.49%

Period: July 2012 through June 2013

City of Red Bluff

TAXABLE SALES BY CATEGORY

Last Ten Calendar Years (In Thousands of Dollars)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Apparel stores	\$ 1,297	\$ 1,360	\$ 1,479	\$ 2,179	\$ 2,041	\$ 2,170	\$ 2,407	\$ 9,960	\$ 12,201	\$ 17,267
Food stores	13,786	13,390	13,204	13,419	11,593	10,567	10,322	10,930	13,054	13,100
Eating and drinking places	30,388	30,790	31,960	34,441	36,396	37,515	38,705	42,011	37,748	49,794
Building materials	34,293	38,424	38,446	42,350	44,767	47,820	48,979	58,196	68,389	76,841
Auto dealers and supplies	26,944	42,610	53,799	68,583	71,996	74,473	69,833	67,065	74,526	77,073
Service stations	82,164	83,619	77,604	66,062	60,041	68,303	77,367	83,677	67,778	93,990
Other retail stores	71,369	70,573	74,281	73,757	77,893	77,993	78,740	82,806	91,488	103,471
All other outlets	45,858	48,241	52,851	64,062	67,991	66,512	68,109	119,424	111,213	120,113
Total	\$ 306,099	\$ 329,007	\$ 343,624	\$ 364,853	\$ 372,718	\$ 385,353	\$ 394,462	\$ 474,069	\$ 476,397	\$ 551,649

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

City of Red Bluff

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grant/Project Number	Disbursements/ Expenditures	Passed Through To Subrecipient
FEDERAL EXPENDITURES				
U.S. Department of Housing and Urban Development				
Passed through from State of California Department of Housing and Community Development				
Community Development Block Grant Program	14.228	20-CDBG-12035	\$ 366,598	\$ -
Community Development Block Grant Program	14.228	20-CDBG-CV-3-00078	171,507	-
Total U.S. Department of Housing and Urban Development			538,105	-
U.S. Department of the Treasury				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	EN00258989	3,478,038	-
Total Department of the Treasury			3,478,038	-
U.S. Department of Transportation				
Passed through from State of California Department of Transportation				
COVID-19 FAA Airport Improvement Program	20.106	3-06-0193-015-2020	20,288	
COVID-19 FAA Airport Improvement Program	20.106	3-06-0193-016-2021	394,952	
COVID-19 FAA Airport Improvement Program	20.106	3-06-0193-014-2020	36,151	-
Total U.S. Department of Transportation			451,391	-
U.S. Department of Justice				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0750	5,328	-
Total U.S. Department of Justice			5,328	-
Total Federal Expenditures			\$ 4,472,862	\$ -

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of the City under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the City, it is not intended to, and does not, present the net position, activities, or cash flows of the City.

Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Indirect cost rate

The City elected to use the 10 de minimis method for indirect cost rate allowed under the Uniform Guidance.

**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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 11, 2023.

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) as a basis for designing 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 that we consider to be a significant deficiency.

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

(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

City's Response to Findings

The City's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

AGT CPAs & Advisors
Redding, California
March 11, 2023

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited the City of Red Bluff's (the City), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* the could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

(Continued)

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

AGT CPAs & Advisors

AGT CPAs & Advisors
Redding, California
March 11, 2023

FINDINGS AND QUESTIONED COSTS SECTION

City of Red Bluff

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2022

SECTION I

SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Are any material weaknesses identified?	No
Are any significant deficiencies identified?	Yes
Is any noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	No
Identification of major programs:	
ALN 21.027 COVID 19 Coronavirus State and Local Fiscal Recovery Funds	
Threshold for distinguishing types A and B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

City of Red Bluff

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2022

SECTION II FINDINGS

FINANCIAL STATEMENTS AUDIT

2022-001

SIGNIFICANT DEFICIENCY

Condition

During our audit of the current year, we identified several audit adjustments that were material to the financial statements and which were required in order for the financial statements to be prepared in accordance and/or conformity with generally accepted accounting principles. While other year-end adjustments were identified by the City's internal control, these adjustments were not identified through internal controls.

Criteria

All adjustments necessary for financial statements to be prepared in accordance and/or conformity with generally accepted accounting principles should be identified and posted by the City.

Effect

Financial statements which are not in conformity with generally accepted accounting principles could have been prepared and distributed.

Recommendation

We recommend that management take steps to ensure that all adjustments necessary to prepare financial statements in conformity with generally accepted accounting principles be identified and posted prior to the start of the audit.

Response

The City is continuing to look for training opportunities for finance staff in an effort to continue to improve its financial reporting.

SECTION III FINDINGS

FEDERAL AWARDS AUDIT

None

City of Red Bluff

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

June 30, 2022

None