

**FOR THE FISCAL YEAR ENDING
JUNE 30, 2023**

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

Didar S. Bains Park

YUBA CITY
CALIFORNIA

City of Yuba City

Yuba City, California

Annual Comprehensive Financial Report

For the year ended June 30, 2023

Prepared by:
Finance Department

City of Yuba City
Annual Comprehensive Financial Report
For the year ended June 30, 2023

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January 2, 2024

Honorable Mayor and Members of the City Council,

It is our pleasure to submit the City of Yuba City's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. Management relies upon a comprehensive framework of internal controls to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (USGAAP). Because the cost of internal controls should not outweigh their benefits, Yuba City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. This report includes the annual audit report of the City's independent auditors, Badawi & Associates. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. The data is designed to factually set forth the City's financial condition and to present results of City operations as measured by activity among the various fund groups in an easily readable and understandable style.

State statutes require an annual audit of the City's financial records by independent, certified public accountants. The firm Badawi & Associates, Certified Public Accountants, audited the City's financial statements. In addition to meeting the requirements set forth in State statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act Amendments of 1996, the related U.S. Office of Management and Budget's Circular A-133, and OMB Uniform Guidance (2014). Auditing standards generally accepted in the United States of America and the standards set forth in the General Accounting Office's Government Auditing Standards were used by the auditors in conducting the engagement. The auditor's report on the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information is combined in the financial section of this report. The auditor's reports on internal controls and compliance with applicable laws and regulations can be found in the separately issued single audit report.

The financial statements are prepared in accordance with USGAAP as promulgated by the Governmental Accounting Standards Board (GASB) and include the report of the City's independent public accountants. The ACFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organizational chart, and a list of

principal officers. The financial section includes the basic financial statements, including management discussion and analysis, the combined and individual fund statements and schedules, and the auditor's report on the financial statements and schedules. The statistical section includes selected multi-year financial and demographic information.

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

For the fiscal year ended June 30, 2022, the City implemented the requirements of GASB Statement No. 87, *Leases*, GASB Statement No. 89, *Accounting Interest Cost Incurred Before the End of a Construction Period* and GASB Statement No 92, *Omnibus*, Statement No. 98, the Annual Comprehensive Financial Report name change, Statement No. 99, *Omnibus 2022*.

YUBA CITY HISTORY AND GOVERNMENT PROFILE

The City of Yuba City is a unique suburban/rural community located along the Feather River in Sutter County, 45 miles north of downtown Sacramento and 40 miles south of the City of Chico.

The City's population is currently estimated to be 69,500 and the City comprises 16.6 square miles. The City is the political, cultural, and economic center for the Yuba City Metropolitan Statistical Area (Yuba City MSA). The Yuba City MSA encompasses both Sutter and Yuba Counties. The MSA is comprised of nearly 1,250 square miles and is home to approximately 180,000 residents, 101,000 of whom reside in Sutter County and 79,000 of whom reside in Yuba County.

Yuba City was founded in 1849, as one of California's first communities that developed during the Gold Rush era. Since its incorporation in 1908, Yuba City has retained its link to the Sacramento Valley's rich agricultural heritage. Although Yuba City is home to hundreds of industrial, retail, and commercial businesses, and is responsible for providing a vast array of urban services to a growing population, agriculture continues to play an important role in the local economy. The area that surrounds Yuba City is one of the world's most productive agricultural regions. The region's leading commodities include rice, walnuts, peaches, dried plums, nursery products, tomatoes, and almonds.

The City is a full-service general law city that operates under a Council-Manager form of government. The City Council consists of five members, elected at large to serve four-year terms. The elections are staggered every two years, with three seats open in one election and two seats open in the next election. The Mayor is elected by the City Council to serve a one-year term. The Mayor serves as the City Council's presiding officer. The City Treasurer and City Clerk are also elected to serve four-year terms.

The City Council appoints a City Manager to implement its policies and directives. All the City departments operate under the supervision of the City Manager. In adhering to the City's mission statement (*To anticipate and provide for the needs of the community through quality service,*

innovation, and leadership, now and into the future), each department provides the level of services that the Yuba City community wants, needs, and is willing to pay for. Municipal services include police and fire protection, water and sanitation services, construction and maintenance of streets and infrastructure, planning and zoning, economic development, recreational activities and cultural events, and general administrative/support services.

This report includes all the funds of the City. This report also includes the financial activities considered to be part of, controlled by, and/or dependent on the City. Accordingly, this financial report incorporates financial data for *component units* of the City including the Successor Agency to the Yuba City Redevelopment Agency and the Yuba City Public Financing Authority. Component units are legally separate entities for which the City is financially accountable. The Yuba City Redevelopment Agency was eliminated under the provisions of AB 1X 26 and AB 1484 as were all other Redevelopment Agencies in the State of California. The current year financial report includes the activities of the Successor Agency, reported as a Private-Purpose Trust Fund. Additionally, the financial report also includes the activities of various other legally separate entities in the section Agency Funds. The activities of the Sutter-Butte Flood Control Agency (SBFCA) and the Sutter Animal Services Authority (SASA) both issue their own independent financial statements, but because the City serves as treasurer for these entities, their financial statements are summarized in the Agency Funds section.

ECONOMIC CONDITION & FINANCIAL INFORMATION

Local Economy

There have been positive and marked changes to the revenue portion of the budget. General fund revenue has continued to exhibit steady growth in the past couple of years and managed to exceed the budget in FY 2022-23, due to the economy. It is too early to know if the slowing economy will allow for continued growth or stymie what was appearing to be continued revenue growth, over the past few years. The City has enjoyed positive sales tax growth in seven of the past 16 quarters. When compared to the pre-pandemic fiscal year 2018-19, the total increase is equal to 22.3 percent, or an average increase of 5.6 percent over the four-year period. Sales tax has leveled off from the pandemic, yet in FY 2022-23 total sales tax revenues reached a nearly all-time high. Property values increased by \$483 million in 2023-24 for a growth rate decline of 7.5 percent, the sale of property contributed over \$186 million, and residential uses grew by \$316 million or 6.8 percent. Growth was led by property sales, which added \$119 million for single family residential and \$32 million for multi-family housing. Other land use values increased due to sales. Commercial property added almost \$22 million from sales and \$18 million from Proposition 8 reversals (of a total of \$80 million). Industrial sales added \$5 million (of total growth of \$15.3 million). Vacant land also increased by 8.7 million, in large part due to property sales of \$6 million.

As of June 2023, statewide home sales volume has declined for the last 9 months, due to high interest rates and low inventory. There were 19.7% fewer home sales in June than in June 2022; 46.5% fewer than at the peak in 2021. The state median home price in June was \$838,260. This is 2.4% below the median a year ago, a smaller annual decline than in recent months. The 2022 sale prices impacted values on the 2023/24 tax rolls. Value changes from 2023 sales through June are trending up each

month but are below 2022 levels. The median sale price of Yuba City detached single-family homes from January through September 2023 was \$415,000, a decrease of -\$20,000 (-4.6%) from 2022's median sale price. As the City looks toward the future, we will continue our fiscally conservative financial planning. The year-end results of operations show the general fund once again with a surplus from vacant positions and other budgetary savings. However, this is one-time savings and will not help balance budgets in future fiscal years. Additionally, there is a significant list of fiscal needs that compete for budget dollars.

Several years ago, the State eliminated Redevelopment agencies throughout the State. The City, as the Successor Agency, met the requirements and performed all the procedures required by both the State Department of Finance (DOF) and the State Controller's Office and remitted all remaining funds for both the former Redevelopment Agency and the Low- and Moderate-Income Housing Fund. In return, the State DOF issued a Finding of Completion for the Yuba City Successor Agency (the Agency). The Agency submitted the loan agreement between the former redevelopment agency and the City general fund on the Recognized Payment Obligation Schedule as an enforceable obligation to ultimately begin repayment when assessed values increase sufficiently to support the increased costs. Fortunately, available tax increment revenue and residual tax increment tax distributions to the City of Yuba City have grown faster than anticipated. The receipts are sufficient to cover the annual debt service payments on outstanding bonds, but excess revenue received during FY 2019-20 allowed for the Agency to begin loan repayments towards the SERAF obligation. Once the SERAF obligation has been met, those funds can begin to repay the City's general fund loan obligation. The City, as Successor Agency, refunded all of the outstanding tax allocation bonds, including the 2004 Series A and B and the 2007 Series in December 2015. The Agency has also prepared, submitted, and received approval on a long-range property management plan for initiating the disposal of Agency property and assets.

For additional information regarding Yuba City's local economy, please refer to the MD&A section, which begins on page 5.

Budget Process and Long-Term Financial Planning

The City prepares a budget for each fiscal year on or before June 30. The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annually appropriated budget approved by the City Council. Activities of the general fund and special revenue funds are included in the annual appropriated budget. Budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the department level within an individual fund.

The City remains committed to reviewing and updating its long-range fiscal model which looks out five to ten years but is placing more emphasis and focusing on evaluating the three to five-year sustainability of our general fund budget. Projections in the three to five-year range indicate anticipated growth in revenues, particularly in both property and sales taxes. However, expenditures are also expected to grow for employee benefits costs including healthcare and worker's compensation, but especially for retirement costs.

The CalPERS Board approved the Funding Risk Mitigation Policy in 2015 that created a trigger to reduce the discount rate automatically when excessively high investment returns occur. The pension

fund investment returns as of December 2021 were over 21 percent and the CalPERS Board lowered the discount rate to 6.8 percent. This lower discount rate, and the negative impact on the unfunded actuarial liability, is funded by the tradeoff of reduced costs to the City in the near term that would have been realized with the high investment returns. The total impact will not be realized for two years by local government agencies; however, the lower discount rate should be easier for the investment team at CalPERS to match with investment returns. The estimated impact on the City's general fund was first communicated on the CalPERS actuarial reports released in July 2022 estimating fiscal years 2023-24 and 2024-25. City staff anticipate any savings from stellar investment returns in FY 2021-22 to be completely offset by dismal investment returns in FY 2022-23, and staff anticipate another year of dismal investment returns in FY 2023-24 as the Fed continues their attempts to cool the economy.

The City prepaid an additional \$750,000 to CalPERS in October 2018, to reduce future unfunded liability payments over the next five to six fiscal years in addition to generating savings in CalPERS interest expense on the City's unfunded liability. City Council authorized another additional discretionary payment when the City's FY 2019-20 budget was adopted, but City Council requested that the payment be placed on hold until after CalPERS community workshops were held from July until December 2019. The last workshop was held on December 19, 2019, and City Council subsequently decided to use the planned additional payment instead to reimburse the General Fund for normal pension costs considering the uncertainty of the economy during the pandemic. Additional discretionary payments of nearly \$850,000 were made in June 2021, and again in June 2022.

The City continues to update its long-range financial model semi-annually to plan for these excessive impacts. Long-term however, revenue growth may not keep pace with the significant growth in CalPERS retirement cost increases. Other monetary options have been and will continue to be considered. All jurisdictions in the State of California are facing a similar financial burden. In January 2013, state legislation took effect that we now call PEPRA (Public Employees' Pension Reform Act) that significantly reduced pension benefits for all government employees hired in California—for agencies contracting with CalPERS for pension—after that date, so likewise reduced the employer cost of providing pensions to those employees. What this means: the CalPERS retirement system may have a chance. Recent analyses for Yuba City point to a fully funded plan by FY 2045-46, or soon after. Many options continue to be discussed by specific groups throughout the State of California, at this time.

The City Council's Fiscal Policy states that "the City's general fund shall maintain a fund balance of at least 15% of the total expenditures appropriated for the following fiscal year. This will be evaluated annually." The policy also states that "one-time funds shall not be budgeted or used to pay ongoing operating expenses for the City". The City met this requirement as of June 30, 2023.

The City's long range fiscal model contained budget deficits until FY 2017-18 when the City's pension obligation bonds were paid off, thereby reducing general fund expenditures by \$1.2 million per year going forward. Mostly due to many vacant positions throughout the City, the general fund has ended the fiscal year with a surplus on an actual basis for the past eight fiscal years. The vacancy savings had been significantly large compared to pre-pandemic years because of both the number of vacancies and the difficulty in procuring large pieces of equipment and vehicles due to the supply-chain issues and inventory shortages. The total estimated budgetary savings will decline due to the

efforts made to recruit and hire quality personnel. FY 2020-21 became an exception due to difficulties in filling positions during a pandemic and an imposed hiring freeze for the last quarter of the fiscal year. For FY 2022-23, all labor contracts were open for negotiation and City Council voted to make large COLA and equity adjustments to address recruiting and retention issues that have existed since the Great Recession, over a decade ago. These salary adjustments will add over \$3.5 million to the operating budget, less any vacancies. Further equity adjustments may be considered upon completion of a citywide classification and compensation study currently underway.

The City Council has communicated that prudent financial management is one of their top priorities. City staff will continue to take a proactive approach in responding to changes in both revenues and expenditures while ensuring we provide adequate service levels to our citizens. While City staff will continue to update the Long-Term Financial Planning model, we will continue reviewing financial results on a quarterly basis and provide updates to City Council at least semi-annually.

MAJOR ACCOMPLISHMENTS

The City's major accomplishments during FY 2022-23 are:

- Adopted a Yuba City Emergency Operations Plan
- Received over \$1.2 million in Fire Department grants
- Began construction of the Bridge St. Widening Project
- Purchased a new Public Works street sweeper
- Completed the cellular water meter conversion project
- Began disposal of City's surplus properties
- Advanced new development approval process
- Completed Didar S. Bains Park
- Annexed specific and master plan areas into the city limits
- Launched the YouCan! With Yuba City business/development support initiative
- Introduced Officer Percy Hops (bunny wellness officer) to the world, bringing positive press to Yuba City

MAJOR INITIATIVES

As set forth in the adopted budget of the City Council, there are several key issues and priorities of the City including:

- Public Safety – Police, Fire & Public Works
- Fiscal Stability
- Business Friendly
- Quality of Life
- Infrastructure

The initiatives listed below are examples of the Council's commitment to furthering their stated priorities and goals:

- Safe Community: Ensure the Highest Level of Public Safety
 - Prioritize Staffing
 - Public Safety Community Awareness
 - Emergency Preparedness
- Maintain and Enhance the Fiscal Stability of Yuba City
 - Ensure ongoing expenditures are supported by ongoing revenues
 - Develop a plan to manage impact of pension costs
 - Evaluate and enhance relationships with allied agencies
 - Manage and stabilize/justify water and wastewater fees
 - Explore opportunities to expand and diversify city-wide revenue sources
- Foster a Culture of Customer Service, Transparency & Accountability
 - Workplace Culture
 - Professionalism
 - Employee Development
 - Recruitment and Retention
- Yuba City is Open for Business
 - Review the City's Development Impact Fees
 - General Plan/Zoning Code Updates
 - Branding and Marketing
 - Process Improvement and Development
- Maintain and Enhance our Quality of Life
 - Clean and Safe Neighborhoods
 - Parks/Recreation and Arts
 - Public Outreach
 - Partnered with Blue Zones to improve p
- Identify and Address our Infrastructure Fiscal Needs
 - Infrastructure Investment
 - Community Involvement
 - Ensure the City's physical infrastructure is well-planned, funded and upheld. Thus, the environment, commercial and recreational areas are maintained within budgeted costs and resources
 - Fix and maintain the roads

PROSPECTS FOR THE FUTURE

In 2013 the City increased its fiscally conservative general fund balance reserve from ten percent to fifteen percent to cover unanticipated revenue shortfalls or expenditure requirements. For the fiscal year ended June 30, 2023, the City's uncommitted general fund reserve once again met the increased percentage policy requirement. In addition to the reserves within the City's general fund, the City also has an unallocated general fund capital improvement program balance available (\$2.8 million in the FY 2022-23 Adopted Capital Improvement Program Budget).

The City weathered the pandemic and while we are currently fiscally stable, we are cautiously looking toward the future based on our five-year financial plan. Our revenues for both property taxes and sales tax are increasing in the long term, we have been monitoring and controlling our increased labor costs,

and our reserves are healthy. The challenge will be to find a sustainable way to pay increased CalPERS retirement costs, and this is expected to be a fiscal challenge for all entities in California; not unique to Yuba City.

AWARDS AND ACKNOWLEDGEMENTS

Awards

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 Yuba City for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2022. This was the 22nd year that the City received the award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

To be awarded a Certificate of Achievement, the City must publish an easily read and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both USGAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program's requirements, and we are submitting it to the GFOA for consideration of another Certificate.

The GFOA also awarded a Distinguished Budget Presentation Award to the City of Yuba City for FY 2021-22. This is the highest form of recognition in governmental budgeting, and represents a significant achievement by any organization. The document is judged by an independent, anonymous panel of experts in the field of finance and budgeting. To receive the award, Yuba City had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well a government's budget serves as a policy document, a financial plan, an operations guide, and a communications device. The California Society of Municipal Finance Officers (CSMFO) likewise awarded the City of Yuba City the Certificate of Award – Excellence in Operational Budgeting.

Acknowledgments

Publication of this report was made possible by the efficient and dedicated service of the Finance Department staff. Furthermore, the professional expertise and commitment of Mitesh Desai of the Certified Public Accounting firm of Badawi & Associates was appreciated.

In closing, without the interest and support of the City Council, preparation of this report would not have been possible.

Respectfully submitted,



Spencer Morrison
Finance/IT Director

CITY OF YUBA CITY
CITY OFFICIALS
For the Fiscal Year Ended June 30, 2023

CITY COUNCIL

Wade Kirchner Mayor

Shon Harris, Vice Mayor

Marc Boomgarden, Council Member

Dave Shaw, Council Member

Michael Pasquale, Council Member

ELECTED OFFICIALS

Jackie Sillman, City Clerk

Spencer Morrison, City Treasurer

APPOINTED OFFICIALS

Diana Langley, City Manager

Shannon Chaffin, City Attorney

EXECUTIVE TEAM

Jesse Alexander, Fire Chief

Brian Baker, Police Chief

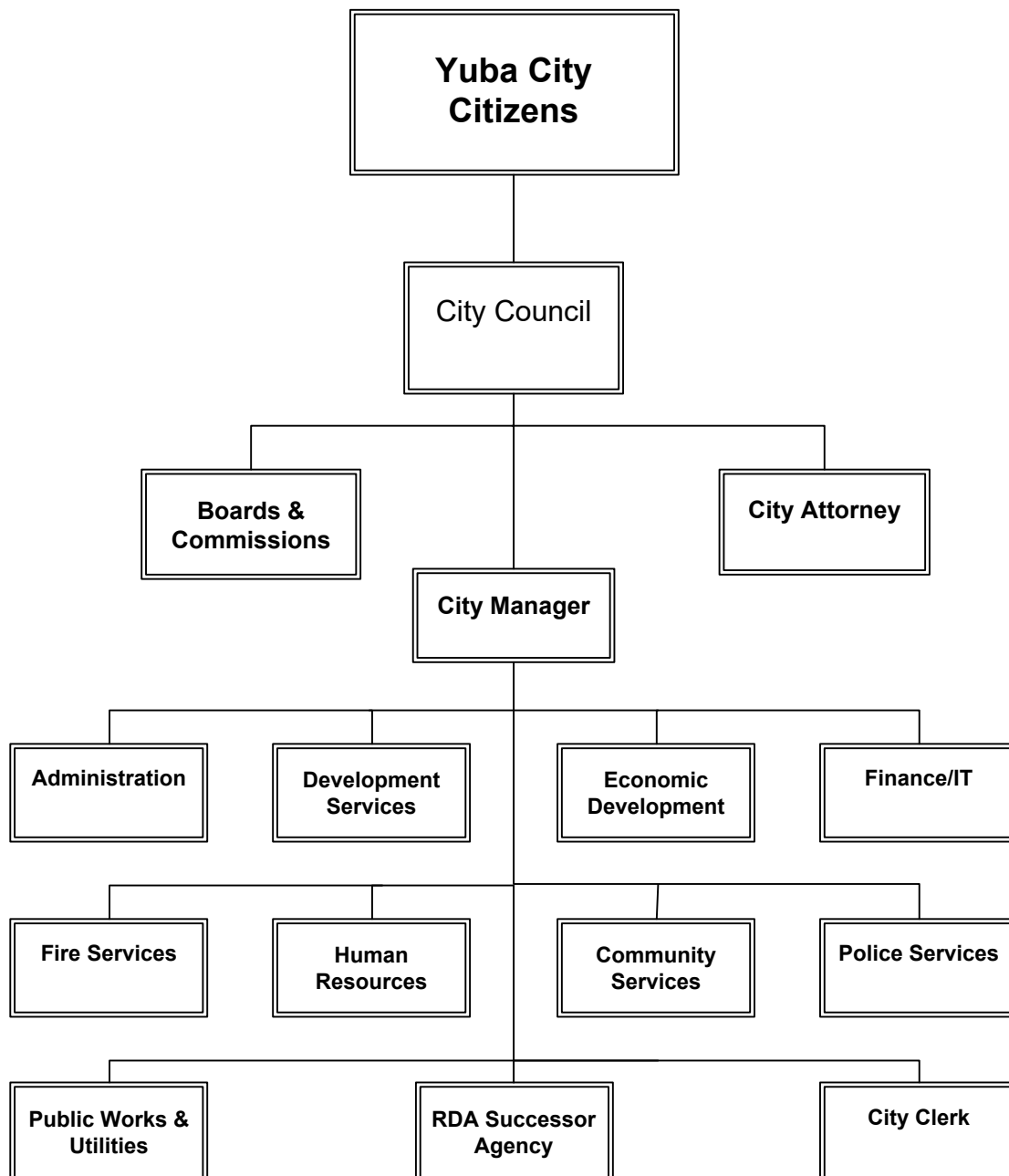
Benjamin Moody, Public Works Director

Brad McIntire, Community Services Director

Benjamin Moody, Development Services Director

Spencer Morrison, Finance Director

Natalie Springer, Human Resources Director





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Yuba City
California**

For its Annual Comprehensive Financial
Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
Of the City of Yuba City
Yuba City, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Yuba City (City), as of and for the year ended June 30, 2023, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof 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 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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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 for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension schedules, and OPEB schedules on pages 5–20 and 119–137 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 accompanying combining and individual nonmajor fund financial statements, and budgetary comparison information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 budgetary comparison information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

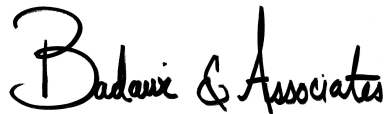
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 2, 2024, 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 the City's 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 City's internal control over financial reporting and compliance.



Badawi & Associates, CPAs
Berkeley, California
January 2, 2024

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This discussion and analysis of the City of Yuba City's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the preceding transmittal letter and the City's financial statements and related notes, which follow this section.

A. FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded their liabilities and deferred inflows of resources at the close of the fiscal year by \$648.3 million. Of this amount, \$39.3 million may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$4.3 million. This included an increase in governmental net activities of \$1.5 million and an increase in business-type activities of \$2.8 million. The increase in net position is attributable to many things, but the most significant is an increase of \$1.9 million in governmental restricted assets, \$2.8 million in unrestricted assets, and \$2.9 million in investment in business-type unrestricted assets. These increases were emphasized by small decreases in liabilities and a \$3.2 million decrease in governmental net investment in capital assets.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$55.5 million, a decrease of \$4 million from the prior fiscal year. The decrease was a combination of an increase of \$0.5 million in the general fund, a decrease of \$0.3 million in the Streets and Roads fund, an increase of \$0.3 in HR 1319/ARPA funding, a decrease of \$0.1 million in the Impact Fees CIP fund, and a decrease of \$4.4 million in other non-major governmental funds.
- The General Fund reported revenues (and other financing sources) less than expenditures (and other financing uses) of \$0.5 million.
- Total deferred outflows increased by \$19.8 million due to a \$18 million increase in governmental activities made up mostly of an increase in pension outflows (\$18.2 million) offset by Deferred outflows of resources - OPEB decreasing by \$0.2 million, with a \$1.8 million increase in business-type activities.

B. OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of a series of financial statements, commonly referred to as the *City's Basic Financial Statements*. Management's Discussion and Analysis introduces these statements and includes two different views of the City's financial activities and position: (1) Government-Wide Financial Statements provide information about the activities of the City as a whole and present a longer-term view of the City's finances; and (2) Fund Financial Statements provide detailed information about the individual functions of City government, telling how services were financed in the short-term as well as what remains for future spending.

Each set of statements presents the City's finances in a distinct way. To assist the reader in understanding the differences between them, a brief discussion of each follow, including the relationship of these statements to each other and the significant differences in the information they provide.

Government-Wide Financial Statements

The Government-Wide Financial Statements provide a broad overview of City finances in a manner like private-sector business. These statements separate the City's activities into two areas:

Governmental Activities – these services are principally supported by taxes and intergovernmental revenues. Most of the City's basic services are governmental activities including public safety, community development, public works, parks and recreation, and general administration.

Business-type Activities – these services rely upon user fees and charges to help cover all or most of their costs. The City's water and wastewater operations are reported here.

Within the framework of these activities, a Statement of Net Position and a Statement of Activities report information about the City as a whole. These statements include all assets and liabilities of the City (i.e., infrastructure and long-term debt including unfunded pension obligations) and use the *full accrual basis of*

accounting in which all the current year's revenues and expenses are considered regardless of when the cash is received or paid.

The two statements can be generally described as follows:

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. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows.

Notably, these statements differ from the Fund Financial Statements in that they *include* all assets of the City (including infrastructure) and all liabilities (including long-term debt and unfunded pension obligations) and *exclude* certain interfund receivables, payables and other interfund activities as prescribed by GASB Statement No. 34. For an additional reference, a reconciliation between the two is provided on page 35 of this report.

Fund Financial Statements

The Fund Financial Statements provide detailed information about each of the City's most significant funds – not the City as a whole. Management establishes funds to help control and manage money for particular purposes. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds – most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using *modified accrual* accounting, which measures cash and all other financial assets that can be converted to cash. The governmental fund statements provide a detailed, short-term view of the City's general government operations and the basic services it provides. This information helps determine whether there are more or fewer financial resources that can be spent soon to finance the City's programs.

The City's major governmental funds include the General Fund, the Streets and Roads Special Revenue Fund, the H.R. 1319 ARPA of 2021 Special Revenue Fund, and the Impact Fee Capital Improvement Projects Fund. All other funds are combined in a single, aggregated presentation. Individual data for each of these non-major governmental funds is provided in the form of combining statements beginning on page 144 of this report.

Proprietary Funds – when the City charges customers for services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds provide the same type of information as shown in the government-wide financial statements (i.e., business-type activities), only in more detail. The City has two types of proprietary funds: enterprise funds and internal service funds. The City uses enterprise funds to account for its water and wastewater operations. The City uses internal service funds to account for its general support services, employee benefits, and risk management services – activities that provide supplies and services for the City's other programs and activities. Since they predominantly serve governmental rather than business-type activities, they are included within the governmental activities in the government-wide financial statements.

Fiduciary Funds – the City is the trustee, or fiduciary, for certain funds held on behalf of external parties. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Position. These activities are excluded from the City's other financial statements because the resources of the funds are not available to support the City's own programs. The City is responsible for ensuring that the assets reported in these funds are used for the intended purposes. The City also has one Private-Purpose Trust Funds (PPTF) which is used to account for the Successor Agency funds of the former Redevelopment Agency.

Notes to Basic Financial Statements

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

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents the following required supplementary information: budgetary comparisons for the City's General Fund and the Streets and Roads Special Revenue Fund; a description of the City's accounting policies regarding the annual budget; and information regarding the net pension liability and net OPEB liability.

C. GOVERNMENT-WIDE FINANCIAL STATEMENT ANALYSIS

The City's combined Net Position for the fiscal year ended June 30, 2023, totaled \$648.3 million, an increase of \$4.4million from the prior fiscal year (the detail in the table below may not add due to rounding).

	Governmental Activities		Business-Type Activities		Total		Total % Change
	2023	2022	2023	2022	2023	2022	
Assets:							
Current and Other Assets	\$112.6	\$ 115.4	\$ 58.7	\$ 56.8	\$171.3	\$172.2	-0.5%
Capital Assets	443.6	447.6	212.0	215.9	655.6	663.5	-1.2%
Total Assets	556.2	554.2	270.7	272.8	826.9	835.7	-1.1%
Deferred Outflows of Resources:							
Deferred outflow-pension	33.7	15.5	3.5	1.6	37.2	17.1	117.5%
Deferred outflow-OPEB	0.3	0.5	-	-	0.3	0.5	-40.0%
Deferred loss on refunding		-		0.6	-	0.6	-100.0%
Total Deferred Outflows of Resources	34.0	15.4	3.5	2.6	37.5	18.2	0.0%
Liabilities:							
Current and Other Liabilities	33.3	33.0	7.6	7.4	40.9	40.4	1.2%
Long-term Liabilities	90.5	58.6	79.1	79.2	169.6	137.8	23.1%
Total Liabilities	123.8	111.7	86.7	93.7	210.5	178.2	18.1%
Deferred Inflows of Resources:							
Deferred inflow-pension	5.3	27.7	0.3	3.4	5.6	31.1	-82.0%
Deferred inflow-OPEB	0.4	0.5	-	-	0.4	0.5	-20.0%
Total Deferred Inflows of Resources	5.7	3.0	0.3	0.2	6.0	31.6	0.0%
Net Position:							
Net Investment in Capital Assets	433.1	436.3	139.5	138.8	572.6	575.1	-0.4%
Restricted	33.6	31.7	2.8	2.9	36.4	34.6	5.2%
Unrestricted	(6.1)	(8.9)	45.4	43.1	39.3	34.2	14.9%
Total Net Position	\$460.6	\$ 459.1	\$187.7	\$184.8	\$648.3	\$643.9	0.7%

On June 30, 2023, a significant portion of net position (88 percent) consisted of the City's net investment in capital assets. This component, which reflects the total amount of funds used to acquire those assets, less any outstanding debt used for such acquisition, decreased from the prior fiscal year by \$2.5 million. The

decrease is comprised of both a decrease of \$3.2 million in governmental investment in capital assets and an increase of \$.7 million in business-type invested in capital assets.

Governmental net investment in capital assets decreased by \$3.2 million due to the City's investment in new capital assets. This change includes new capital assets offset by a decrease of \$15.7 million due to depreciation and a decrease in long-term debt related to capital assets of \$0.5 million.

Business-type net investment in capital assets increased by \$3.9 million. This increase was comprised of a \$9.7 million increase due to an increase in the investment in new assets and a decrease of \$9.0 million due to depreciation.

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 capital assets are not generally liquidated for such purposes.

Restricted net position of \$36.4 million (5 percent of total net position) represents resources subject to external restrictions as to how they may be used. The total restricted net position increased by \$1.8 million from the prior fiscal year with governmental activities increasing by \$1.9 million and business-type activities decreasing by \$0.1 million. In the governmental activities the amounts restricted for streets and roads increased \$1.5 million.

Unrestricted Net Position of \$39.3 million (5 percent of total net position) represents amounts that may be used to meet the City's ongoing obligations to its residents, businesses, customers, and creditors have increased \$5.1 million from the prior fiscal year. This increase was the combination of a \$2.8 million increase in governmental activities and a \$2.3 million increase in business-type activities.

The decrease in Current and Other Assets of \$0.9 million includes a decrease of \$2.8 million in governmental activities and an increase of \$1.9 million in business-type activities. The decrease in governmental activities was related to decrease in cash and investments of \$0.5 million, taxes and assessments receivables of \$5.9 million, inventory of \$1.5 thousand, and internal balances of \$113 thousand which partially offset increase in prepaid expenses of \$204 thousand, interest receivable of \$565 thousand, and accounts receivable of \$6.2 million. The increase in business-type activities was mainly due to increases in cash and investments of \$2.9 million, and, offset by decreases in internal balances of \$112 thousand, prepaid expenses of \$24 thousand and accounts receivable of \$1.0 million.

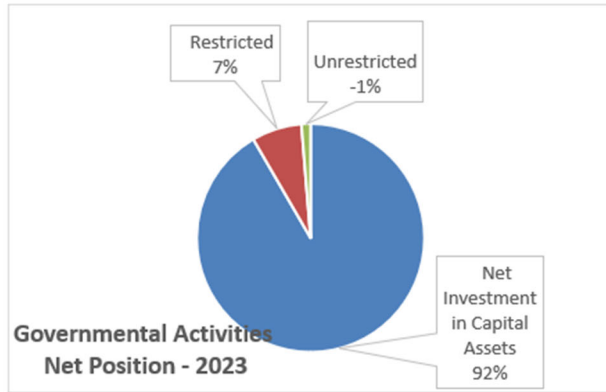
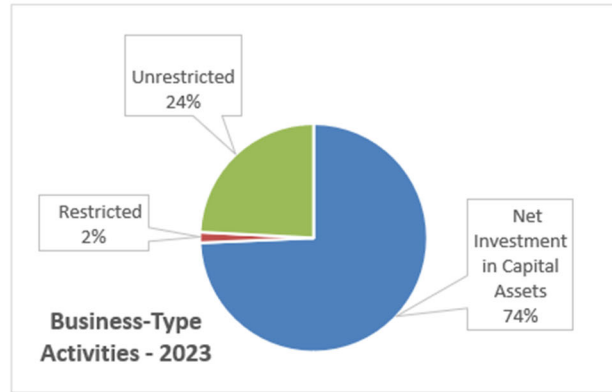
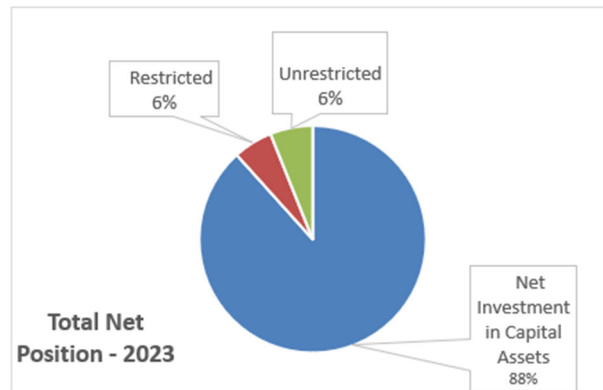
The increase in Current and Other Liabilities of \$0.5 million entirely in governmental activities. The increase in governmental activities was attributable to increases of \$3.2 million of compensated absences, \$ 45 thousand liabilities due within one year, \$353 thousand in accrued liabilities, offset by a decrease of 2.9 million in unearned revenue, \$0.4 million in accounts payable, \$88 thousand in accrued interest payable. The business-type activities increased by \$0.2 million.

Long-term Liabilities increased by \$31.8 million including an increase of \$31.9 million in governmental activities and a decrease of \$0.1 million in business activities. Governmental activities increased almost entirely due to a \$35.8 million increase in new pension liability from a newly prescribed actuary practice note, ASOP no. 6, which provides the guidance that implicit subsidy value is no longer included in the liability calculation. The increase in business activities was due to the combination of decreases and increases in bonds payable, \$2.7 million, loans payable, \$ 1.9 million, and Finance purchase payable, \$155 thousand and increases in net pension liability, \$4.6 million and Compensated absences, \$17 thousand.

Total deferred outflows increased by \$19.3 million due to a \$18.6 million increase in governmental activities made up of an increase in pension outflows offset by a decrease in other public employee benefits (OPEB) deferred outflows. Deferred amounts on a bond refunding are amortized over the shorter of the life of the new debt or refunded debt. The deferred inflows of resources decreased by \$25.6 million due mainly to a

\$22.5 million decrease in governmental activities from deferred inflow-pension decreasing by \$22.4 million over the previous year.

The charts below provide a visual representation of the components of net position, first for the governmental activities, next for business-type activities, and then in total for the fiscal year ended June 30, 2023:



City of Yuba City
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

The following table shows the changes in net position for governmental and business-type activities (the detail may not match due to rounding):

	Governmental Activities		Business Type Activities		Total		Total % Change
	2023	2022	2023	2022	2023	2022	
Revenues:							
Program Revenues:							
Charges for services	\$ 18.4	\$ 15.4 ¹	\$ 35.6	\$ 35.0 ¹⁶	\$ 54.0	\$ 50.4	7.1%
Operating Grants and Contributions	3.1	2.0 ²	0.9	1.3 ¹⁷	4.0	3.3	21.2%
Capital Grants and Contributions	5.0	5.5 ³	-	0.4	5.0	5.9	-15.3%
General Revenues:							
Property Taxes	15.6	14.8 ⁴	-	-	15.6	14.8	5.4%
Sales and Other Taxes	23.9	24.9 ⁵	-	-	23.9	24.9	-4.0%
Investment Income	1.0	(1.1) ⁶	1.0	(1.1) ¹⁸	2.0	(2.2)	-190.9%
Other	0.6	0.4 ⁷	-	-	0.6	0.4	50.0%
Total Revenues	67.6	61.9	37.5	35.6	105.1	97.5	7.8%
Expenses:							
General Government	6.2	4.5 ⁸	-	-	6.2	4.5	37.8%
Public Safety	33.2	33.1 ⁹	-	-	33.2	33.1	0.3%
Community Services	5.6	4.2 ¹⁰	-	-	5.6	4.2	33.3%
Public Works and Facilities	18.3	14.2 ¹¹	-	-	18.3	14.2	28.9%
Development Services	2.9	1.9 ¹²	-	-	2.9	1.9	52.6%
Interest on Long-term Debt	0.2	0.3 ¹³	-	-	0.2	0.3	-33.3%
Water	-	-	17	15.9 ¹⁹	17.0	15.9	6.9%
Wastewater	-	-	17.4	15.9 ²⁰	17.4	15.9	9.4%
Total Expenses	66.4	58.2	34.4	31.8	100.8	90.0	12.0%
Excess or Deficiency Before Transfers	1.2	3.7	3.1	3.8	4.3	7.5	-42.7%
Transfers	0.3	0.4 ¹⁴	(0.3)	(0.4) ²¹	-	-	N/A
Change in Net Position	1.5	4.1	2.8	3.4	4.3	7.5	-42.7%
Net Position - Beginning, Restated	459	454.9 ¹⁵	184.9	181.5 ²²	643.9	636.4	1.2%
Net Position - Ending	460.5	459.0	187.7	184.9	648.2	643.9	0.7%

Governmental Activities

The City's governmental activities increased the City's net position by \$1.5 million. Revenues increased by \$5.7 million, and total expenses increased by 12 percent (\$8.2 million). Revenue Highlights include the following:

- Charges for services in governmental activities increased by \$3 million. There was an increase of \$4.1 million in public works and facilities, \$1.7 million in general government, \$1.4 million in community services revenues, \$0.1 million in public safety, and \$1.0 million in development services revenues offset by a decrease of \$0.1 for interest on long-term debt.
- Operating grants and contributions decreased by \$1.1 million which is attributable to general government and community services grants.
- Public works capital grants and contributions decreased by \$0.5 million as the receipt of HBP/HPP grant funds for the 5th Street Bridge project slowed with the completion of the project.

- Secured and unsecured property tax revenues increased by \$0.8 million.
- Sales and other taxes decreased by \$1 million due to a decrease in sales tax revenues of \$0.9 million, \$0.4 million in franchise fees, \$0.1 million in hotel/motel surcharge fees, and offset by net increases of \$0.4 million in other taxes.
- Investment income increased by \$2.1 million due to the impact equity market volatility in a post-pandemic era has had on bond values.
- Miscellaneous other revenues increased by \$0.2 million.

Total expenses for governmental activities were \$66.4 million, which is a \$8.2 million decrease from the prior fiscal year. General Government increased \$1.7 million, Public Safety increased by \$0.1 million, Community Services increased \$1.4 million, Development Services increased \$1 million, Public Works and Facilities increased \$4.1 million, and Interest on Long-term Debt had no significant change of the previous year.

The following table shows the net cost of governmental activities (the details may not match due to rounding):

Net Cost of Governmental Activities
(Amounts in Millions)

	Total Cost of Services		Net Cost of Services	
	2023	2022	2023	2022
General Government	6.2	4.5	\$ (5.8)	\$ (4.4)
Public Safety	33.2	33.1	(30.3)	(30.0)
Community Services	5.6	4.2	(2.5)	0.7
Public Works and Facilities	18.3	14.2	3.5	1.9
Development Services	2.9	1.9	(4.6)	(3.3)
Interest on Long-term Debt	0.2	0.3	(0.2)	(0.2)
Total Net Cost	\$ 66.4	\$ 58.2	\$ (39.9)	\$ (35.3)

As shown in the Statement of Activities, the amount that taxpayers ultimately financed for governmental activities was \$39.9 million because some of the cost was paid by those who directly benefited from the programs (\$18.4 million), or by other governments and organizations that subsidized certain programs with operating grants and contributions (\$3.1 million), and capital grants and contributions (\$5.0 million). Overall, these governmental program revenues totaled \$26.5 million. The City paid for the remaining "public benefit" portion of the governmental activities with \$39.9 million in taxes (some of which could only be used for certain programs) and with other revenues, such as interest and general entitlements. Ultimately, the revenues exceeded expenses by \$1.5 million for governmental activities for the fiscal year.

Business-type Activities

The City's business-type activities increased the City's net position by \$2.8 million. Total revenues increased by 5 percent (\$1.9 million), while total expenses increased by 8 percent (\$2.6 million). The net revenue increase includes the combination of increase in service fees (\$0.6 million) and an increase in investment income (\$2.1 million), which is offset by a decrease in grants and contributions (\$0.4 million), and a decrease of operating grants and contributions (\$0.4 million). The water enterprise had an increase in service revenues (\$0.1 million) due to increases in water rates adopted by City Council buoyed by the state's lifting of drought conservation regulations including irrigation restrictions. An increase in the wastewater enterprise revenue service fee (\$1.4 million) was due to increases in demand for services.

Operating costs for the water enterprise increased \$1.1 million and operating costs for the wastewater enterprise increased \$1.5 million, compared to FY 2021-22. The water fund experienced increases in salaries and benefits costs (\$0.4 million), power and utilities (\$0.2 million), water purchases (\$0.1 million), and \$0.4 million in various other expenses combined in the fund. The wastewater fund also experienced increases in salaries and benefits costs (\$0.3 million), professional services (\$0.2 million), tools and equipment (\$0.4 million), power and utilities (\$0.1 million), and saw a cost reduction in maintenance costs (\$0.2 million), and cost increases of \$0.7 million spread across various other expenses combined in the fund.

D. FUND FINANCIAL STATEMENT ANALYSIS

The fund financial statements provide detailed information about each of the City's most significant funds; not the City as a whole. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances that are available for spending. Unassigned fund balance is a measure of the City's net resources available for spending or assigning at the end of the fiscal year.

The General Fund is the chief operating fund of the City. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned and total fund balance to total funding requirements. As of June 30, 2023, the total fund balance of the General Fund was \$21.7 million (of which 40 percent is attributable to a long-term receivable from the City's Successor Agency). The unassigned fund balance of \$8.1 million is equal to 12.2 percent of total General Fund expenditures. Total fund balance increased by \$3.7 million from the previous fiscal year. The increase in fund balance is the excess of revenues over expenditures less transfers for the fiscal year.

The City adopted an updated Fiscal Policy in November 2013, which increased the unassigned fund balance from a previous level of 10 to 15 percent. The City's fiscal policy in use prior to the recession, calculated the required reserve at the end of a fiscal year and transferred anything more than the required reserve to the general unallocated capital improvement program (CIP) fund to be used for future-year, general fund CIP projects. The City transitioned back to this practice as of June 30, 2016. With adoption of the FY 2017-18 budget, and subsequently the City's Fiscal Policy was modified to split one-half of any reserve balances in excess of the required 15 percent reserve as of June 30, 2017, through June 30, 2019, with one-half allocated to the City's Pension Stabilization Trust Fund and the other half transferred into the general CIP fund for future projects. The amount more than the required reserve of 15 percent transferred to the general CIP fund as of June 30, 2023, was \$1.3 million, from which City Council has discretionary spending authority.

The Streets and Roads Special Revenue fund balance decreased by \$0.3 million. Revenues increased by \$0.4 million compared to the previous year while there were no major changes in expenditures. Transfers out increased by \$2.1 million over the previous year, the grant revenues received in the prior year were transferred into the Streets and Roads CIP fund to be expended for the 5th Street Bridge Project, which is now complete.

The Impact Fee CIP fund balance is not the best indicator of the fund's financial position since revenues are not realized until spent. However, the unearned revenue balance of \$10.4 million, a decrease of \$0.9 million from the previous fiscal year, represents the amount available for spending on projects included in the City's Impact Fee Ordinance.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning these funds have already been addressed in the discussion of government-wide financial analysis of business-type activities.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

A detailed budgetary comparison schedule for the year ending June 30, 2023, is presented as required supplementary information following the notes to the financial statements. The approved budget is adopted by the City Council prior to the July 1 start of the fiscal year (the "Original Budget"). The City Council usually makes expenditure and revenue estimate changes during the fiscal year as new information becomes available (resulting in the "Final Budget").

The net increase in budgeted expenditures from the original budget to the final budget is \$6 million, which was attributable to: 1) Additional appropriations for carryover expenditures from the previous fiscal year for existing contractual obligations that totaled \$688,485; 2) additional appropriations for grant activities in the amount of \$1,310,047 which are not included in the budget until funds are physically received by the City; and 3) Salaries and Benefits increase of \$3.7 million offset with a transfer from of \$3.7 million from budget stabilization reserves per MOU approved by Council.

The net increase in budgeted revenues from the original budget to the final budget was \$1.2 million. This was attributable to increasing revenue budgets to account for the receipt of grant funds. Actual revenues were \$977,642 more than the adopted.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets – the capital assets of the City are those assets which are used in the performance of the City's functions, including infrastructure. The City has elected to use the "basic approach" as defined by GASB Statement No. 34 for infrastructure reporting. Accordingly, eligible infrastructure assets are depreciated under the straight-line method. On June 30, 2023, net capital assets of the governmental activities totaled \$443.5 million and the net capital assets of business-type activities totaled \$211.9 million. Depreciation on capital assets is recognized in the Government-Wide and Proprietary Fund Financial Statements (the detail may not add due to rounding).

Summary of Capital Assets
(Amounts in Thousands)

Governmental Activities:

Land	\$ 130,242
Buildings and Improvements	58,701
Equipment, Vehicles, Machinery	29,112
Construction in Progress	18,192
Infrastructure	463,543
Total Governmental Capital Assets	<u>699,791</u>
Less: Depreciation	<u>(256,194)</u>
Total Net Governmental Activities:	<u>\$ 443,597</u>

Business Type Activities

Land	\$ 2,333
Buildings and Improvements	105,612
Equipment, Vehicles, Machinery	37,905
Construction in Progress	39,297
Infrastructure	197,523
Total Business-Type Capital Assets	<u>382,671</u>
Less: Depreciation	<u>(170,690)</u>
Total Net Business Type Activities:	<u>\$ 211,982</u>

This fiscal year's major capital asset additions were:

- Replaced Fire ladder truck and pumper engine, \$2.1 million;
- Roadway rehabilitation and improvements, \$1.1 million;
- Fire station improvements, \$0.6 million;
- Union Pacific Railroad property acquisition feasibility study, \$0.2 million

Long-Term Debt – as of June 30, 2023, the City had outstanding debt issues as listed below. Not included in the table are assessment district and community facility district bonds since the City has no obligation for their repayment. Each of the City's other bonds is backed by certain specific revenues or General Fund lease payments. The City has rating reviews from Standard & Poor's and Fitch rating agencies as follows:

- 1) Standard and Poor's assigned the 'AA-' rating on the 2018 Wastewater Revenue Bonds issuance and at the same time affirmed the 'AA-' rating on the City's existing outstanding debt in May, 2019. Their stable outlook reflects strong all-in coverage and liquidity margins and continued rate adjustments.
- 2) Standard and Poor's raised its long-term rating to 'A+' from 'A' on the 2015 certificates of participation related to the 2015 Gauche Aquatic Complex lease revenue in their rating review in September, 2017 with a stable outlook.
- 3) Fitch upgraded the Water Fund rating to AA with a stable outlook after reviewing the Water 2013 Revenue Refunding Bonds.
- 4) Standard and Poor's upgraded the 2013 Water Revenue Refunding Bonds from A+ to AA- with a stable outlook in January, 2022, citing a strong financial profile supported by good rate-setting practice and a manageable CIP, with effective drought and water shortage contingency planning.

City of Yuba City
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

Summary of Long Term Indebtedness
(Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Loans Payable	\$ 69	\$ 92	\$ 20,488	\$ 22,372	\$ 20,557	\$ 22,464
Capital Lease Payable	4,969	5,528	1,680	1,824	6,649	7,352
Solar Energy CREBs	1,381	1,426	-	-	1,381	1,426
Unamortized Premium (Discount)	115	133	315	318	430	451
Lease Revenue Bonds	6,825	7,255	-	-	6,825	7,255
Water Revenue Refunding Bonds	-	-	13,345	14,245	13,345	14,245
Water Revenue CREBs	-	-	1,439	1,568	1,439	1,568
Wastewater Revenue Bonds	-	-	21,325	21,815	21,325	21,815
Wastewater Revenue Refunding Bonds	-	-	8,817	9,693	8,817	9,693
Wastewater Revenue CREBs	-	-	5,710	5,915	5,710	5,915
Total Indebtedness	<u>\$ 13,359</u>	<u>\$14,434</u>	<u>\$ 73,119</u>	<u>\$ 77,750</u>	<u>\$ 86,478</u>	<u>\$ 92,184</u>

For more detailed information on Capital Assets and Long-Term Debt, see Notes 3 and 5 to the Basic Financial Statements.

G. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

On June 6, 2023, the Council adopted the FY 2023-24 Operating Budget with total appropriations of 120.5 million. Adequate resources are available to fund the proposed expenditures. The budget reflects the City's short and long-term organizational goals within the framework of projected revenue.

The FY 2023-24 adopted general fund budget is at an all-time high for the City for revenues and expenditures. It includes revenues of \$57.4 million and appropriations of \$57.4 million. The City's budget policy indicates that the City will strive to fund all current expenditures from current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt. The Budget Policy further states that if it becomes necessary to utilize reserve funds, it will be accompanied by a plan for replenishment within a reasonable period. The City's most recent five-year financial forecast update shows a surplus budget for the general fund over the next five years even after including the very large projected CalPERS retirement cost increases. The forecast does not however include the impacts of a pandemic economy which includes labor and supply chain uncertainties beyond the City's control at a local level. The City remains committed to frequent status reviews to respond to changing circumstances in an appropriate manner.

The adopted budget includes \$4.3 million in general fund salary and benefits increases. The City evaluates position vacancies on a quarterly basis and determines the number of vacant positions, which specific positions are vacant, the amount budgeted for each position, and in which fund the position was budgeted. This enables the City to better track vacancies and anticipate any potential year-end savings from vacant positions. The savings generated at year-end from vacant positions are considered onetime savings because when the vacancy is filled through the recruiting process, the savings will not reoccur. The City does not budget this onetime savings and will not allocate it to reoccurring expenditures; doing so would not be fiscally prudent.

The City Council amended the General Fund budget in July 2022 to reflect a proactive, across-the-board cost of living adjustment and many equity adjustments increasing the salary and benefits across all funds by \$3.7 million. City Council believes this historic adjustment will keep Yuba City competitive in a challenging labor market wherein competing for talent has not favored the City. A more extensive classification and compensation study is underway to take a deeper look at Yuba City's position in the Central Sacramento Valley labor market. Comparable agencies and job descriptions will be evaluated as part of this process.

The largest, ongoing, budgetary impact on the City's future budget projections is that resulting of decisions by the CalPERS Board. We experienced a negative CalPERS portfolio investment return in FY 2022-23 of over 6 percent and are anticipating an investment return for FY 2023-24 that will also miss the mark at around positive 6 percent. A recent triggering of the Funding Risk Mitigation Policy reduced the current discount rate from 7.0 percent to 6.8 percent with no additional cost (albeit reduced savings) to agencies, reducing the impact of poor investment returns. The Policy will reduce the City's large benefit (reduction) to the unfunded actuarial liability that would normally occur with such a high investment return. However, a lower discount rate will also be more attainable through investment activities and the City will incur less volatility in its unfunded liability balance, in the long term. An Asset Liability Management process will occur in the fall of 2022 to determine if further adjustments to the discount rate are warranted.

Cautious optimism of robust property and sales tax receipts remains balanced by staff's anticipation of the inevitable leveling out of those resources as economic instability persists. We continue to focus on investing in infrastructure, evaluating reduction of our unfunded pension liabilities, providing City services to all City residents, and setting aside funds for economic development.

Included in the FY 2023-24 adopted General Fund budget, revenues are projected to increase by \$1 million compared to the previous year's adopted budget. The largest changes in revenue, nearly 95 percent of all General Fund increases, are due to somewhat conservative sales and use tax budget in FY 2022-23, which anticipated ongoing negative impacts of the post-pandemic supply-chain and general economic volatility on the local economy producing a large, comparative budget increase of \$0.7 million, a property tax increase of \$0.4 million contributed to higher assessed values from high demand and low housing inventory, steady, local lodging properties had a modest increase in transient occupancy tax ("hotel/motel surcharge" in Yuba City), \$0.1 million, and growing interest in building and developing open spaces inside city limits increasing the building permits budget by \$0.1 million. The largest revenue increase comes from a transfer of \$6.6 million from the Budget Stabilization Fund to close the General Fund deficit. Budgeted expenditures increased overall by \$4.9 million. Significant details include:

- The single largest increase is personnel cost increases due to adding positions and other personnel changes, \$4.3 million, including \$3.7 million in MOU increases at the start of FY 2022-23 and \$0.6 million in promotions, step increases, and benefits cost increases;
- ISF cost increases, \$0.1 million;
- Departmental ongoing increases to their materials, supplies, and services budgets, \$0.5 million;
- Other miscellaneous increases are primarily due to an animal services JPA (SASA) fee increase, \$0.1 million;
- Decreases in General Fund expenditures include \$0.2 million in permanent budget reductions by departments in the materials, supplies, and services categories.

Personnel expenditures on salaries and benefits continue to be the largest portion of the budget, representing 42.9 percent of all the City's operating funds (74.5 percent of the general fund).

The general fund surplus, before transfers out, for fiscal year ended June 30, 2023, was \$1.7 million. This is difficult to see on page 36 of the financial statements because of the transfers in and out but it is summarized as follows:

Summary of General Fund Operations

Total Revenues	\$ 51,753,186
Total Expenditures	(55,028,849)
Transfers in	<u>5,050,293</u>
Net Surplus from Operating Activities	<u><u>\$ 1,774,630</u></u>

The transfers out figure includes the remaining balance in excess of the required 15 percent reserve fund balance transferred one-half each to the pension stabilization trust and the unallocated General CIP reserve in accordance with City Council's policies. Transfers out during FY 2022-23 were made for the following purposes:

General Fund Transfers Out

Unallocated General CIP-Future Projects-Excess Reserves	\$ 1,281,111
Admin Reimbursement from Strike Team	16,363
Labor	112
	<hr/>
Total Transfers Out FY 2022-23	<u>\$ 1,297,586</u>

The savings from vacant positions during FY 2022-23 were \$2.2 million. Without this vacancy savings, there would have been a much smaller surplus from operating activities. For example, in June 2017, there were 36 vacant positions in the general fund which represented 15.2 percent of the authorized full-time equivalent general fund positions. The total amount budgeted for these vacancies was \$4.2 million. In July 2018, the number of vacant positions in the general fund declined to 21, with a total budgeted cost of \$2.2 million. By February 2019, the number of vacancies in the general fund had declined to 10, with a budgeted cost of \$1.3 million. By June 2019, the number of vacancies increased back up to 15 positions with a budgeted value of \$2.2 million. The declining trend in the number of vacancies has been ongoing and when the current pandemic-related staffing challenges subside, budgetary savings will decline. It is also important to recognize that not all the savings from vacancies are realized for public safety personnel as necessary shifts are covered using overtime, thereby reducing savings to continue service levels. The trending decline in the number of vacant positions in the City would indicate that vacancy savings, if any, is expected to decline significantly in coming years. It is also important to note that not all the savings from vacancies are fully realized for public safety staff as necessary shifts are covered using overtime thereby reducing savings to continue service levels. Human Resources continues to place a high priority on recruitment. While the focus is on hiring to fill vacancies, management is emphasizing hiring only the highest quality individuals to join the City's team.

The FY 2023-24 adopted budget projected a 2.8 percent increase in property taxes. Based upon the preliminary assessed valuation reports from the Sutter County Auditor-Controller's Office, general fund assessed values increased by 7.5 percent, with increases in both secured and unsecured assessed values. The final assessed valuation report was received from HdL Coren & Cone (consultants) in March 2024.

Growth in home sales strengthened in 2016, waived, but remained strong, in 2017, fell during the pandemic in 2019 and 2020, bounced back in 2021, and have once again faltered in 2023 due to high borrow rates and low inventory. Several new building projects are underway, bringing much anticipated development and over 250 new construction, single family homes to Yuba City in the next two years. The median home sales price in Yuba City, along with the percentage change were as follows for the past five years of complete data:

2019	\$308,000	4.41%
2020	\$340,000	10.39%
2021	\$400,000	17.65%
2022	\$435,000	8.75%
2023	\$415,000	-4.60%

In July 2012, the State adopted AB 1484 implementing the elimination of Redevelopment agencies throughout California. The City, as the Successor Agency, continued to file its required Recognized Payment Obligation Schedule (ROPS) with the State Department of Finance every six months to receive tax increment funding to pay the former Agency's legal obligations. The property tax values within the

former Redevelopment Project Area had fallen in recent years to a level such that the tax increment revenues generated in a given fiscal year did not support the payment of bonded debt obligations. As such, through the Due Diligence Review process, the City was approved to retain reserve funds to meet ongoing debt service obligations. The activities of the former Agency have ceased, and as part of the winding down process the City completes the administrative process necessary to make debt service payments to meet the legal obligations of the former Agency. As part of this process, in September 2013, the City as the Successor Agency, received a Finding of Completion from the State Department of Finance and prepared of a Property Management Plan. In September 2015, the State Department of Finance accepted the Long-Range Property Management Plan submitted by the City as the Successor Agency. This will allow the City to begin the final winding down of the affairs of the former Agency by selling off its assets and property. In October 2015, the State Department of Finance approved the Successor Agency's Oversight Board Action requesting authorization and approval for the issuance of refunding bonds to completely refund the outstanding 2004 Series A and B and the 2007 Series Tax Allocation Bonds. The bond refunding eliminated the ongoing deficit cash flow within the Successor Agency so that now tax increment revenues are sufficient to cover the required annual debt service payments.

Sales tax revenues are \$1.1 million less than budgeted and \$0.1 million, or 4.6 percent lower, than FY 2021-22. The FY 2022-23 budget projections were developed based upon a conservative decrease of 4.0 percent in anticipation of an economic downturn. Actual sales tax receipts for the most recent four quarters resulted in an average decrease of 4.3 percent on a cash basis and 3.0 percent on an adjusted basis compared to the same quarters of the previous year.

Current unemployment rate data, as of June 2023, approximates the annualized unemployment rate around 5.8 percent. The rate has spiked due to the pandemic. Previous unemployment rates were:

FY 2018-19	6.0%
FY 2019-20	14.7%
FY 2020-21	8.5%
FY 2021-22	4.3%
FY 2022-23	5.8%

The June 2023 unemployment rate has fallen from a COVID-19-driven peak of 14.7 percent to just 4.3% in June 2022 and increased slightly to 5.8% in 2023. Yuba City (County of Sutter) is in line with the state of California on average at 4.9 percent for the same period and the national rate was 3.8 percent. It is not unusual for Yuba City to have a higher rate than the national rate due to the agriculture-based economy.

Even with the planned use of a portion of its Economic Stabilization Reserve in previous years, the City has continually maintained City Council's goal of having at least a 15 percent budget reserve. In November 2013, City Council adopted an updated Fiscal Policy which not only increases the reserve requirement from 10 percent to 15 percent but also requires that the City adopt a balanced budget. Ongoing expenditures must be paid for using ongoing revenues. The updated Fiscal Policy is a commitment of the City Council, but the policy allows City Council the flexibility to adopt a deficit budget if they note an exception to the Fiscal Policy and have a plan for recovery to a balanced budget. It was understood that through FY 2016-17, City Council had made an exception to the requirement of a balanced budget. At the conclusion of FY 2018-19, the City achieved City Council's priority of increasing the general fund unassigned reserve to \$6,836,022, or 15.3 percent of FY 2019-20 appropriations. With the onset on the global pandemic, the Council once again made an exception to the Fiscal Policy by adopting a deficit budget and dropping the reserve requirement to 10 percent. At the conclusion of the FY 2019-20, the City achieved the City Council's priority of increasing the general fund unassigned reserve to \$6,752,997, or 15 percent of the FY 2020-21 appropriations. Yuba City's general fund unassigned reserve is back to 15% per policy in FY 2021-22 and FY 2022-23.

The City has positioned its operations so that this reserve can be properly maintained in the future. Taking into consideration, the impacts of increased employee benefit costs for retirement, healthcare, and worker's compensation, the City continues to closely monitor its revenue projections in comparison with its expenditure commitments, adjusting service levels accordingly to provide priority services to its citizens without depleting reserves. The challenge that is looming in the next several years is the CalPERS rate increases. The City's retirement costs will increase from \$10.7 million in FY 2022-23 to an estimated \$16.0 million by FY 2029-30 based on the CalPERS actuarial reports released in July 2023. It will be difficult for general fund revenue growth to keep pace with these increases, especially in the event of an economic downturn. Please see the Transmittal Letter for additional information.

The City's water and wastewater enterprises are not exempt from the negative economic conditions of the pandemic and post-pandemic supply-chain deficiency era. City staff reviewed the water and wastewater budgets and reduced them where practical. The City continues to construct necessary capital improvement projects to expand or enhance existing infrastructure. On April 5, 2016, the City Council adopted a Water and Wastewater Rate Study which proposed adjustments to the City's water and wastewater rates over the next five years to fund ongoing expenses, provide adequate debt-service coverage, and fund priority capital projects. In accordance with Proposition 218, a protest public hearing took place on June 8, 2016. On June 21, 2016, the City Council adopted the Water and Wastewater Ordinances which included rate structures approved through the Proposition 218 process, which are the maximum amounts that the rates can be raised. The Ordinances have provisions requiring that the City Council review the rates on an annual basis as part of the fiscal year budget review process, prior to the July 1 implementation of the increases for each year. Council retains the authority to set by resolution the actual rates, provided they do not exceed the rates approved through the Proposition 218 process. As part of the FY 2020-21 budget adoption process, City Council again reviewed the updated Water and Wastewater Rate Models and chose not to increase rates. For the FY 2021-22 budget, City Council opted for 5 percent and 8 percent rate increases for Water and Wastewater, respectively. The city staff will propose a Proposition 218 ballot in FY 2024-25 and anticipate steady increases each of the four budget years following.

H. CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report, or need any additional financial information, contact the Finance Department at 1201 Civic Center Boulevard, Yuba City, CA 95993, phone 530-822-4803, or email: dpope@yubacity.net.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Yuba City
Statement of Net Position
June 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 70,279,292	\$ 51,190,923	\$ 121,470,215
Restricted cash and investments	4,397,825	1,472,267	5,870,092
Interest receivable	834,896	6,678	841,574
Accounts receivable	10,434,741	5,437,313	15,872,054
Taxes and assessments receivables	1,070,490	-	1,070,490
Internal balances	1,405,736	(1,405,736)	-
Prepaid expenses	2,153,363	325,546	2,478,909
Inventory	21,868	-	21,868
Total current assets	90,598,211	57,026,991	147,625,202
Noncurrent assets:			
Restricted cash and investments with fiscal agents	667	1,721,917	1,722,584
Deposits	806,681	-	806,681
Notes receivable	11,487,910	-	11,487,910
Receivable due from Successor Agency trust fund	9,703,148	-	9,703,148
Capital assets:			
Non-depreciable	148,434,413	41,630,278	190,064,691
Depreciable, net	295,162,191	170,351,262	465,513,453
Total capital assets	443,596,604	211,981,540	655,578,144
Total noncurrent assets	465,595,010	213,703,457	679,298,467
Total assets	556,193,221	270,730,448	826,923,669
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - OPEB	314,349	-	314,349
Deferred outflows of resources - pension	33,665,625	3,458,927	37,124,552
Deferred loss on refunding	-	599,571	599,571
Total deferred outflows of resources	33,979,974	4,058,498	38,038,472

See accompanying Notes to Basic Financial Statements.

City of Yuba City
Statement of Net Position
June 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	2,262,988	1,569,895	3,832,883
Accrued liabilities	1,703,582	284,073	1,987,655
Accrued interest payable	(20,508)	272,918	252,410
Deposits payable	215,796	-	215,796
Unearned revenue	24,726,439	172,056	24,898,495
Compensated absences, due within one year	3,306,945	567,181	3,874,126
Finance purchase payable, due within one year	579,631	154,928	734,559
Loans payable, due within one year	23,100	1,911,366	1,934,466
Bonds payable, due within one year	499,664	2,681,501	3,181,165
Total current liabilities	33,297,637	7,613,918	40,911,555
Noncurrent liabilities:			
Compensated absences, due in more than one year	729,663	125,146	854,809
Finance purchase payable, due in more than one year	4,388,880	1,525,232	5,914,112
Loans payable, due in more than one year	46,200	18,576,537	18,622,737
Bonds payable, due in more than one year	7,821,119	48,269,686	56,090,805
Net OPEB liability	13,526	-	13,526
Net pension liability	77,499,416	10,648,907	88,148,323
Total noncurrent liabilities	90,498,804	79,145,508	169,644,312
Total liabilities	123,796,441	86,759,426	210,555,867
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	5,397,754	339,523	5,737,277
Deferred inflows of resources - OPEB	404,803	-	404,803
Total deferred inflows of resources	5,802,557	339,523	6,142,080
NET POSITION			
Net investment in capital assets	433,099,975	139,461,861	572,561,836
Restricted for:			
Community development	15,306,279	-	15,306,279
Streets and roads	12,536,803	-	12,536,803
Pension	4,397,825	-	4,397,825
Capital projects	34,583	21,750	56,333
Debt service	670	2,817,449	2,818,119
Other purpose	1,300,852	-	1,300,852
Total restricted	33,577,012	2,839,199	36,416,211
Unrestricted	(6,102,790)	45,388,937	39,286,147
Total net position	\$ 460,574,197	\$ 187,689,997	\$ 648,264,194

City of Yuba City
Statement of Activities
For the year ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental activities:					
General government	\$ 6,244,489	\$ 268,016	\$ 189,686	\$ -	\$ 457,702
Public safety	33,154,940	2,204,511	688,196	-	2,892,707
Public works and facilities	18,256,268	9,158,487	1,675,150	4,918,760	15,752,397
Development services	2,920,730	5,901,622	476,050	-	6,377,672
Community services	5,600,439	888,360	112,232	-	1,000,592
Interest on long-term debt	248,018	-	-	-	-
Total governmental activities	66,424,884	18,420,996	3,141,314	4,918,760	26,481,070
Business-type activities:					
Water	16,954,025	16,439,187	877,217	-	17,316,404
Wastewater	17,373,317	19,222,133	-	-	19,222,133
Total business-type activities	34,327,342	35,661,320	877,217	-	36,538,537
Total primary government	\$ 100,752,226	\$ 54,082,316	\$ 4,018,531	\$ 4,918,760	\$ 63,019,607
General Revenues:					
Taxes:					
Secured and unsecured property taxes					
Sales and use taxes					
Transient lodging taxes					
Franchise taxes					
Other taxes					
Total taxes					
Motor vehicle in lieu, unrestricted					
Investment earnings, unrestricted					
Miscellaneous revenue					
Transfers					
Total general revenues					
Change in net position					
Net position - beginning of year					
Net position - end of year					

See accompanying Notes to Basic Financial Statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (5,786,787)	\$ -	\$ (5,786,787)
(30,262,233)	-	(30,262,233)
(2,503,871)	-	(2,503,871)
3,456,942	-	3,456,942
(4,599,847)	-	(4,599,847)
(248,018)	-	(248,018)
(39,943,814)	-	(39,943,814)
-	362,379	362,379
-	1,848,816	1,848,816
-	2,211,195	2,211,195
(39,943,814)	2,211,195	(37,732,619)
15,622,920	-	15,622,920
17,675,409	-	17,675,409
1,344,264	-	1,344,264
2,983,148	-	2,983,148
1,872,706	-	1,872,706
39,498,447	-	39,498,447
71,937	-	71,937
983,439	912,383	1,895,822
517,789	-	517,789
330,298	(330,298)	-
41,401,910	582,085	41,983,995
1,458,096	2,793,280	4,251,376
459,116,101	184,896,717	644,012,818
\$ 460,574,197	\$ 187,689,997	\$ 648,264,194

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FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Funds Financial Statements

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund accounts for all financial resources except those to be accounted for in another fund. It is the general operating fund of the City.

Streets and Roads Special Revenue Fund accounts for monies to be used on transportation, road, and street programs. The main sources of revenue of this fund are local transportation funds, gas tax funds, Proposition 42 funds, and road maintenance franchise fees.

H.R. 1319 ARPA of 2021 Special Revenue Fund accounts for monies to be used in accordance with the America Rescue Plan Act of 2021 (the 'Act'). Revenues reported in this fund are restricted to be used in accordance with requirements of the Act.

Impact Fees CIP Projects Capital Project Fund accounts for budgeted capital expenditures, which are funded from development impact fees.

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

City of Yuba City
Balance Sheet
Governmental Funds
June 30, 2023

	General Fund	Streets and Roads Special Revenue Fund	H.R. 1319 ARPA of 2021 Special Revenue Fund
ASSETS			
Cash and investments	\$ 4,920,687	\$ 856,600	\$ 13,710,988
Restricted cash and investments	-	-	-
Restricted cash and investments held by fiscal agents	-	-	-
Interest receivable	834,893	-	-
Accounts receivable	3,669,000	886,769	-
Taxes and assessments receivable	1,070,490	-	-
Prepaid items	44,848	-	-
Due from other funds	859,776	-	-
Deposits	15,000	-	-
Advances to other funds	1,592,344	-	-
Notes receivable	2,602	-	-
Receivable due from Successor Agency trust fund	8,773,357	-	-
Total assets	\$ 21,782,997	\$ 1,743,369	\$ 13,710,988
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 867,508	\$ -	\$ -
Accrued liabilities	1,501,941	-	-
Deposits payable	-	-	-
Unearned revenues	866,671	-	13,346,812
Due to other funds	-	-	-
Advances from other funds	-	-	-
Total liabilities	3,236,120	-	13,346,812
Deferred Inflow of Resources:			
Unavailable revenue	-	-	-
Total deferred inflow of resources	-	-	-
Fund Balances:			
Nonspendable	8,820,807	-	-
Restricted	-	1,743,369	364,176
Committed	1,592,344	-	-
Unassigned	8,133,726	-	-
Total fund balances	18,546,877	1,743,369	364,176
Total liabilities, deferred inflow of resources, and fund balances	\$ 21,782,997	\$ 1,743,369	\$ 13,710,988

See accompanying Notes to Basic Financial Statements.

Impact Fees CIP Projects Capital Project Fund	Non-Major Governmental Funds	Totals
\$ 10,935,340	\$ 20,568,531	\$ 50,992,146
-	4,397,825	4,397,825
-	667	667
-	3	834,896
1,183,629	4,630,003	10,369,401
-	-	1,070,490
-	-	44,848
-	-	859,776
-	9,800	24,800
-	87,690	1,680,034
52,883	11,432,426	11,487,911
-	929,791	9,703,148
<u>\$ 12,171,852</u>	<u>\$ 42,056,736</u>	<u>\$ 91,465,942</u>
\$ 488,411	\$ 733,154	\$ 2,089,073
-	-	1,501,941
-	215,796	215,796
10,467,892	44,203	24,725,578
-	859,776	859,776
1,680,034	-	1,680,034
<u>12,636,337</u>	<u>1,852,929</u>	<u>31,072,198</u>
-	4,925,361	4,925,361
-	4,925,361	4,925,361
-	-	8,820,807
-	26,544,106	28,651,651
-	9,207,381	10,799,725
(464,485)	(473,041)	7,196,200
<u>(464,485)</u>	<u>35,278,446</u>	<u>55,468,383</u>
<u>\$ 12,171,852</u>	<u>\$ 42,056,736</u>	<u>\$ 91,465,942</u>

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City of Yuba City
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2023

Total Fund Balances - Total Governmental Funds	\$ 55,468,383
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Amounts reported for governmental activities in the Statement of Net Position were different because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. Except for the internal service funds reported below, the capital assets were adjusted as follows:

Non-depreciable	147,988,537
Depreciable, net	289,302,256
Total capital assets	<u>437,290,793</u>

Unavailable revenue recorded in the fund financial statements resulting from activities in which revenues were earned but funds were not available are reclassified as revenues in the Government-Wide Financial Statements.	4,925,361
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Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet.	36,036
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Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the Internal service funds were included in governmental activities in the Government-Wide Statement of Net Position.	26,202,720
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In the Government-Wide Financial Statements employer contributions, certain differences between actuarial estimates and actual results for pension and OPEB, and other employer specific items are deferred and amortized over a period of time, however in the governmental funds no transactions are recorded.

Deferred outflows of resources - pension	33,457,881
Deferred outflows of resources - OPEB	314,349
Deferred inflows of resources - pension	(5,377,362)
Deferred inflows of resources - OPEB	(404,803)

Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet.

	Government-Wide Statement of Net Position	Internal Service Funds	Total
Compensated absences - due within one year	\$ (3,306,945)	\$ 32,931	(3,274,014)
Finance purchase payable - due within one year	(579,631)	318,446	(261,185)
Loans payable - due within one year	(23,100)	-	(23,100)
Bonds payable - due within one year	(499,664)	-	(499,664)
Compensated absences - due in more than one year	(729,663)	34,513	(695,150)
Net OPEB liability	(13,526)	-	(13,526)
Finance purchase payable - due in more than one year	(4,388,880)	2,543,519	(1,845,361)
Loans payable - due in more than one year	(46,200)	-	(46,200)
Bonds payable - due in more than one year	(7,821,119)	-	(7,821,119)
Net pension liability	(77,499,416)	639,574	(76,859,842)
Total long-term liabilities	<u>\$ (94,908,144)</u>	<u>\$ 3,568,983</u>	<u>(91,339,161)</u>

Net Position of Governmental Activities	\$ 460,574,197
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See accompanying Notes to Basic Financial Statements.

City of Yuba City

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the year ended June 30, 2023

	General Fund	Streets and Roads Special Revenue Fund	H.R. 1319 ARPA of 2021 Special Revenue Fund
REVENUES:			
Taxes and assessments	\$ 38,501,436	\$ 997,011	\$ -
Use of money and property	70,332	173,632	337,553
Intergovernmental revenues	693,764	3,294,091	1,675,150
Charges for services	9,668,573	-	-
Licenses, permits, and fees	2,554,301	-	-
Fines and forfeitures	12,965	-	-
Program income	-	-	-
Other revenues	251,815	61,854	-
Total revenues	51,753,186	4,526,588	2,012,703
EXPENDITURES:			
Current:			
General government	6,437,979	-	-
Public safety	36,078,208	-	875
Community services	4,014,505	-	-
Public works and facilities	5,684,839	1,517,700	-
Development services	1,949,949	-	-
Capital outlay	101,772	-	9,933
Debt service:			
Principal	515,888	-	-
Interest and fiscal charges	245,709	-	-
Total expenditures	55,028,849	1,517,700	10,808
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,275,663)	3,008,888	2,001,895
OTHER FINANCING SOURCES (USES):			
Proceeds from sale of capital assets	669	-	-
Transfers in	5,050,293	-	-
Transfers out	(1,297,586)	(3,266,250)	(1,664,341)
Total other financing sources (uses)	3,753,376	(3,266,250)	(1,664,341)
Net change in fund balances	477,713	(257,362)	337,554
FUND BALANCES:			
Beginning of year	18,069,164	2,000,731	26,622
End of year	\$ 18,546,877	\$ 1,743,369	\$ 364,176

See accompanying Notes to Basic Financial Statements.

Impact Fees CIP Projects Capital Project Fund	Non-Major Governmental Funds	Totals
\$ -	\$ -	\$ 39,498,447
131,334	354,972	1,067,823
1,773,289	695,715	8,132,009
-	1,032,846	10,701,419
1,316,213	-	3,870,514
-	372,504	385,469
-	221,412	221,412
38,201	349,554	701,424
3,259,037	3,027,003	64,578,517
-	-	6,437,979
-	237,974	36,317,057
-	674,061	4,688,566
-	-	7,202,539
-	305,795	2,255,744
4,252,179	6,483,658	10,847,542
228,008	-	743,896
108,383	-	354,092
4,588,570	7,701,488	68,847,415
(1,329,533)	(4,674,485)	(4,268,898)
-	-	669
1,260,639	4,806,669	11,117,601
(50,125)	(4,512,801)	(10,791,103)
1,210,514	293,868	327,167
(119,019)	(4,380,617)	(3,941,731)
(345,466)	39,659,063	59,410,114
\$ (464,485)	\$ 35,278,446	\$ 55,468,383

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City of Yuba City

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities For the year ended June 30, 2023

Net Change in Fund Balances - Total Governmental Funds	\$ (3,941,731)
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Amounts reported for governmental activities in the Statement of Activities were different because:

Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated useful lives as depreciation expense. This was the amount of capital assets recorded in the current period, net of internal service funds amount of \$1,018,804.	10,643,491
contributions. However capital contributions related to donated capital assets are not reported in governmental funds as capital assets are not considered current financial resources.	
Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the governmental funds. This is the amount of depreciation expense recorded for the year, net of internal service funds amount of \$954,720.	(14,760,495)
Accrued compensated leave payable was an expenditure in governmental funds, but the accrued payable increased compensated leave liabilities in the Government-Wide Statement of Net Position.	(603,564)
OPEB expenses 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.	(92,891)
Original issuance premium of bonds was an other financing source in the governmental funds, but in the Government-Wide Statement of Net Position, a liability was recorded and is being amortized over the life of the bond.	17,974
Bond proceeds provided current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of bond principal was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.	
Long-term debt repayments	743,896
Revenues that did not meet the revenue recognition criteria in the governmental funds but were recognized as revenue in the Government-Wide Financial Statements.	2,974,166
Interest expense on long-term debt is reported on the accrual basis on the Government-Wide Statements, but expenditures on long-term debt in the governmental funds statements are recorded when paid. The following amount represents the change in accrued interest from the prior year.	88,100
Current year employer pension and OPEB contributions are recorded as expenditures in the governmental funds, however these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position.	9,248,974
Pension expense is recorded as incurred in the Government-Wide Statement of Activities, however pension expense is not recognized in the governmental funds.	(4,439,669)
Internal service funds were used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds was reported with governmental activities.	1,579,845
Change in Net Position of Governmental Activities	\$ 1,458,096

See accompanying Notes to Basic Financial Statements.

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PROPRIETARY FUND FINANCIAL STATEMENTS

Water Fund accounts for the activities of providing water to the residents of the City.

Wastewater Fund accounts for the activities of providing wastewater services to the residents of the City.

Internal Service Funds are used to account for the financial transactions related to the City's public works and engineering program, payroll, and risk management program. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

City of Yuba City
Statement of Net Position
Proprietary Funds
June 30, 2023

	Major Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Fund	Wastewater Fund	Totals	
ASSETS				
Current assets:				
Cash and investments	\$ 26,247,785	\$ 24,943,138	\$ 51,190,923	\$ 19,287,146
Restricted cash and investments	354,985	1,117,282	1,472,267	-
Accounts receivable, net	1,641,604	3,795,709	5,437,313	65,339
Interest receivable	6,594	84	6,678	-
Inventory	-	-	-	21,868
Prepaid expenses	276,194	49,352	325,546	2,108,515
Total current assets	28,527,162	29,905,565	58,432,727	21,482,868
Noncurrent assets:				
Cash and investments with fiscal agents	1,700,167	21,750	1,721,917	-
Deposits	-	-	-	781,881
Advances to other funds	-	-	-	1,405,736
Capital assets:				
Non-depreciable, net	7,661,814	33,968,464	41,630,278	445,876
Depreciable, net	100,021,869	70,329,393	170,351,262	5,859,935
Total capital assets	107,683,683	104,297,857	211,981,540	6,305,811
Total noncurrent assets	109,383,850	104,319,607	213,703,457	8,493,428
Total assets	137,911,012	134,225,172	272,136,184	29,976,296
DEFERRED OUTFLOW OF RESOURCES				
Deferred outflows of resources - pension	1,315,708	2,143,219	3,458,927	207,744
Deferred loss on refunding	392,318	207,253	599,571	-
Total deferred outflow of resources	1,708,026	2,350,472	4,058,498	207,744

See accompanying Notes to Basic Financial Statements.

City of Yuba City
Statement of Net Position
Proprietary Funds
June 30, 2023

	Major Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Fund	Wastewater Fund	Totals	
LIABILITIES				
Current liabilities:				
Accounts payable	933,961	635,934	1,569,895	173,915
Accrued interest payable	62,552	210,366	272,918	15,528
Accrued wages	121,797	162,276	284,073	201,641
Unearned revenue	162,502	9,554	172,056	861
Compensated absences, due within one year	234,339	332,842	567,181	32,931
Finance purchase payable, due within one year	125,202	29,726	154,928	318,446
Loans payable, due within one year	1,411,618	499,748	1,911,366	-
Bonds payable, due within one year	1,059,342	1,622,159	2,681,501	-
Total current liabilities	4,111,313	3,502,605	7,613,918	743,322
Noncurrent liabilities:				
Advances from other funds	-	1,405,736	1,405,736	-
Compensated absences, due in more than one year	21,503	103,643	125,146	34,513
Finance purchase payable, due in more than one year	1,359,922	165,310	1,525,232	2,543,519
Loans payable, due in more than one year	12,903,588	5,672,949	18,576,537	-
Bonds payable, due in more than one year	13,529,909	34,739,777	48,269,686	-
Net pension liability	4,050,636	6,598,271	10,648,907	639,574
Total noncurrent liabilities	31,865,558	48,685,686	80,551,244	3,217,606
Total liabilities	35,976,871	52,188,291	88,165,162	3,960,928
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	129,148	210,375	339,523	20,392
Total deferred inflows of resources	129,148	210,375	339,523	20,392
NET POSITION				
Net investment in capital assets	77,686,420	61,775,441	139,461,861	6,305,811
Restricted for:				
Capital projects	-	21,750	21,750	-
Debt service	1,700,167	1,117,282	2,817,449	-
Total restricted	1,700,167	1,139,032	2,839,199	-
Unrestricted	24,126,432	21,262,505	45,388,937	19,896,909
Total net position	\$103,513,019	\$ 84,176,978	\$187,689,997	\$ 26,202,720

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City of Yuba City

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the year ended June 30, 2023

	Major Enterprise Funds			Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Totals	
OPERATING REVENUES:				
Sales and charges for services	\$ 15,872,792	\$ 18,760,790	\$ 34,633,582	\$ 11,951,900
Connection fees	246,709	397,365	644,074	-
Other revenues	319,686	63,978	383,664	88,895
Total operating revenues	16,439,187	19,222,133	35,661,320	12,040,795
OPERATING EXPENSES:				
Salaries and benefits	3,391,961	4,652,086	8,044,047	470,657
Professional services	143,703	997,293	1,140,996	61,386
Supplies	7,490	34,226	41,716	5,097
Benefits, claims, and insurance	377,637	529,848	907,485	7,959,263
Maintenance and operation	3,565,868	3,947,994	7,513,862	929,264
Tools and equipment	541,068	1,550,922	2,091,990	326,072
Rents and leases	267	807	1,074	-
Power and utilities	1,243,563	654,383	1,897,946	75,223
Training	31,259	58,138	89,397	3,252
Water purchases	1,434,101	11,670	1,445,771	-
Depreciation	5,303,682	3,683,355	8,987,037	954,720
Total operating expenses	16,040,599	16,120,722	32,161,321	10,784,934
OPERATING INCOME (LOSS):	398,588	3,101,411	3,499,999	1,255,861
NONOPERATING REVENUES (EXPENSES):				
Interest income	466,892	445,491	912,383	317,096
Interest expense	(864,185)	(1,220,397)	(2,084,582)	(45,687)
Grant revenues	877,217	-	877,217	-
Gain (loss) on sale of capital assets	-	19,380	19,380	48,775
Amortization expense	(49,241)	(51,578)	(100,819)	-
Total nonoperating revenues (expenses)	430,683	(807,104)	(376,421)	320,184
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	829,271	2,294,307	3,123,578	1,576,045
Transfers in	-	-	-	3,800
Transfers out	(329,493)	(805)	(330,298)	-
Total transfers and contributions	(329,493)	(805)	(330,298)	3,800
Change in net position	499,778	2,293,502	2,793,280	1,579,845
NET POSITION:				
Beginning of year	103,013,241	81,883,476	184,896,717	24,622,875
End of year	<u>\$103,513,019</u>	<u>\$ 84,176,978</u>	<u>\$187,689,997</u>	<u>\$ 26,202,720</u>

City of Yuba City
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2023

	Major Enterprise Funds			Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 17,402,610	\$ 18,756,125	\$ 36,158,735	\$ 11,477,238
Payments to suppliers and users	(6,866,972)	(7,793,802)	(14,660,774)	(9,954,260)
Payments to employees	(3,459,103)	(4,747,441)	(8,206,544)	(482,052)
Net cash provided by (used in) operating activities	7,076,535	6,214,882	13,291,417	1,040,926
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash receipts from other funds	-	(8,494)	(8,494)	116,382
Cash payments to other funds	(329,493)	(169,956)	(499,449)	-
Operating grants receipts	877,217	-	877,217	-
Net cash provided by (used in) noncapital financing activities	547,724	(178,450)	369,274	116,382
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of capital assets	(2,414,802)	(2,664,681)	(5,079,483)	(1,018,804)
Deposits drawn for capital asset construction	-	-	-	2,523,813
Proceeds from sale of capital assets	-	19,380	19,380	-
Interest paid	(869,191)	(1,187,491)	(2,056,682)	(45,687)
Principal payments - long-term debt	(2,586,372)	(2,041,898)	(4,628,270)	(313,802)
Net cash provided by (used in) capital and related financing activities	(5,870,365)	(5,874,690)	(11,745,055)	1,145,520
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	461,139	445,516	906,655	317,096
Net cash provided by investing activities	461,139	445,516	906,655	317,096
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,215,033	607,258	2,822,291	2,619,924
CASH AND CASH EQUIVALENTS:				
Beginning of year	26,087,904	25,474,912	51,562,816	16,667,222
End of year	<u>\$ 28,302,937</u>	<u>\$ 26,082,170</u>	<u>\$ 54,385,107</u>	<u>\$ 19,287,146</u>
FINANCIAL STATEMENT PRESENTATION:				
Cash and investments	\$ 26,247,785	\$ 24,943,138	\$ 51,190,923	\$ 19,287,146
Restricted cash and investments	354,985	1,117,282	1,472,267	-
Cash and investment with fiscal agent	1,700,167	21,750	1,721,917	-
Total	\$ 28,302,937	\$ 26,082,170	\$ 54,385,107	\$ 19,287,146

See accompanying Notes to Basic Financial Statements.

City of Yuba City
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2023

	Major Enterprise Funds			Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Totals	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income	\$ 398,588	\$ 3,101,411	\$ 3,499,999	\$ 1,255,861
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	5,303,682	3,683,355	8,987,037	954,720
Changes in assets and liabilities:				
Accounts receivable	962,397	43,296	1,005,693	(11,995)
Inventory	-	-	-	1,526
Prepaid expenses	21,964	1,954	23,918	(195,657)
Accounts payable	456,020	(10,475)	445,545	(405,691)
Accrued wages	29,696	35,927	65,623	7,638
Unearned revenue	1,026	(509,304)	(508,278)	(551,562)
Deferred outflows of resources - pension	(711,125)	(1,158,386)	(1,869,511)	(112,283)
Net pension liability	1,759,080	2,865,447	4,624,527	277,749
Deferred inflows of resources - pension	(1,169,628)	(1,905,263)	(3,074,891)	(184,678)
Compensated absences	24,835	66,920	91,755	5,298
Total adjustments	6,677,947	3,113,471	9,791,418	(214,935)
Net cash provided by operating activities	\$ 7,076,535	\$ 6,214,882	\$ 13,291,417	\$ 1,040,926

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FIDUCIARY FUND FINANCIAL STATEMENTS

Private Purpose Trust Funds accounts for activities of the Successor Agency funds of the former Redevelopment Agency.

Custodial funds account for funds held by the City on behalf of third parties not accounted for in a Trust.

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City of Yuba City
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023

	Private-Purpose Trust - RDA Successor Agency	Custodial Funds
ASSETS		
Current assets		
Cash and investments	\$ 3,880,066	\$ 30,737,073
Interest receivable	2,027	6,242
Taxes and assessment receivable	-	80,664
Other assets	-	-
Accounts receivable	-	238,627
Total current assets	<u>3,882,093</u>	<u>31,062,606</u>
Noncurrent assets		
Restricted cash and investments	494,739	1,523,924
Property held for resale	93,852	-
Capital assets:		
Non-depreciable, net	719,971	-
Depreciable, net	41,353	-
Total capital assets	<u>761,324</u>	<u>-</u>
Total noncurrent assets	<u>1,317,408</u>	<u>1,523,924</u>
Total assets	<u>5,199,501</u>	<u>32,586,530</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	330,916	-
Total deferred outflows of resources	<u>330,916</u>	<u>-</u>
LIABILITIES		
Current liabilities		
Accounts payable	-	893,427
Accrued liabilities	-	1,100,089
Interest payable	307,024	-
Long-term debt, due in one year	1,154,611	-
Total current liabilities	<u>1,461,635</u>	<u>1,993,516</u>
Noncurrent liabilities		
Advances from City of Yuba City	9,703,148	-
Deposits payable	-	1,478,093
Long term debt, due in more than one year, net	25,210,396	-
Total noncurrent liabilities	<u>34,913,544</u>	<u>1,478,093</u>
Total liabilities	<u>36,375,179</u>	<u>3,471,609</u>
NET POSITION		
Restricted for Net-5	-	135,120
Restricted for assessment districts	-	757,864
Restricted for flood control	-	27,745,836
Restricted for LAFCO	-	221,892
Restricted for other	-	254,209
Restricted for dissolution of RDA	(30,844,762)	-
Total net position	<u>\$ (30,844,762)</u>	<u>\$ 29,114,921</u>

See accompanying Notes to Basic Financial Statements.

City of Yuba City
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2023

	Private-Purpose Trust - RDA Successor Agency	Custodial Funds
ADDITIONS:		
RDA property tax trust fund distribution	\$ 2,541,324	\$ -
Investment income	74,514	331,363
Intergovernmental	-	8,578,926
Charges for services	-	1,653,589
Special assessments	-	7,322,653
Other	15,006	1,383,975
Total additions	2,630,844	19,270,506
DEDUCTIONS:		
Administration	53,070	-
Community development	7,592	-
Bond payments - principal	-	2,488,056
Bond payments - interest	936,278	3,469,438
Salaries and benefits	-	389,529
Professional services	-	8,019,329
Transfers	-	74,567
Depreciation	5,935	-
Total deductions	1,002,875	14,440,919
Change in net position	1,627,969	4,829,587
NET POSITION:		
Beginning of year	(32,472,731)	24,285,334
End of year	<u>\$ (30,844,762)</u>	<u>\$ 29,114,921</u>

See accompanying Notes to Basic Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Yuba City, California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. 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.

A. Reporting Entity

The City of Yuba City was founded in 1849, and is one of California's oldest cities. Yuba City was formally incorporated January 23, 1908, under the laws and regulations of the State of California. The City operates under a Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting methods and procedures adopted by the City conform to accounting principles generally accepted in the United States of America, as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 14, *the Financial Reporting Entity*, as amended by GASB Statement No. 39 and GASB Statement No. 61.

The governmental reporting entity consists of the City (Primary Government) and its component units. Component units are legally separate organizations for which the City Council is financially accountable or other organizations whose component units' nature and significant relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the City's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the City.

Reporting for component units on the City's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance, part of the City's operations and, therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the City's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the City's Council.

Blended Component Units

Component units that are blended into the reporting activity types of the City's report are presented on the following page.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

A. Reporting Entity, Continued

Blended Component Units, Continued

Yuba City Public Finance Authority

The Yuba City Public Finance Authority was formed by a joint exercise of power agreement dated November 5, 1992, between the City of Yuba City and the Yuba City Redevelopment Agency for the purpose of issuing bonds to be used to provide financial assistance to the City and the Agency. The governing body is substantially the same as the primary government and the City and the component unit is financially interdependent; hence, the unit is presented by blending with the primary government.

Separate audited financial statements for the Yuba City Public Finance Authority are not issued. Debt of the Yuba City Public Finance Authority is shown as general obligation long-term debt of the City.

Discretely Presented Component Units

There are no component units of the City which meet the criteria for discrete presentation.

B. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity with its own self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses. These funds are established for the purpose of carrying out specific activities or certain objectives in accordance with specific regulations, restrictions or limitations. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the City accompanied by a total column.

These financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred inflows/outflows of resources, and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liabilities are incurred.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Government-Wide Financial Statements, Continued

Certain types of transactions reported as program revenues for the City are reported in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Transfers in/out

The City applies all applicable GASB pronouncements including all NCGA Statements and Interpretations currently in effect.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that meet specific qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

The City reports the following funds as major governmental funds of the City.

- The **General Fund** is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. The General Fund includes such activities as public safety, parks and recreation, public works and facilities and community development.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Governmental Fund Financial Statements, Continued

- The **Streets and Roads Fund** is a special revenue fund used to account for monies to be used on transportation, road, and street programs. The main sources of revenue of this fund are local transportation funds, gas tax funds, SB 1 funds, Proposition 42 funds, and road maintenance franchise fees.
- The **H.R. 1319 ARPA of 2021 Fund** is a special revenue fund used to account for monies to be used in accordance with the America Rescue Plan Act of 2021 (the 'Act'). Revenues reported in this fund are restricted to be used in accordance with requirements of the Act.
- The **Impact Fees CIP Projects Fund** is a capital projects fund used to account for funds budgeted for capital expenditures, which are funded from development impact fees. All governmental funds are accounted for on a spending or current financial resources measurement.

Revenues are recorded when received in cash, except that revenues subject to accrual (generally those received within 60 days after year-end, except for grant revenues that are recognized within 180 days after year-end) are recognized when due. The primary revenue sources that have been treated as susceptible to accrual by the City are property taxes, taxpayer-assessed tax revenues (sales taxes, transient occupancy taxes, franchise taxes, etc.), grant revenues and earnings on investments. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows for all proprietary funds.

A column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the Government-Wide Financial Statements.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which a liability is incurred.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Proprietary Fund Financial Statements, Continued

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The following are descriptions of the major proprietary funds:

- The **Water Fund** is an enterprise fund used to account for activity related to providing customers with water service and billing for service provided by the City.
- The **Wastewater Fund** is an enterprise fund used to account for activity related to providing customers with wastewater service and billing for service provided by the City.

Internal Service Funds

The City also reports the following fund type:

- Internal Service Funds - These funds are used to account for stores, vehicle replacement, insurance, technology replacement, and employee benefit services provided to other departments on a cost reimbursement basis.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a statement of net position and statement of changes in net position. The City has two types of fiduciary funds; private-purpose trust funds and custodial funds.

- Private-purpose trust funds are used to account for custodial responsibilities assigned to the Redevelopment Agency Successor Agency, and was established on February 1, 2012. Private-purpose trust funds are accounted for on an economic resources measurement focus and full accrual basis of accounting.
- Custodial funds are used to account for fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. The specific nature of the activities reported in these funds include: assessment district monies, community facilities district monies, narcotics enforcement joint powers authority operations, state-funded narcotics enforcement program, operations of the local flood control agency, and capital funds of the local flood control agency.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Cash, Cash Equivalents and Investments

The City pools cash and investments of all funds, except amounts held by fiscal agents. The City sponsors an investment pool that is managed by the Yuba City City Council (Council). The Council invests on behalf of most funds of the City and external participants in accordance with the California State Government Code and the City's investment policy.

Investments are reported in the accompanying balance sheet at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

Participant's equity in an investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants annually. During the fiscal year ended June 30, 2023, the City had not entered into any legally binding guarantees to support the participant equity in the investment pool.

The City pools cash resources from all funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB No. 3)*, certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Cash, Cash Equivalents and Investments, Continued

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City does not have any investments that are measured using Level 3 inputs.

The City participates in an investment pool managed by the State of California entitled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to the change in interest rates.

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments" in the accompanying Basic Financial Statements.

For the purposes of the accompanying statement of cash flows, the City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

D. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt, for acquisition and construction of capital projects, and to meet bond indenture debt reserve requirements. Cash and investments are also restricted for deposits held for others within the enterprise funds.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Prepaids and Supplies

Certain payments to vendors reflect costs applicable to future accounting periods are called prepaids. The City accounts for prepaids using the consumption method. Supplies are valued at cost on a first-in first-out basis. Supplies in the General Fund consist of expendable supplies held for consumption by all departments of the City. The cost is recorded as expenditure at the time individual inventory items are withdrawn for use (consumption method). The General Fund supplies amount is equally offset by non-spendable fund balance, which indicates that it does not constitute expendable available financial resources. Supplies in the enterprise funds consist principally of materials and supplies for utility operations and are expensed as consumed.

F. Capital Assets

Capital assets, which include land, buildings, improvements, equipment, furniture, and infrastructure assets (e.g. roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost is not available. Donated assets are valued at their acquisition value on the date donated.

Capital assets are defined by the City as assets with a cost of more than \$5,000 and an estimated useful life of more than two years.

For capital assets, depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Equipment	3 - 25 years
Buildings and Improvements	5 - 50 years
Infrastructure	20 - 75 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities, or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

G. Interest Payable

In the Government-Wide Financial Statements, interest payable on long-term debt is recognized as the liability is incurred for governmental fund types and proprietary fund types.

In the Fund Financial Statements, proprietary fund types recognize the interest payable when the liability is incurred.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

H. Unearned revenue

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the Government-Wide Financial Statements are prepaid charges for services.

I. Long-Term Debt

Government-Wide Financial Statements – Long-term debt and other long-term obligations are reported as liabilities in the appropriate activities.

Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable is reported net of the applicable bond premium or discount. Bond issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred.

Fund Financial Statements – The governmental fund financial statements do not present long-term debt. As such, long-term debt is shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

Bond premiums and discounts are recognized during the current period as other financing sources or uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Bond proceeds are reported as other financing sources.

Proprietary Fund and Fiduciary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

J. Property Taxes

The State of California's (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100% of market value, as defined by Article XIII A, and may be adjusted by no more than 2% per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1% tax levy amount to counties, cities, school districts, and other districts.

Tax Levy Dates

All lien dates attach annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and secured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Property Taxes, Continued

Tax Collections

The Sutter County Tax Collector is responsible for all property tax collections. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments; the first installment is due on November 1 of the fiscal year and is delinquent if not paid by December 10, the second installment is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County of Sutter (County) for late payments.

The County apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan", as described by Section 4717 of the California Revenue and Taxation code. Therefore, the City receives 100 percent of the secured property tax levies to which it is entitled, whether or not collected. Unsecured delinquent taxes are considered fully collectible.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position (balance sheet) will sometimes report 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) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position (balance sheet) will sometimes report 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 so will not be recognized as an inflow of resources (revenue) until that time.

L. Net Position

Government-Wide Financial Statements

In the Government-Wide Financial Statements, net position are classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

Restricted – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of governments.

Unrestricted – This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position" as defined above.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

L. Net Position, Continued

Government-Wide Financial Statements, Continued

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the City's policy is to apply restricted net position first.

At June 30, 2023, the City had recorded restricted net position in the governmental activities and business-type activities as follows:

	Governmental Activities	Business type Activities
Restricted for:		
Community development	\$ 15,306,279	\$ -
Street and roads	12,536,803	-
Pension	4,397,825	-
Capital projects	34,583	21,750
Debt service	670	2,817,449
Landscape districts	442,675	-
Lighting districts	291,528	-
Specific plans	116,733	-
Energy conservation	61,342	-
Rate stabilization	24,398	-
Other	364,176	-
Total Restricted	<u>\$ 33,577,012</u>	<u>\$ 2,839,199</u>

Included in total restricted net position at June 30, 2023 is net position restricted by enabling legislation of \$28,577,285.

M. Fund Balances

Non-spendable Fund Balances

These include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact, e.g., the principal of an endowment fund. Examples of "not in spendable form" include inventory, prepaid amounts, long-term notes and loans, property held for resale and other items not expected to be converted to cash. However, if the proceeds from the eventual sale or liquidation of the items would be considered restricted, committed or assigned (as defined further on) then these amounts would be included in the restricted, committed or assigned instead of the non-spendable classification. A debt service reserve fund held by a trustee is an example of fund balance in non-spendable form that is classified as restricted instead of non-spendable since the reserve is eventually liquidated to make the final debt service principal payment.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

M. Fund Balances, Continued

Restricted Fund Balances

Restricted fund balances have externally enforceable limitations on use. The limitations on use can be imposed by creditors, grantors, or contributors as well as by constitutional provisions, enabling legislation, laws and government regulations.

Committed Fund Balances

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (Resolution) of the City Council are classified as committed fund balances. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable.

The General Fund transfers to specific projects in the General CIP Projects Capital Project Fund are committed once approved by the City Council and cannot be used for any purpose other than specified without subsequent Council action.

Assigned Fund Balances

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent amounts intended to be used for specific purposes established by the Finance Director, as delegated by City Council.

Unassigned Fund Balance

Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Hierarchy of Expenditures to Classify Fund Balance Amounts

To determine the composition of ending fund balances, the Council established the order in which restricted and unrestricted (committed, assigned and unassigned) funds are to be expended. To this purpose, for expenditures made in any governmental fund, the restricted amounts will be reduced first, followed by committed amounts, assigned amounts, and then unassigned amounts.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

N. Compensated Leave Payable

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick leave, which will be paid to employees upon separation from City service. One hundred percent of unused vacation benefits are paid to employees upon termination. For employees hired prior to July 31, 1991, twenty-five percent of unused sick leave benefits vest with employees after five years and fifty percent vest with employees after fifteen years. For employees hired after July 31, 1991, fifteen percent of unused sick leave benefits vest with employees after five years and thirty percent vests with employees after fifteen years. In prior years, the General Fund has been used to liquidate the liability for nonproprietary fund compensated absences.

In the government-wide and proprietary fund financial statements, the accrued compensated absences is reported as an expense and related liability. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature. The City includes its share of medicare taxes and workers compensation payable on behalf of the employees in the accrual for compensated absences.

O. Pension

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' 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. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	June 30, 2021 to June 30, 2022

P Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan's (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	June 30, 2021 to June 30, 2022

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Q. Use of Estimates

The preparation of the Basic Financial Statements in conformity with GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amounts of revenues and expenses. Actual results could differ from these estimates and assumptions.

R. New Pronouncements

In 2023, the City adopted the new accounting standards to conform to the following Governmental Accounting Standards Board Statements:

- *GASB Statement No. 91, Conduit Debt Obligations* – The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The City updated disclosures relating to conduit debt obligations to meet the requirements of this statement.
- *GASB Statement 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements* – The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP in an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this statement did not apply to the City for the current fiscal year.
- *GASB Statement No. 96, Subscription-based Information Technology Arrangements* – This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement did not apply to the City for the current fiscal year.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

2. CASH AND INVESTMENTS

The City maintains a cash and investment pool for all funds. Certain restricted funds, which are held and invested by independent outside custodians through contractual agreements, are not pooled.

The following is a summary of cash and investments at June 30, 2023:

	Government-Wide Statement of Net Position			
	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Deposits and investments	\$ 70,279,292	\$ 51,190,923	\$ 34,617,139	\$ 156,087,354
Restricted cash and investments	4,397,825	1,472,267	-	5,870,092
Cash and investments held with fiscal agent	667	1,721,917	2,018,663	3,741,247
Total cash and investments	\$ 74,677,784	\$ 54,385,107	\$ 36,635,802	\$ 165,698,693

A. Summary of Cash and Investments

Cash and investments as of June 30, 2023 consist of the following:

Cash on hand	\$ 6,650
Deposits with financial institution	6,006,805
Total cash on hand and deposits	6,013,455
State investment pool	61,876,248
California Asset Management Program	10,938,754
U.S. Treasury obligations	42,600,040
U.S. government agency issued	11,847,274
Corporate bonds	21,664,630
Mutual funds	5,339,116
Non-negotiable certificates of deposit	1,046,940
Municipal bonds	630,989
Total investments	155,943,991
Total City Treasury	161,957,446
Cash and investments with fiscal agent	3,741,247
Total cash and investments	\$ 165,698,693

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

2. CASH AND INVESTMENTS, Continued

B. Deposits

The carrying amount of the City's cash deposit was \$6,006,805 at June 30, 2023. Bank balances before reconciling items were a positive amount of \$9,347,045 at June 30, 2023. The City's cash deposit was fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The remaining amount was collateralized with securities held by the pledging financial institutions in the City's name.

The California Government Code (Code) Section 53652 requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. The Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

C. Investments

Investments are stated at fair value using the aggregate method in all funds, resulting in the following investment income in all funds:

Interest income	\$ 3,228,642
Unrealized gain in changes in fair value of investments	(915,532)
Total investment income	\$ 2,313,110

The City's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates rise, the portfolio value will decline. If interest rates fall, the portfolio value will rise. The portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold. Generally the City's practice is to buy and hold investments until maturity dates. Consequently, the City's investments are carried at fair value.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

2. CASH AND INVESTMENTS, Continued

C. Investments, Continued

Investments Authorized by the California Government Code and the City's Investment Policy

The table on the following page identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State pool)	N/A	None	\$50 million
U.S. Treasury Obligations	5 years	None	None
U.S. Government Agency Issues	5 years	20%	None
State of California and Local Agency Obligations	5 years	None	None
Yuba City and Yuba City RDA Obligations	None	None	None
Supranationals	5 years	30%	30%
Special Assessment District Obligations	30 years	None	None
Bankers' Acceptance (must be dollar denominated)	180 days	40%	40%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	30%
Non-Negotiable Certificates of Deposit	5 years	30%	30%
Placement Service Certificates of Deposit	5 years	30%	30%
Repurchase Agreements	5 years	None	None
Medium Term Notes	5 years	30%	30%
Asset Backed Obligations	5 years	20%	20%
Money Market Funds	N/A	20%	10%
California Asset Management Program	N/A	None	None

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

2. CASH AND INVESTMENTS, Continued

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table on the following page identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund	N/A	None	\$50 million
U.S. Treasury Obligations	5 years	None	None
U.S. Government Agency Issues	5 years	20%	None
State of California and Local Agency Obligations	5 years	None	15%
Yuba City and Yuba City RDA Obligations	None	None	15%
Special Assessment District Obligations	30 years	None	15%
Bankers' Acceptance (must be dollar denominated)	180 days	40%	30%
Commercial Paper	270 days	10%	25%
Negotiable Certificates of Deposit	5 years	30%	None
Non-Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	5 years	None	None
Medium Term Notes	5 years	30%	None
Asset Backed Obligations	5 years	20%	20%
Money Market Funds	N/A	20%	10%
California Asset Management Program	N/A	None	None

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2023, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes – are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities – the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

2. CASH AND INVESTMENTS, Continued

C. Investments, Continued

As of June 30, 2023, the City had \$61,876,248 invested in LAIF, which had invested 2.78% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 1.88% in the previous year. The LAIF fair value factor of 0.987125414 was used to calculate the fair value of the investments in LAIF.

D. Risk Disclosures

Interest Risk

Interest rate risk is the market value fluctuation due to overall changes in the interest rates. It is mitigated by limiting the average maturity of the City's portfolio not to exceed three years.

One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flows and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments held by bond trustees to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity.

Investments held in the City Treasury grouped by maturity date at June 30, 2023, are shown below:

Investment Type	Total	Investment Maturities (in years)					
		1 year or Less	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	5 years or More
State investment pool	\$ 61,876,248	\$ 61,876,248	\$ -	\$ -	\$ -	\$ -	\$ -
California Asset Management							
Program (CAMP)	10,938,754	10,938,754	-	-	-	-	-
U.S. Treasury obligations	42,600,040	5,540,026	20,665,253	1,593,774	7,027,557	7,773,430	-
U.S. government agency issues	11,847,274	6,439,538	890,274	2,451,428	629,622	1,436,412	-
Corporate bonds	21,664,630	3,687,824	5,564,662	4,160,933	2,943,913	5,307,298	-
Mutual funds	5,339,116	5,339,116	-	-	-	-	-
Non-negotiable certificates of deposits	1,046,940	1,046,940	-	-	-	-	-
Municipal bonds	630,989	117,919	287,193	90,481	58,785	43,424	33,187
Total	\$ 155,943,991	\$ 94,986,365	\$ 27,407,382	\$ 8,296,616	\$ 10,659,877	\$ 14,560,564	\$ 33,187

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

2. CASH AND INVESTMENTS, Continued

D. Risk Disclosures, Continued

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City has no investments (including investments held by bond trustees) that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

At June 30, 2023, the City's deposits and investments were rated as follows:

Investment Type	Total	Moody's							
		Aaa	Aa1	Aa2	Aa3	A1	A2	A3	NR/NA
State investment pool	\$ 61,876,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,876,248
California Asset Management Program	10,938,754	-	-	-	-	-	-	-	10,938,754
U.S. treasury obligations	42,600,040	42,600,040	-	-	-	-	-	-	-
U.S. government agency issued	11,847,274	11,847,274	-	-	-	-	-	-	-
Corporate bonds	21,664,630	384,438	206,486	1,860,109	1,253,788	3,628,286	3,834,094	4,207,036	6,290,393
Mutual funds	5,339,116	-	-	-	-	-	-	-	5,339,116
Non-negotiable certificates of deposits	1,046,940	-	-	-	-	-	-	-	1,046,940
Municipal bonds	630,989	-	163,919	-	-	-	-	-	467,070
Total	\$ 155,943,991	\$ 54,831,752	\$ 370,405	\$ 1,860,109	\$ 1,253,788	\$ 3,628,286	\$ 3,834,094	\$ 4,207,036	\$ 85,958,521

Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. There were no investments in any issuer that exceeded more than 5% of the City's portfolio.

Custodial Risk

For an investment, custodial credit risk 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. None of the City's investments were subject to custodial credit risk.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

2. CASH AND INVESTMENTS, Continued

E. Investment Valuation

Investments (except for money market accounts, time deposits, and commercial paper) are measured at fair value on a recurring basis. *Recurring* fair value measurements, are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs (based on matrix pricing which use observable market inputs such as yield curves and market indices that are derived principally from or corroborated by observable market data by correlation to other means). Level 3 inputs are significant unobservable inputs. Investment fair value measurements at June 30, 2023 are described below.

Investments included in restricted cash and investments included money market accounts and guaranteed investment contracts are not subject to fair value levelling disclosure.

Investment Type	Total	Level 1	Level 2	Level 3
U.S. treasury obligations	\$ 42,600,040	\$ 26,350,070	\$ 16,249,970	\$ -
U.S. government agency issues	11,847,274	-	11,847,274	-
Corporate bonds	21,664,630	-	21,664,630	-
Municipal bonds	630,989	-	630,989	-
Total investments subject to levelling	76,742,933	\$ 26,350,070	\$ 50,392,863	\$ -
Other investments:				
State investment pool	61,876,248			
California Asset Management Program	10,938,754			
Non-negotiable certificates of deposit	1,046,940			
Mutual funds	5,339,116			
Total investments	\$ 155,943,991			

The City also participated in the California Asset Management Program (CAMP) which seeks to maintain a constant net asset value (NAV) per share of \$1.00. The City had \$10,938,754 invested in CAMP as of June 30, 2023.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

3. CAPITAL ASSETS

A. Government-Wide Financial Statements

At June 30, 2023, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	\$ 130,242,189	\$ 2,333,359	\$ 132,575,548
Construction in progress	18,192,224	39,296,919	57,489,143
Total non-depreciable assets	148,434,413	41,630,278	190,064,691
Depreciable assets:			
Buildings	40,610,771	29,535,155	70,145,926
Improvements	18,090,014	76,077,244	94,167,258
Machinery and equipment	29,112,281	37,905,456	67,017,737
Infrastructure	463,543,476	197,523,005	661,066,481
Total depreciable assets	551,356,542	341,040,860	892,397,402
Less accumulated depreciation:			
Buildings	(29,611,253)	(21,600,371)	(51,211,624)
Improvements	(10,409,889)	(57,492,756)	(67,902,645)
Machinery and equipment	(20,782,774)	(24,880,663)	(45,663,437)
Infrastructure	(195,390,435)	(66,715,808)	(262,106,243)
Total accumulated depreciation	(256,194,351)	(170,689,598)	(426,883,949)
Total depreciable assets, net	295,162,191	170,351,262	465,513,453
Total capital assets, net	\$ 443,596,604	\$ 211,981,540	\$ 655,578,144

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

3. CAPITAL ASSETS, Continued

A. Government-Wide Financial Statements, Continued

The following is a summary of changes in the capital assets for the governmental activities during the fiscal year:

	Balance July 1, 2022	Additions	Retirements	Reclassification	Balance June 30, 2023
Non-depreciable assets:					
Land	\$130,242,189	\$ -	\$ -	\$ -	\$ 130,242,189
Construction in progress	11,836,317	10,530,177	(1,509,752)	(2,664,518)	18,192,224
Total non-depreciable assets	142,078,506	10,530,177	(1,509,752)	(2,664,518)	148,434,413
Depreciable assets:					
Building	39,909,146	11,088	-	690,537	40,610,771
Improvements	17,530,377	1,331	-	558,306	18,090,014
Machinery and equipment	27,644,491	2,676,619	(1,204,602)	(4,227)	29,112,281
Infrastructure	462,123,574	-	-	1,419,902	463,543,476
Total depreciable assets	547,207,588	2,689,038	(1,204,602)	2,664,518	551,356,542
Less accumulated depreciation:					
Building	(27,613,890)	(1,997,363)	-	-	(29,611,253)
Improvements	(9,559,900)	(849,989)	-	-	(10,409,889)
Machinery and equipment	(20,329,714)	(1,657,662)	1,204,602	-	(20,782,774)
Infrastructure	(184,181,841)	(11,208,594)	-	-	(195,390,435)
Total accumulated depreciation	(241,685,345)	(15,713,608)	1,204,602	-	(256,194,351)
Total depreciable assets, net	305,522,243	(13,024,570)	-	2,664,518	295,162,191
Total capital assets	\$447,600,749	\$ (2,494,393)	\$ (1,509,752)	\$ -	\$ 443,596,604

Depreciation expense by program for capital assets for the year ended June 30, 2023 was as follows:

General government	\$ 221,517
Public safety	1,059,826
Public works	11,951,846
Parks and recreation	1,371,624
Community development	1,108,795
Total depreciation expense	\$ 15,713,608

Depreciation on capital assets held by the City's internal service funds of \$954,720 is charged to the various functions based on their usage of the assets and is included above.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

3. CAPITAL ASSETS, Continued

A. Government-Wide Financial Statements, Continued

The following is a summary of changes in the capital assets for business-type activities during the fiscal year:

	Balance July 1, 2022	Additions	Retirements	Reclassification	Balance June 30, 2023
Non-depreciable assets:					
Land	\$ 2,333,359	\$ -	\$ -	\$ -	\$ 2,333,359
Construction in progress	37,398,844	4,757,738	-	(2,859,663)	39,296,919
Total non-depreciable assets	39,732,203	4,757,738	-	(2,859,663)	41,630,278
Depreciable assets:					
Building	29,535,155	-	-	-	29,535,155
Improvements	76,056,205	-	-	21,039	76,077,244
Vehicle and equipment	37,602,979	321,745	(19,268)	-	37,905,456
Infrastructure	194,684,381	-	-	2,838,624	197,523,005
Total depreciable assets	337,878,720	321,745	(19,268)	2,859,663	341,040,860
Less accumulated depreciation:					
Building	(20,814,731)	(785,640)	-	-	(21,600,371)
Improvements	(55,456,360)	(2,036,396)	-	-	(57,492,756)
Machinery and equipment	(23,464,296)	(1,435,635)	19,268	-	(24,880,663)
Infrastructure	(61,986,442)	(4,729,366)	-	-	(66,715,808)
Total accumulated depreciation	(161,721,829)	(8,987,037)	19,268	-	(170,689,598)
Total depreciable assets, net	176,156,891	(8,665,292)	-	2,859,663	170,351,262
Total capital assets	\$215,889,094	\$ (3,907,554)	\$ -	\$ -	\$211,981,540

Depreciation Allocation

Depreciation expense was charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program were as follows:

Business-Type Activities:	
Water	\$ 5,303,682
Wastewater	3,683,355
Total	<u>\$ 8,987,037</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

4. UNEARNED AND UNAVAILABLE REVENUE

At June 30, 2023, components of unearned revenue reported in the government-wide statements were as follows:

	Governmental Activities	Business-type Activities
America Rescue Plan Act unspent funds	\$ 10,467,892	\$ -
Business license and miscellaneous revenue received but not earned	168,575	-
Senior fund raising revenue received but not earned	63,454	-
Impact fees collected but not earned	13,346,812	-
Franchise fees received but not earned	44,203	-
Other miscellaneous	635,503	-
Water revenue collected but not earned	-	162,502
Wastewater revenue collected but not earned	-	9,554
Total unearned revenue	<u>\$ 24,726,439</u>	<u>\$ 172,056</u>

At June 30, 2023, components of unearned revenue reported in the fund financial statements were as follows:

General Fund	
Business license and miscellaneous revenue received but not earned	\$ 168,575
Senior fund raising revenue received but not earned	63,454
Other miscellaneous	634,642
Subtotal General Fund	<u>866,671</u>
H.R. 1319 ARPA of 2021 Special Revenue Fund:	
America Rescue Plan Act unspent funds	10,467,892
Impact Fees CIP Capital Projects Fund:	
Impact fees collected but not earned	13,346,812
Non-Major Governmental Funds	
Recology Rate Stabilization Special Revenue Fund	
Franchise Fees received but not yet earned	44,203
Water Fund:	
Water revenues collected but not earned	162,502
Wastewater Fund:	
Wastewater revenues collected but not earned	9,554
Internal Service Funds	
Other miscellaneous	861
Total unearned revenue	<u>\$ 24,898,495</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

4. UNEARNED AND UNAVAILABLE REVENUE, Continued

At June 30, 2023, components of deferred inflows of resources - unavailable revenue reported in the fund financial statements were as follows:

<u>Non-Major governmental Funds:</u>	
Home Grant Special Revenue Fund:	
Accrued interest on long term loans	\$ 865,047
CDBG Program Income Special Revenue Fund:	
Accrued interest on long term loans	132,934
TDA/LTF Special Revenue Fund:	
Unavailable grant revenues	3,296,869
CAL-HOME Grant Special Revenue Fund:	
Accrued interest on long term loans	232,282
Housing Successor Agency Special Revenue Fund:	
Accrued interest on long term loans	398,229
Total unavailable revenues	<u>\$ 4,925,361</u>

5. LONG-TERM DEBT

The following is a summary of long-term debt activity of the City for the fiscal year ended June 30, 2023.

Governmental Activities	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due within one year	Due in more than one year
Bonds Payable:						
Refunding Lease Revenue Bonds	\$ 7,255,000	\$ -	\$ (430,000)	\$ 6,825,000	445,000	\$ 6,380,000
Direct Borrowings and Private Placements:						
Solar Energy Project - 2017 (CREBs)	1,426,379	-	\$ (45,407)	1,380,972	54,664	1,326,308
Original issue premium	132,785	-	(17,974)	114,811	-	114,811
Subtotal Bonds Payable	<u>8,814,164</u>	<u>-</u>	<u>(493,381)</u>	<u>8,320,783</u>	<u>499,664</u>	<u>7,821,119</u>
Finance Purchase Payable:						
Energy Service Lease Payable	1,803,974	-	(142,218)	1,661,756	154,928	1,506,828
Street Light Conversion Lease Payable	547,961	-	(103,171)	444,790	106,257	338,533
Bank of America Purchase Agreements	3,175,767	-	(313,802)	2,861,965	318,446	2,543,519
Subtotal Finance Purchase Payable	<u>5,527,702</u>	<u>-</u>	<u>(559,191)</u>	<u>4,968,511</u>	<u>579,631</u>	<u>4,388,880</u>
Sutter County Loan	<u>92,400</u>	<u>-</u>	<u>(23,100)</u>	<u>69,300</u>	<u>23,100</u>	<u>46,200</u>
Total Governmental Activities	<u>\$14,434,266</u>	<u>\$ -</u>	<u>\$ (1,075,672)</u>	<u>\$13,358,594</u>	<u>\$ 1,102,395</u>	<u>\$12,256,199</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Business-Type Activities	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due within one year	Due in more than one year
Bonds Payable						
Direct Borrowings and Private Placements:						
Wastewater Revenue Refunding Bonds, 2014	\$ 1,464,318	\$ -	\$ (723,298)	\$ 741,020	\$ 741,020	\$ -
Wastewater Revenue Bonds, 2017 CREBs	5,915,000	-	(205,000)	5,710,000	210,000	5,500,000
Wastewater Revenue Refunding Bond - 2017	8,229,054	-	(152,733)	8,076,321	156,140	7,920,181
Wastewater Revenue Bonds - 2018	21,815,000	-	(490,000)	21,325,000	515,000	20,810,000
Water Revenue Bonds, 2017 CREBs	1,567,530	-	(128,815)	1,438,715	134,341	1,304,374
	<u>40,651,606</u>	<u>-</u>	<u>(1,699,846)</u>	<u>37,291,056</u>	<u>1,756,501</u>	<u>35,534,555</u>
Other:						
Water Revenue Refunding Bonds, 2013	14,245,000	-	(900,000)	13,345,000	925,000	12,420,000
Original issue premium on bonds	565,474	-	(20,943)	544,531	-	544,531
Original issue discount on bonds	(247,627)	-	18,227	(229,400)	-	(229,400)
Subtotal Bonds Payable	<u>56,097,168</u>	<u>-</u>	<u>(2,602,562)</u>	<u>50,951,187</u>	<u>2,681,501</u>	<u>48,269,686</u>
Energy Service Finance Purchase Payable	1,824,094	-	(143,934)	1,680,160	154,928	1,525,232
Loans Payable						
Wastewater SRF Loan - WWTF	2,188,520	-	(147,253)	2,041,267	150,493	1,890,774
Wastewater SRF Loan - Collection	4,437,440	-	(306,010)	4,131,430	311,518	3,819,912
Water SRF Loan - Region 1	3,330,494	-	(297,039)	3,033,455	304,517	2,728,938
Water SRF Loan - Region 2/3	10,229,746	-	(921,649)	9,308,097	942,816	8,365,281
Water SRF Loan - Smart Meter Replacement	2,185,471	-	(211,817)	1,973,654	202,022	1,771,632
Subtotal Loans Payable	<u>22,371,671</u>	<u>-</u>	<u>(1,883,768)</u>	<u>20,487,903</u>	<u>1,911,366</u>	<u>18,576,537</u>
Total Business-Type Activities	<u>\$ 79,874,624</u>	<u>\$ -</u>	<u>\$ (4,630,264)</u>	<u>\$ 73,119,250</u>	<u>\$ 4,747,795</u>	<u>\$ 68,371,455</u>

Governmental Activities

2015 Refunding Lease Revenue Bonds

On October 22, 2015, the Yuba City Public Financing Authority (PFA) issued \$9,730,000 of Refunding Lease Revenue Bonds (Bonds) bearing interest rates of 2.0 to 5.0% and payable semi-annually on December 1 and June 1, maturing on June 1, 2036. The proceeds of the Bonds will be used to (i) refinance outstanding 2006 lease obligations of the City and the related certificates of participation (COP); and (ii) pay the costs of issuing the Bonds. The outstanding principal balance of the 2015 Lease Revenue Bonds at June 30, 2023 was \$6,825,000.

\$10,673,922 from the 2015 Refunding Lease Revenue Bonds (including \$768,626 of the reserve fund from the 2006 COP) was placed in an irrevocable trust that is to be used to service the future debt requirements of the 2006 COP. The refunding resulted in an economic gain (difference between the present value of the debt service payments on the old and new debts, plus or minus funds on hand) of \$909,723. The aggregate difference in debt service between the old and new debt is \$1,008,230.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Governmental Activities, Continued

2015 Refunding Lease Revenue Bonds, Continued

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 445,000	\$ 201,231	\$ 646,231
2025	455,000	192,331	647,331
2026	465,000	183,231	648,231
2027	475,000	172,769	647,769
2028	490,000	158,519	648,519
2029-2033	2,680,000	544,550	3,224,550
2034-2036	1,815,000	94,822	1,909,822
Totals	\$ 6,825,000	\$ 1,547,453	\$ 8,372,453

Solar Energy Project – 2017 Clean Renewable Energy Bonds (CREBs) (Direct Placement)

On November 28, 2017, the Yuba City Public Financing Authority (PFA) issued \$1,611,448 of Clean Renewable Energy Bonds (CREBs) bearing interest at a rate of 4.81% per annum, as reduced by IRS interest rate subsidy, and payable semi-annually on November 1 and May 1, maturing on November 1, 2037. The proceeds of the Bonds will be used to finance energy improvements at the City's police station. The outstanding principal balance of Solar Energy Bonds at June 30, 2023 was \$1,380,972.

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 54,664	\$ 65,792	\$ 120,456
2025	59,456	63,106	122,562
2026	64,504	60,187	124,691
2027	69,821	57,022	126,843
2028	75,418	53,597	129,015
2029-2033	471,853	206,561	678,414
2034-2038	585,256	73,430	658,686
Totals	\$ 1,380,972	\$ 579,695	\$ 1,960,667

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Governmental Activities, Continued

Finance Purchase Payables

The City has entered into a finance purchase agreement with Bank of America (through OpTerra Energy Services) to provide funds for energy related improvements to City facilities. The general fund, water fund, and wastewater fund are providing the debt service for this purchase at 49.7%, 44.4%, and 5.9% respectively. The cost of the assets acquired with this capital lease was \$4,967,214. Required payments commenced September 13, 2015 and end June 13, 2031 and have an interest rate of 2.89%.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2023	\$ 154,928	\$ 46,346	\$ 201,274
2024	168,367	41,724	210,091
2025	182,573	36,705	219,278
2026	197,584	31,267	228,851
2027	213,439	25,386	238,825
2028-2031	744,865	36,063	780,928
Totals	<u>\$ 1,661,756</u>	<u>\$ 217,491</u>	<u>\$ 1,879,247</u>

The City has entered into a finance purchase agreement with Pacific Gas & Electric Co. to convert City street lights to LED technology. The value of the assets acquired with this financed purchase was \$1,392,022. Required payments end on June 22, 2027 and have an interest rate of 3.00%.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 106,257	\$ 12,587	\$ 118,844
2025	109,501	9,343	118,844
2026	112,811	6,033	118,844
2027	116,221	2,623	118,844
Totals	<u>\$ 444,790</u>	<u>\$ 30,586</u>	<u>\$ 475,376</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Governmental Activities, Continued

Finance Purchase Payables, Continued

The City has entered into a finance purchase agreement with Bank of America to provide funds for large equipment and vehicle acquisitions. The funds received have currently been placed in deposit until the capital assets are constructed. Required payments commenced March 1, 2022 and end September 1, 2031 and have an interest rate of 1.44%.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 318,446	\$ 6,806	\$ 359,488
2025	323,160	6,030	359,488
2026	327,944	5,241	359,488
2027	332,798	4,439	359,488
2028	337,723	3,623	359,488
2029-2032	1,221,894	6,055	1,797,440
Totals	<u>\$ 2,861,965</u>	<u>\$ 32,194</u>	<u>\$ 3,594,880</u>

Sutter County Loan

The City has entered into a loan agreement, dated April 1, 2009, with the County of Sutter to share in the design costs of the animal shelter. The original loan amount was \$346,500, with interest paid quarterly based on the County of Sutter's return on investment rate, and repayment due on or before June 1, 2026. As of June 30, 2023, the balance of the loan was \$69,300.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal year Ended June 30,	Total
2024	\$ 23,100
2025	23,100
2026	23,100
Balance of principal payments	<u>\$ 69,300</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Business-type Activities

Wastewater Revenue Refunding Bonds – 2014 (Direct Placement)

On April 22, 2014, the City issued \$7,321,914 of Wastewater Revenue Refunding Bonds bearing interest of 2.45% and payable semi-annually on December 1 and June 1, maturing on June 1, 2024. These Certificates were used to advance refund the 2007 Wastewater Certificates, which were issued originally to advance refund the 2000 Wastewater Certificates, which had been used for capital improvement projects and expansion of existing facilities. The outstanding principal balance of the 2014 Wastewater Certificates of Participation at June 30, 2023 was \$741,020.

\$8,057,450 from the 2014 Wastewater Revenue Refunding Bonds, including \$850,535 of reserve funds from the 2007 Wastewater Certificates, was placed in an irrevocable trust that was used to pay off the 2007 COPs. The refunding resulted in an economic gain (difference between the present value of the debt service payments on the old and new debts) of \$805,031. The aggregate difference in debt service between the 2007 Wastewater Certificates and the 2014 Wastewater Revenue Refunding Bonds was \$913,612.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 741,020	\$ 18,154	\$ 759,174
Totals	\$ 741,020	\$ 18,154	\$ 759,174

Wastewater Revenue Bonds CREBs – 2017 (Direct Placement)

On April 3, 2017, the City issued \$6,820,000 of Wastewater Revenue Bonds bearing interest of 4.16% and payable semi-annually on December 1 and June 1, maturing on June 1, 2024. Proceeds will be used to finance energy improvements at the City's wastewater plant. The outstanding principal balance of the 2017 Wastewater Revenue Bonds at June 30, 2023 was \$5,710,000.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 210,000	\$ 233,358	\$ 443,358
2025	215,000	226,722	441,722
2026	225,000	2,196,489	2,421,489
2027	230,000	212,021	442,021
2028	240,000	203,994	444,649
2029-2033	1,345,000	870,084	2,215,037
2034-2038	1,650,000	564,840	2,212,536
2039-2042	1,595,000	175,824	2,216,280
Totals	\$ 5,710,000	\$ 4,683,332	\$ 10,837,092

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

6. LONG-TERM DEBT, Continued

Business-type Activities, Continued

Wastewater Refunding Bonds – 2017 (Direct Placement)

On October 17, 2017, the City issued \$9,065,639 of Wastewater Revenue Refunding Bonds bearing interest of 2.11% and payable annually on December 1, maturing on June 1, 2032. The proceeds of the Bonds will be used to (i) prepay the 2011 Wastewater Revenue Refunding Bonds; and (ii) pay the costs of issuing the Bonds. The outstanding principal balance of the 2017 Wastewater Revenue Refunding Bonds at June 30, 2023 was \$8,076,321.

\$8,948,638 from the 2017 Wastewater Revenue Refunding Bonds was placed in an irrevocable trust that is to be used to service the future debt requirements of the 2011 Wastewater Revenue Refunding Bonds. The refunding resulted in an economic gain (difference between the present value of the debt service payments on the old and new debts) of \$1,379,173. The aggregate difference in debt service between the old and new debt is \$1,631,079.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 156,140	\$ 169,591	\$ 325,731
2025	923,223	162,271	1,085,494
2026	938,768	142,710	1,081,478
2027	960,179	122,789	1,082,968
2028	977,372	102,439	1,079,811
2029-2032	4,120,639	197,997	4,318,636
Totals	<u>\$8,076,321</u>	<u>\$ 897,797</u>	<u>\$ 8,974,118</u>

Wastewater Revenue Bonds – 2018 (Direct Placement)

On September 11, 2018, the City issued \$23,430,000 of Wastewater Revenue Bonds bearing interest ranging from 3.375% to 5.000% and payable semi-annually on December 1 and June 1, maturing on June 1, 2048. Proceeds will be used to finance the acquisition and construction of certain improvements. The outstanding principal balance of the 2018 Wastewater Revenue Bonds at June 30, 2023 was \$21,325,000.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Business-type Activities, Continued

Wastewater Revenue Bonds – 2018 (Direct Placement), Continued

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 515,000	\$ 783,206	\$ 1,298,206
2025	540,000	757,456	1,297,456
2026	565,000	730,456	1,295,456
2027	595,000	702,206	1,297,206
2028	625,000	672,456	1,297,456
2029-2033	3,545,000	2,940,631	6,485,631
2034-2038	4,175,000	2,312,119	6,487,119
2039-2043	4,925,000	1,562,700	6,487,700
2044-2047	4,590,000	595,925	5,185,925
2048	1,250,000	45,313	1,295,313
Totals	<u>\$ 21,325,000</u>	<u>\$ 11,102,469</u>	<u>\$ 32,427,469</u>

Water Revenue Bonds CREBs – 2017 (Direct Placement)

On March 23, 2017, the City issued \$2,124,216 of Wastewater Revenue Bonds bearing interest of 4.29%, as reduced by IRS interest rate subsidy, and payable semi-annually on December 1 and June 1, maturing on June 1, 2024. Proceeds will be used to finance energy improvements at the City's wastewater plant. The outstanding principal balance of the 2017 Wastewater Revenue Bonds at June 30, 2023 was \$1,438,715.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 134,341	\$ 61,721	\$ 196,062
2025	140,105	55,958	196,063
2026	146,115	49,947	196,062
2027	152,384	43,679	196,063
2028	158,921	37,142	196,063
2029-2032	706,849	77,401	784,250
Totals	<u>\$ 1,438,715</u>	<u>\$ 325,848</u>	<u>\$ 1,764,563</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Business-type Activities, Continued

Water Revenue Refunding Bonds - 2013

On May 21, 2013, the City issued \$21,710,000 of Water Revenue Refunding Bonds bearing interest of .5% to 3.8% and payable semi-annually on December 1 and June 1, maturing on June 1, 2035. The proceeds of the Bonds will be used to (i) prepay the 2005 Water Revenue Certificates of Participation (COP); (ii) pay for additional improvements to the Water System; and (iii) pay the costs of issuing the Bonds. The outstanding principal balance of the 2013 Water Revenue Refunding Bonds at June 30, 2023 was \$13,345,000.

\$22,876,764 from the 2013 Water Revenue Refunding Bonds (including \$951,914 from the City, \$1,480,714 of the reserve fund from the 2005 Water Revenue COP, and \$33,099 of the installment fund from the 2005 Water Revenue COP) was placed in an irrevocable trust that is to be used to service the future debt requirements of the 2005 Water Revenue Certificates of Participation. The refunding resulted in an economic gain (difference between the present value of the debt service payments on the old and new debts) of \$1,157,810. The aggregate difference in debt service between the old and new debt is \$1,799,813.

The City defeased the 2005 Water Revenue COP by placing the proceeds of the 2013 Water Revenue Refunding Bonds in an irrevocable trust to provide for all future debt service payments on the 2005 Water Revenue COP. Accordingly, the trust account assets and the liability for the defeased COP is not included in the City's financial statements.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 925,000	\$ 463,575	\$ 1,388,575
2025	950,000	437,675	1,387,675
2026	980,000	408,700	1,388,700
2027	1,010,000	377,340	1,387,340
2028	1,045,000	344,010	1,389,010
2029-2033	5,805,000	1,059,478	6,946,430
2034-2035	2,630,000	150,215	5,559,735
Totals	<u>\$ 13,345,000</u>	<u>\$ 3,240,993</u>	<u>\$ 19,447,465</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Business-type Activities, Continued

Loans Payable

The City has entered into two funding agreements with the State of California Department of Public Health for a construction loan under the Safe Drinking Water State Revolving Fund Law of 1997, in the amounts of \$19,133,209 (Region 2/3) and \$6,817,375 (Region 1). The loans are payable in semi-annual installments of \$1,150,024 and \$378,512, respectively and have annual interest rates of 2.2836% and 2.5017%. Both loans have maturities of June 1, 2032.

The loans are being used to finance project costs to meet safe drinking water standards. The total amounts of the loans issued to the City were \$18,381,507 (Region 2/3) and \$5,927,874 (Region 1).

The outstanding principal balance of the Safe Drinking Water State Revolving Fund – Region 2/3 loan at June 30, 2023 was \$9,308,097.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 942,816	\$ 207,208	\$ 1,150,024
2025	964,469	185,555	1,150,024
2026	986,619	163,404	1,150,023
2027	1,009,278	140,745	1,150,023
2028	1,032,458	117,566	1,150,024
2029-2032	4,372,457	227,637	4,600,094
Totals	<u>\$ 9,308,097</u>	<u>\$ 1,042,115</u>	<u>\$ 10,350,212</u>

The outstanding principal balance of the Safe Drinking Water State Revolving Fund – Region 1 loan at June 30, 2023 was \$3,033,455.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Business-type Activities, Continued

Loans Payable, Continued

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 304,517	\$ 73,995	\$ 378,512
2025	312,183	66,330	378,513
2026	320,041	58,471	378,512
2027	328,098	50,414	378,512
2028	336,357	42,155	378,512
2029-2032	1,432,259	81,788	1,514,047
Totals	<u>\$ 3,033,455</u>	<u>\$ 373,153</u>	<u>\$ 3,406,608</u>

The City has entered into two funding agreements with the State of California Water Resources Control Board for a construction loan under the Clean Water State Revolving Fund program, in the amounts of \$6,513,194 (\$3,000,000 forgivable) and \$10,193,965 (\$3,000,000 forgivable). The loans have been recorded in the Wastewater Fund and are payable in annual installments of \$218,991 and \$435,039, respectively and have annual interest rates of 2.2% and 1.8%, respectively. The loans have maturities of January 1, 2035 and December 31, 2034, respectively.

The outstanding principal balance of the \$6,513,194 loan at June 30, 2023 was \$2,041,267.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 150,493	\$ 44,908	\$ 195,401
2025	153,803	41,597	195,400
2026	157,187	38,213	195,400
2027	160,645	34,755	195,400
2028	164,179	31,221	195,400
2029-2033	876,690	100,311	977,001
2034-2035	378,270	12,528	390,798
Totals	<u>\$ 2,041,267</u>	<u>\$ 303,533</u>	<u>\$ 2,344,800</u>

The outstanding principal balance of the \$10,193,965 loan at June 30, 2023 was \$4,131,430.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Business-type Activities, Continued

Loans Payable, Continued

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 311,518	74,366	\$ 385,884
2025	317,125	68,758	385,883
2026	322,834	63,050	385,884
2027	328,645	57,239	385,884
2028	334,560	51,324	385,884
2029-2033	1,765,330	164,089	1,929,419
2034-2035	751,418	20,349	771,767
Totals	<u>\$ 4,131,430</u>	<u>\$ 499,175</u>	<u>\$ 4,630,605</u>

The City has entered into a funding agreement with the State of California Department of Public Health for a construction loan under the Safe Drinking Water State Revolving Fund Law of 1997, in the amounts of \$3,244,932. The loan is payable in semi-annual installments of \$1,150,024 and \$378,512, respectively and have annual interest rates of 1.8%. Currently, the loan has a maturity date of August 31, 2031.

The loan is being used to finance project costs to replace water meters. The total amount of the loan disbursed to the City as of June 30, 2023 was \$2,185,471.

The outstanding principal balance of the loan at June 30, 2023 was \$1,973,654.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 202,022	\$ 35,186	\$ 237,208
2025	205,658	31,549	237,207
2026	209,360	27,847	237,207
2027	213,129	24,079	237,208
2028	216,965	20,243	237,208
2029-2032	926,520	41,207	967,727
Totals	<u>\$ 1,973,654</u>	<u>\$ 180,111</u>	<u>\$ 2,153,765</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

5. LONG-TERM DEBT, Continued

Business-type Activities, Continued

Finance Purchase Payable

The City has entered into a finance purchase agreement with Bank of America (through OpTerra Energy Services) to provide funds for energy related improvements to City facilities. The general fund, water fund, and wastewater fund are providing the debt service for this purchase at 49.7%, 44.4%, and 5.9% respectively. The cost of the assets acquired with this agreement was \$4,967,214. Required payments commence September 13, 2015 and end June 13, 2031 and have an interest rate of 2.89%. The outstanding balance at June 30, 2023 was \$1,680,160.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 154,928	\$ 46,906	\$ 195,139
2025	170,400	42,228	203,704
2026	184,777	37,148	212,628
2027	199,969	31,644	221,925
2028	216,015	25,693	241,708
2029-2031	754,071	36,498	790,569
Totals	<u>\$ 1,680,160</u>	<u>\$ 220,117</u>	<u>\$ 1,865,673</u>

Non-City Obligations

The City reports the debt service transactions of various special assessment issues for which the City is not obligated in any manner, in Custodial funds. The debt will be paid from and secured solely by the revenues of these special assessment districts and does not constitute an indebtedness of the City. At June 30, 2023, the principal amount of special assessment debt outstanding for which the City is not obligated was \$2,516,497 as follows:

Darrough Assessment District Bonds	\$23,798
Staple/Ashley/Dennis/Cornwell Bonds	\$77,099,
Buttes Vista 2000-1 Bonds	\$143,453
Buttes Vista 2002-1 Bonds	\$222,720
Tierra Buena 2003-1 Bonds	\$273,072
Village Geen-Del Wayne Bonds	\$91,591
Sunsweet CFD Bonds	\$1,684,764

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

6. DEFERRED OUTFLOWS OF RESOURCES

Accounting gains or losses resulting from advance refundings of long-term debt is deferred in accordance with GASB Statement No. 23 and No. 65. Deferred amounts on bond refundings are amortized over the shorter of the life of the new debt or refunded debt. The deferred loss on refunding balance at June 30, 2023 was \$599,571 on the Statement of Net Position for business-type activities, \$59,511 was related to the 2014 Wastewater Refunding Revenue Bonds, \$147,743 was related to the 2017 Wastewater Revenue Refunding Bonds, and \$392,317 was related to the 2013 Water Revenue Refunding Bonds. See Note 9 and 10 for details of the deferred outflows of resources related to the net pension liability and net OPEB liability.

7. COMPENSATED ABSENCES

The City accrues the liability for compensated leave as it is earned by employees. The amount of compensated leaves payable outstanding was \$4,728,935 as of June 30, 2023.

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
Governmental Activities						
Compensated Leaves Payable	\$ 3,427,746	\$ 2,668,336	\$ (2,059,474)	\$ 4,036,608	\$ 3,306,945	\$ 729,663
Business-Type Activities						
Compensated Leaves Payable	\$ 600,572	\$ 4,883,997	\$ (4,792,242)	\$ 692,327	\$ 567,181	\$ 125,146

The amount due within one year of \$3,306,945 for Governmental Activities and \$567,181 for Business-Type Activities represents the estimated amount for anticipated retirees based on usage for the most recent fiscal year. The City typically uses the General Fund to liquidate the liability for compensated absences for governmental funds.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

8. INTERFUND AND SUCCESSOR AGENCY TRANSACTIONS

A. Long-Term Advances

Advances to/from other funds and the Successor Agency are non-current interfund loans and are offset by nonspendable fund balance account classifications in the applicable governmental funds to indicate that they are not available for appropriations and are not expendable available financial resources, except amounts considered to be restricted.

At June 30, 2023, the City had the following long-term advances:

<u>Advance To Other Funds</u>	<u>Advance From Other Funds</u>	<u>Amount</u>
General Fund	Redevelopment Agency Successor Agency Trust Fund	\$ 8,773,357
General Fund	Impact Fees CIP Projects Fund	1,592,344
Non-Major Governmental Funds	Impact Fees CIP Projects Fund	87,690
Non-Major Governmental Funds	Redevelopment Agency Successor Agency Trust Fund	929,791
Internal Service Fund: Vehicle Replacement Fund	Major Enterprise Fund: Wastewater Fund	1,405,736

B. Due To/From Other Funds

Receivables and payables between funds are classified as due from or due to other funds. Due from and due to other funds are usually a result of a shortfall of pooled cash. Due to/from other funds as of June 30, 2023 were as follows:

	<u>Due to Other Funds</u>	
	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<u>Due From Other Funds</u>		
General Fund	\$ 859,776	\$ 859,776
Total	\$ 859,776	\$ 859,776

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

8. INTERFUND AND SUCCESSOR AGENCY TRANSACTIONS, Continued

C. Transfers

Transfers for the fiscal year ended June 30, 2023 were as follows:

Transfers Out	Transfers In				Total
	General	Impact Fees Capital Projects	Non-major Gov't Funds	Internal Service Fund	
Major Funds					
General Fund	\$ -	\$ -	\$ 1,297,586	\$ -	\$ 1,297,586
Street and Roads					
Special Revenue	-	-	3,266,250	-	3,266,250
H.R. 1319 ARPA					
Special Revenue	1,664,341	-	-	-	1,664,341
Impact Fees					
Capital Projects	50,125	-	-	-	50,125
Non-major Govtl Funds	3,005,529	1,260,639	242,833	3,800	4,512,801
Total Govt Funds	4,719,995	1,260,639	4,806,669	3,800	10,791,103
Major Funds					
Water	329,493	-	-	-	329,493
Wastewater	805	-	-	-	805
Total	<u>\$ 5,050,293</u>	<u>\$ 1,260,639</u>	<u>\$ 4,806,669</u>	<u>\$ 3,800</u>	<u>\$ 11,121,401</u>

Interfund transfers were recorded for the following purposes:

- The General fund received transfers to cover administration expenditures from the Impact Fees Capital Projects Fund.
- The General fund received ARPA funding for current governmental services.
- Transfers were made to the non major governmental funds to fund capital projects, provide funds for debt service, provide funding for employer pension contributions, and to provide funding for landscape and maintenance activities.
- Transfers were made to the internal service funds to provide funding for equipment acquisitions.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

9. EMPLOYEE RETIREMENT PLANS

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS Financial Office. 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.

Pension related account balances are summarized as follows:

	Miscellaneous Agent Multiple Employer Plan	Safety Cost Sharing Plan	Total
Deferred employer contributions	\$ 4,332,448	\$ 6,175,038	\$ 10,507,486
Deferred outflows - pension	7,208,851	19,408,215	26,617,066
Total deferred outflows of resources	<u>\$ 11,541,299</u>	<u>\$ 25,583,253</u>	<u>\$ 37,124,552</u>
Net Pension Liability	<u>\$ 35,531,885</u>	<u>\$ 52,616,438</u>	<u>\$ 88,148,323</u>
Deferred inflows - pension	<u>\$ 1,132,875</u>	<u>\$ 4,604,402</u>	<u>\$ 5,737,277</u>
Pension Expense	<u>\$ 3,264,946</u>	<u>\$ 2,211,876</u>	<u>\$ 5,476,822</u>

A. General Information about the Pension Plans

Plan Descriptions - All qualified employees are eligible to participate in the City's pooled Safety (police and fire) Plan, a cost-sharing multiple-employer defined benefit pension plan and the City's Miscellaneous (all other) Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. 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 to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

9. EMPLOYEE RETIREMENT PLANS, Continued

A. General Information about the Pension Plans, Continued

Employees Covered – At June 30, 2022 (most recently available information), the following employees were covered by the benefit terms for the Miscellaneous Plan:

	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	283
Inactive employees entitled to but not yet receiving benefits	230
Active employees	181
Total	694

The Plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	City Miscellaneous Agent Multiple Employer Plan		
	Tier I	Tier II	Tier III
<u>Hire Date</u>	<u>Prior to July 1, 2012</u>	<u>On or after July 1, 2012</u>	<u>On or after January 1, 2013</u>
Benefit formula	2.7% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Required employee contribution rates	8.00%	8.00%	7.00%
Required employer contribution rates	10.900%	10.900%	10.900%
Required unfunded liability payment	\$ 3,131,488	\$ -	\$ -

	City Cost Sharing Plan		
	Safety First Tier	Safety Second Tier	Safety Police Third Tier
<u>Hire Date</u>	<u>Prior to July 1, 2012</u>	<u>On or after July 1, 2012</u>	<u>On or after July 1, 2012</u>
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payment	Monthly for life	Monthly for life	Monthly for life
Retirement age	3.0% @ 50	3.0% @ 55	3.0% @ 55
Monthly benefits, as a % of annual salary	3%	3%	3%
Required employee contribution rates	9.000%	9.000%	13.000%
Required employer contribution rates	27.370%	26.090%	24.080%
Required payment for unfunded liability	\$ 2,255,922	\$ 1,549,858	\$ 21,528

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

9. EMPLOYEE RETIREMENT PLANS, Continued

A. General Information about the Pension Plans, Continued

	<u>Safety Fire Third Tier</u>	<u>Safety Police PEPRA</u>	<u>Safety Fire PEPRA</u>
	On or after	On or after	On or after
Hire Date	July 1, 2012	January 1, 2013*	January 1, 2013*
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	3% @ 55	2.7% @ 57	2.7% @ 57
Monthly benefits, as a % of annual salary	3%	2.7%	2.7%
Required employee contribution rates	13.000%	13.750%	13.750%
Required employer contribution rates	24.080%	14.320%	14.320%
Required payment for unfunded liability \$	8,883	\$ 10,139	\$ 8,653

* New hires who are already enrolled in CalPERS are eligible for benefits under the third tier, and other new hires are enrolled in the PEPRA rate plans.

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers 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 both 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. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For governmental activities, the General Fund has typically been used in prior years to liquidate pension liabilities.

B. Net Pension Liability

The City's net pension liability for the Miscellaneous Plan is measured as the total pension liability, less the pension plan's fiduciary net position.

For the Safety Plan, net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The City's proportion of the net pension liability (Safety Plan) was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

9. EMPLOYEE RETIREMENT PLANS, Continued

B. Net Pension Liability, Continued

The City's proportionate share of the net pension liability for the Safety Plan as of the measurement dates June 30, 2021 and June 30, 2022 were as follows:

	<u>City Cost Sharing Plan</u>
Proportion - June 30, 2021	0.51072 %
Proportion - June 30, 2022	0.45552 %
Change - Increase (Decrease)	-0.05520 %

A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions - The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous Agent Multiple Employer Plan</u>	<u>Safety Cost Sharing Plan</u>
Valuation Date	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Salary Increases	Varies by Entry Age and Service	
Investment Rate of Return ⁽¹⁾	6.90%	6.90%
Mortality ⁽²⁾	Derived using CalPERS' Membership Data for all	
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies	

(1) Depending on age, service, and type of employment

(2) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2015, including updates to salary increase, mortality, and retirement rates. The experience study report can be obtained at CalPERS' website under Forms and Publications.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

9. EMPLOYEE RETIREMENT PLANS, Continued

B. Net Pension Liability, Continued

Discount Rate - The discount rate used to measure the total pension liability was 6.90% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The table below reflects the 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. These rates of return are net of administrative expenses.

Asset Class ^(a)	New Strategic Allocation	Real Return ^{(a)(b)}
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100%	

(a) An expected inflation of 2.30% used for this period.

(b) Figures are based on the 2021 Asset Liability Management study.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

9. EMPLOYEE RETIREMENT PLANS, Continued

C. Changes in the Net Pension Liability

The change in the Net Pension Liability for the Miscellaneous Plan is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2021	\$ 140,439,069	\$ 120,337,703	\$ 20,101,366
Changes in the year:			
Service cost	2,194,276	-	2,194,276
Interest on the total pension liability	9,538,374	-	9,538,374
Differences between actual and expected experience	(1,673,579)	-	(1,673,579)
Changes in assumptions	2,024,863	-	2,024,863
Changes in benefit terms	-	-	-
Plan to Plan Resource Movement	-	(94)	94
Contribution - employer	-	4,541,942	(4,541,942)
Contribution - employee	-	1,274,605	(1,274,605)
Net investment income	-	(9,088,075)	9,088,075
Administrative expenses	-	(74,963)	74,963
Benefit payments , including refunds of employee contributions	(7,300,402)	(7,300,402)	-
Other miscellaneous Income/(Expense)	-	-	-
Net changes	4,783,532	(10,646,987)	15,430,519
Balance at June 30, 2022	\$ 145,222,601	\$ 109,690,716	\$ 35,531,885

For the measurement period ended June 30, 2022, the City contributed \$5,308,570 for the Cost Sharing Plan.

As of measurement date June 30, 2022, the City reported net pension liabilities for its proportionate share of the net pension liability of the Cost Sharing Plan of \$52,616,438.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

9. EMPLOYEE RETIREMENT PLANS, Continued

C. Changes in the Net Pension Liability, Continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous Agent Multiple Employer Plan	Safety Cost Sharing Plan	Total Plans
1% Decrease			
Net Pension Liability	\$ 55,659,235	\$ 77,452,241	\$ 133,111,476
Current Discount Rate			
Net Pension Liability	\$ 35,531,885	\$ 52,616,438	\$ 88,148,323
1% Increase			
Net Pension Liability	\$ 19,073,959	\$ 32,318,778	\$ 51,392,737

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2023, the City recognized pension expense of \$3,264,946 for the Miscellaneous Agent Multiple Employer Plan and \$2,211,876 for the Safety Cost Sharing Plan.

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following source for the Miscellaneous Agent Multiple Employer Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 4,332,448	\$ -
Differences between actual and expected experience	352,701	1,132,875
Changes in assumptions	1,349,909	-
Net differences between projected and actual earnings on plan investments	5,506,241	-
Total	\$ 11,541,299	\$ 1,132,875

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

9. EMPLOYEE RETIREMENT PLANS, Continued

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

\$4,332,448 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending June 30:	
2024	\$ 1,320,624
2025	893,350
2026	395,247
2027	3,466,755

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following source for the Safety Cost Sharing Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 6,175,038	\$ -
Differences between actual and expected experience	2,177,603	571,373
Changes in assumptions	5,305,330	-
Changes in employer's proportion	3,616,411	-
Differences between the employer's contribution and the employer's proportionate share of contributions	-	4,033,029
Net differences between projected and actual earnings on plan investments		
Investments	8,308,871	-
Total	\$ 25,583,253	\$ 4,604,402

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

9. EMPLOYEE RETIREMENT PLANS, Continued

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

\$6,175,038 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending June 30:	
2024	\$ 4,236,961
2025	3,496,218
2026	2,002,116
2027	5,068,518

PARS

Part-time employees who work under 1,000 hours per year do not participate in the Public Employees Retirement System; however, they are covered through the City's participation in Public Alternative Retirement System (PARS) Defined Contribution Plan.

457 Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all permanent City employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Pursuant to changes in August, 1996, of IRC Section 457, in January, 1997, the City formally established a trust in which all assets and income of the 457 plan were placed. The asset, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries. These assets are no longer the property of the City, and as such are no longer subject to the claims of the City's general creditors. As a result, the assets of the 457 plan are not reflected in the City's financial statements.

The City makes required contributions to the plan ranging from \$50 to \$200 per month to certain eligible employees. In fiscal year 2021, the City evaluated the requirements of GASB Statement No. 84 Fiduciary Activities and GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans and determined that the plan did not meet criteria to be reported as a fiduciary activity, as required by the above mentioned GASB Statements. In addition, the plan met criteria of a defined contribution pension plan for financial reporting purposes.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

10. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

Executive Service Employees/City Manager who retire from the City in good standing; have at least five years of City of Yuba City service; and are of full retirement age (55 for miscellaneous and 50 for public safety) are entitled to have 80% of the lowest cost City medical plan paid by the City until such time as the employee is eligible to receive Medicare or turn 65 years old. The City's other postemployment benefit plan is an agent multiple-employer plan defined benefit plan administered by PARS. Separately issued financial statements for PARS are available from the plan.

Employees Covered

Inactive employees or beneficiaries currently receiving benefits	24
Inactive employees entitled to but not yet receiving benefits	-
Active employees	92
Total	<u>116</u>

Contributions

The contribution requirements of Plan members and the City are established and may be amended by the City. The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined annually by the City Council. For the measurement period ended June 30, 2022, the City contributed \$497,131. Plan members receiving benefits contributed no amounts of the total premiums.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal, Level % of pay
Actuarial Assumptions:	
Discount Rate	5.25%
General Inflation	2.75%
Salary Increases	3.00%
Investment Rate of Return	5.25%
Mortality	2017 CalPERS OPEB Assumptions Model
Healthcare Trend	Medical premiums - 7.0% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years.
	PEMHCA minimum contributions are assumed to increase 4.25% per year.

The long-term expected rate of return on OPEB plan investments was determined using a building- block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the table on the following page.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

Net OPEB Liability, Continued

Asset Class	Target Allocation	Expected Real Rate of Return
Global Equity	30.00%	
Large Cap Core	15.50%	6.80%
Mid Cap Core	3.00%	7.10%
Small Cap Core	4.50%	7.90%
Real Estate	1.00%	6.60%
International	4.00%	7.30%
Emerging Markets	2.00%	7.30%
Fixed Income	65.00%	
Short Term Bond	14.00%	3.30%
Intermediate Term Bond	49.25%	3.90%
High Yield	1.75%	6.10%
Cash	5.00%	2.40%
Assumed Long-Term Rate of Inflation		2.75%
Assumed Long-Term Investment Expenses		n/a
Expected Long-Term Net Rate of Return, Rounded		5.25%
Discount Rate*		5.25%

*The fiduciary net position is projected to be sufficient to make projected benefit payments, and the plan assets are expected to be invested using the strategy to achieve the expected return.

Discount Rate

The discount rate used to measure the total OPEB liability was 5.25 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2021	\$ 1,892,835	\$ 1,795,054	\$ 97,781
Changes in the year:			
Service cost	89,384	-	89,384
Interest on the total OPEB liability	97,737	-	97,737
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contribution - employer	-	497,131	(497,131)
Contribution - employee	-	-	-
Net investment income	-	(225,755)	225,755
Administrative expenses	-	-	-
Benefit payments , including refunds of employee contributions	(62,365)	(62,365)	-
Net changes	124,756	209,011	(84,255)
Balance at June 30, 2022	\$ 2,017,591	\$ 2,004,065	\$ 13,526

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	1% Decrease (4.25%)	Current Discount (5.25%)	1% Increase (6.25%)
Net OPEB Liability	\$ 391,723	\$ 13,526	\$ (279,656)

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	1% Decrease (3.0% - 6%)	Current Healthcare Trend Rate (4.0% - 7%)	1% Increase (5.0% to 8%)
Net OPEB Liability	\$ (311,658)	\$ 13,526	\$ 438,081

Recognition of Deferred Outflow and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	Expected average remaining service lifetime (EARS�)

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

For the fiscal year ended June 30, 2023, the City recognized OPEB expense of \$92,891. For the fiscal year ended June 30, 2023, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 117,907	\$ -
Differences between expected and actual experience	-	338,844
Changes of assumptions	-	65,959
Net differences between projected and actual earnings on plan investments	196,442	-
Total	\$ 314,349	\$ 404,803

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

10. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

OPEB Expense and Deferred Outflows/(Inflows) of Resources Related to OPEB, Continued

\$117,907 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024. Amounts reported as deferred inflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ending June 30:	
2024	\$ (3,142)
2025	(1,071)
2026	1,245
2027	18,862
2028	(45,137)
Thereafter	(179,118)

11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

There is no claims liability to be reported based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. There are no significant reductions in insurance coverage from prior years and there have been no settlements exceeding the insurance coverages for each of the past three fiscal years.

As of July 1, 1992, the City became a member of Northern California Cities Self Insurance Fund (NCCSIF), a joint powers agency which provides the City with a shared risk layer of coverage above the self-insured \$25,000 (\$50,000 as of July 1, 2007) retention for liability and the self-insured \$100,000 retention for workers compensation. The NCCSIF is composed of 22 member cities and is governed by a board of directors appointed by the member cities. The governing board has authority over budgeting and financing.

NCCSIF is a joint powers agency organized in accordance with Article 1, Chapter 5, Division 7, Title I of the California Government Fund Programs. The purpose is to create a common pool of funds to be used to meet obligations of the parties to provide workers' compensation benefits for their employees and to provide excess liability insurance. The Authority provides claims processing administrative services, risk management services, and actuarial studies. It is governed by a member of each city. The City of Yuba City council members do not have significant oversight responsibility, since they evenly share all factors of responsibility with the other cities. However, ultimate liability for payment of claims and insurance premiums resides with member cities. The Authority is empowered to make supplemental assessments as needed to eliminate deficit positions of member cities. If the JPA becomes insolvent, the City is responsible only to the extent of any deficiency in its equity balance.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

11. RISK MANAGEMENT, Continued

Upon termination of the JPA agreement, all property of the Authority will vest in the respective parties which theretofore transferred, conveyed or leased said property to the Authority. Any surplus of funds will be returned to the parties in proportion to actual balances of each equity.

The Authority establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims settlement expenses) that have been reported but not settled, plus estimates of claims that have been incurred but not reported. Because actual claims costs depend on various factors, the claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision of inflation is implicit in the calculation of estimated future claims costs. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The participants as of June 30, 2022, were as follows:

Anderson	Corning	Folsom	Ione	Marysville	Paradise	Rio Vista
Auburn	Dixon	Galt	Jackson	Oroville	Placerville	Rocklin
Colusa	Elk Grove	Gridley	Lincoln	Nevada City	Red Bluff	Willows
						Yuba City

The City currently has excess deposits made to NCCSIF of \$1,898,867, which is estimated by NCCSIF based on net position allocation of NCCSIF, which represents possible future premium reductions or dividend receivable.

The NCCSIF's June 30, 2023 financial statements were audited by a different accounting firm and received an unmodified opinion. The following is summary financial information of the NCCSIF for the liability and workers' compensation programs for the fiscal year ended June 30, 2023:

Total assets	\$ 81,997,260
Total liabilities	56,120,158
Net members equity	<u>\$ 25,877,102</u>
Operating revenue	\$ 32,450,128
Operating expenses	31,329,363
Operating income (loss)	1,120,765
Investment income	354,677
Net income (loss)	1,475,442
Beginning members equity	24,401,660
Ending members equity	<u>\$ 25,877,102</u>

Complete audited financial statements can be obtained NCCSIF.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

12. COMMITMENTS AND CONTINGENCIES

A. Construction

The City has signed agreements to construct various capital improvement projects. The balance owed on these commitments at June 30, 2023 was \$86,307,346. The majority of these costs will be financed by proceeds of debt previously issued or existing reserves.

B. Contingencies

The City is involved in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of management and legal counsel, that the resolution of these matters will not have a material adverse effect on the City's financial statements.

The City has received various state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

C. Encumbrances

The City had encumbrances outstanding in the following amounts as of June 30, 2023:

General Fund	\$ 734,444
Impact Fee Capital Project Fund	3,383,249
Water Enterprise Fund	3,587,976
Wastewater Enterprise Fund	1,705,925
Non Major Governmental Funds	3,024,789
Internal Service Funds	1,387,270

13. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Balances

As of June 30, 2023 the following fund had a deficit fund balance/net position:

Impact Fees CIP Capital Project Fund had a deficit balance of \$464,485.

Non-Major Funds:

CDBG Grant Special Revenue Fund had a deficit balance of \$141,726.

Fire Mitigation Special Revenue Fund had a deficit balance of \$331,315.

Vehicle Maintenance Internal Service Fund had a deficit balance of \$159,957.

The deficit fund balance for the Impact Fees CIP Capital Project Fund was attributable to allocated share of unrealized investment loss recorded in accordance with GASB Statement No. 31, other fund deficits are expected to be eliminated in future years through grant reimbursements and fees.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

13. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, Continued

Excess of Expenditures Over Appropriations

Excess of expenditures over appropriations in individual funds are as follows:

	<u>Excess Expenditures</u>
Nonmajor Special Revenue Funds:	
HOME Grant Special Revenue Fund	\$ 5,258
Law Enforcement Special Revenue Fund	6,903
Landscape Districts Special Revenue Fund	31,821
Fire Mitigation Special Revenue Fund	6,071
Housing Successor Special Revenue Fund	1,153

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Yuba City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or other unit of local government will agree to serve as the "successor agency" to hold the assets units they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City resolution number 12-001.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence as the date of the dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs that State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY,
Continued

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

A. Capital assets of the Successor Agency as of June 30, 2023 consisted of the following:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Capital assets, not being depreciated:				
Land	\$ 719,971	\$ -	\$ -	\$ 719,971
Total capital assets, not being depreciated	719,971	-	-	719,971
Capital assets, being depreciated:				
Buildings	61,561	-	-	61,561
Improvements other than buildings	52,867	-	-	52,867
Total capital assets, being depreciated	114,428	-	-	114,428
Less accumulated depreciation:				
Buildings	(37,963)	(1,333)	-	(39,296)
Improvements other than buildings	(23,199)	(10,580)	-	(33,779)
Total accumulated depreciation, net	(55,184)	(11,913)	-	(73,075)
Total capital assets, being depreciated, net	59,244	(11,913)	-	41,353
Total capital assets, net	\$ 779,215	\$ (11,913)	\$ -	\$ 761,324

B. Long-term debt of the Successor Agency as of June 30, 2023, consisted of the following:

	Balance July 1, 2022	Deletions	Balance June 30, 2023	Due within one year	Due in more than one year
Bonds Payable					
Tax Allocation Bonds	\$ 26,055,000	\$ (1,060,000)	\$ 24,995,000	\$ 1,085,000	\$ 23,910,000
Plus: Bond Premium	410,128	(24,124)	386,004	-	386,004
Bonds, net	26,465,128	(1,084,124)	25,381,004	1,085,000	24,296,004
Advances from the City of Yuba City	9,988,536	(285,388)	9,703,148	-	9,703,148
Loans payable	1,051,633	(67,630)	984,003	69,611	914,392
	\$ 38,672,506	\$ (1,437,142)	\$ 36,068,155	\$ 1,154,611	\$ 34,913,544

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

B. Long-term debt of the Successor Agency as of June 30, 2023, consisted of the following (Continued)

2015 Tax Allocation Refunding Bonds

On December 23, 2015, the Agency issued \$31,545,000 of Tax Allocation Refunding Bonds bearing interest of 2.0% to 5.0% and payable semi-annually on September 1 and March 1, maturing on September 1, 2039. The proceeds of the Bonds will be used to (i) prepay the 2004 Series A, 2004 Series B, and 2007 Tax Allocation Bonds; (ii) pay the costs of issuing the Bonds, and (iii) fund a reserve account. The outstanding principal balance of the 2015 Tax Allocation Refunding Bonds at June 30, 2023 was \$24,995,000.

\$33,683,651 from the 2015 Tax Allocation Refunding Bonds was placed in an irrevocable trust that is to be used to service the future debt requirements of the 2004 Series A, 2004 Series B, and 2007 Tax Allocation Bonds. The refunding resulted in an economic gain (difference between the present value of the debt service payments on the old and new debts) of \$4,813,684. The aggregate difference in debt service between the old and new debt is \$7,826,966.

The City defeased the 2004 Series A, 2004 Series B, and 2007 Tax Allocation Bonds by placing the proceeds of the 2015 Tax Allocation Refunding Bonds in an irrevocable trust to provide for all future debt service payments on the 2004 Series A, 2004 Series B, and 2007 Tax Allocation Bonds. Accordingly, the trust account assets and the liability for the defeased Tax Allocation Bonds are not included in the City's financial statements.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2024	\$ 1,085,000	\$ 897,681	\$ 1,982,681
2025	1,115,000	856,244	1,971,244
2026	1,170,000	799,119	1,969,119
2027	1,225,000	739,244	1,964,244
2028	1,290,000	689,269	1,979,269
2029-2033	7,045,000	2,821,628	9,866,628
2034-2038	8,300,000	1,527,431	9,827,431
2039-2040	3,765,000	147,163	3,912,163
Totals	<u>\$ 24,995,000</u>	<u>\$ 8,477,778</u>	<u>\$ 33,472,778</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY,
Continued

B. Long-term debt of the Successor Agency as of June 30, 2023, consisted of the following (Continued)

Advances from City of Yuba City

The City of Yuba City had loaned the former Redevelopment Agency amounts as needed for operations. These amounts accrue interest at 3%. At June 30, 2023, the balance of the loan was \$8,773,357. In addition, the Successor Agency Trust owes the Housing Successor Agency Fund \$929,791. The total amount due to the City of Yuba City was \$9,703,148.

Loan Payable

The former Redevelopment Agency has a loan with the California Infrastructure and Economic Development Bank, issued in the amount of \$1,905,700. The loan is payable in annual principal installments of \$45,139 to \$95,640, with an interest rate of 2.91%, and a maturity of September 1, 2034.

The loan was used to finance redevelopment activities. The outstanding principal balance of the loan at June 30, 2023 was \$984,003.

The scheduled annual minimum debt service requirements at June 30, 2023 are as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 69,611	\$ 27,812	\$ 97,423
2025	71,650	25,742	97,392
2026	73,750	23,612	97,362
2027	75,911	21,419	97,330
2028	78,135	19,163	97,298
2029-2033	426,388	59,578	485,966
2034	188,558	5,565	194,123
Totals	<u>\$ 984,003</u>	<u>\$ 182,891</u>	<u>\$ 1,166,894</u>

City of Yuba City
Notes to Basic Financial Statements
For the year ended June 30, 2023

15. CLASSIFICATION OF FUND BALANCES

In the fund financial statements, fund balances are classified in the following categories:

	Major Governmental Funds					Total Government
	General	Streets and Roads Special Revenue Fund	H.R. 1319 ARPA of 2021 Special Revenue Fund	Impact Fees CIP Projects Capital Projects Fund	Non Major Government Funds	
Fund Balances						
Nonspendable fund balance:						
Prepaid expenditures	\$ 44,848	\$ -	\$ -	\$ -	\$ -	\$ 44,848
Notes receivable	2,602	-	-	-	-	2,602
Receivable from Successor Agency	8,773,357	-	-	-	-	8,773,357
	8,820,807	-	-	-	-	8,820,807
Restricted fund balance for:						
Community development	-	-	-	-	10,380,918	10,380,918
Streets and roads	-	1,743,369	-	-	10,793,434	12,536,803
Pension	-	-	-	-	4,397,825	4,397,825
Landscape districts	-	-	-	-	442,675	442,675
Lighting districts	-	-	-	-	291,528	291,528
Mitigation purposes	-	-	-	-	-	-
Specific plans	-	-	-	-	116,733	116,733
Energy conservation	-	-	-	-	61,342	61,342
Rate stabilization	-	-	-	-	24,398	24,398
Capital projects	-	-	364,176	-	34,583	398,759
Debt service	-	-	-	-	670	670
	-	1,743,369	364,176	-	26,544,106	28,651,651
Committed fund balance for:						
Traffic safety	-	-	-	-	578,177	578,177
Law enforcement	-	-	-	-	281,524	281,524
Pension	-	-	-	-	464,685	464,685
Capital projects	1,592,344	-	-	-	7,882,995	9,475,339
	1,592,344	-	-	-	9,207,381	10,799,725
Unassigned fund balance	8,133,726	-	-	(464,485)	(473,041)	7,196,200
Total Fund Balances	\$ 18,546,877	\$ 1,743,369	\$ 364,176	\$ (464,485)	\$ 35,278,446	\$ 55,468,383

REQUIRED SUPPLEMENTARY INFORMATION

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City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

1. BUDGETS AND BUDGETARY ACCOUNTING

The City prepares a budget for each fiscal year on or before June 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the City Council.

From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The legal level of control is the department. The City Council may amend the budget by resolution during the fiscal year.

Formal budgetary integration is employed as a management control device during the fiscal year for the General fund and special revenue funds. Special Revenue Fund budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (US GAAP) and are consistent with the basis used for financial reporting. Accordingly, actual revenues and expenditures can be compared with related budget amounts without any reconciliation.

There were no budgets adopted for the Harter Specific Plan Special Revenue Fund for the fiscal year ended June 30, 2023. The City adopts project (versus annual) budgets (which can span a number of years) for the capital projects funds, therefore budgetary schedules for the capital projects funds are not presented. The debt service funds budgets are adopted when the debt issuances are authorized, therefore budgetary schedules for debt service funds are not presented.

The City uses an encumbrance system as an extension of normal budgetary accounting for the other governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restricted, committed, or assigned fund balances since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

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City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

Budgetary Comparison Schedule, General Fund

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Taxes and assessments	\$ 39,044,900	\$ 39,044,900	\$ 38,501,436	\$ (543,464)
Use of money and property	80,100	80,100	70,332	(9,768)
Intergovernmental revenues	566,100	1,751,860	693,764	(1,058,096)
Charges for services	9,209,800	9,209,800	9,668,573	458,773
Licenses, permits, and fees	1,815,800	1,815,800	2,554,301	738,501
Fines and forfeitures	1,000	1,000	12,965	11,965
Other revenues	224,500	224,500	251,815	27,315
Total revenues	50,942,200	52,127,960	51,753,186	(374,774)
EXPENDITURES:				
Current:				
General government:				
City council	168,705	168,705	154,899	13,806
City manager	899,898	1,081,824	882,539	199,285
City attorney	415,900	423,227	451,174	(27,947)
Finance	2,266,725	2,469,133	2,378,707	90,426
City treasurer	8,342	8,342	965	7,377
Information technology	1,070,627	1,180,547	1,050,848	129,699
City clerk	221,633	242,138	136,383	105,755
Human resources	1,171,146	1,364,524	1,096,208	268,316
Nondepartmental	236,400	284,881	286,256	(1,375)
Contingency	100,000	20,000	-	20,000
Total general government	6,559,376	7,243,321	6,437,979	805,342
Public safety:				
Animal control	943,311	943,311	963,273	(19,962)
Police-traffic	1,104,218	1,158,476	913,467	245,009
Police-administration	2,570,374	2,653,521	2,390,625	262,896
Police-investigation	3,409,323	3,603,662	3,143,277	460,385
Police-field operations	10,713,609	11,291,822	11,615,580	(323,758)
Police-community outreach	120,658	126,890	189,924	(63,034)
Police-technology research	141,126	148,658	143,656	5,002
Police-information and analysis	27,630	27,630	71,510	(43,880)
Police-communications	1,829,613	1,933,217	1,659,981	273,236
Law Enforcement-grants	-	417,557	128,560	288,997
Fire-administration	1,704,052	1,838,060	1,677,330	160,730
Fire-operations	11,294,638	12,890,854	13,049,912	(159,058)
Fire-grants	-	445,838	131,113	314,725
Total public safety	33,858,552	37,479,496	36,078,208	1,401,288

City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

Budgetary Comparison Schedule, General Fund, Continued

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
EXPENDITURES: (Continued)				
Current:				
Community services:				
Administration	521,955	585,513	598,058	(12,545)
Supervision	421,444	463,485	376,805	86,680
Programs	662,336	662,336	566,660	95,676
Swimming pool	363,878	375,509	489,892	(114,383)
Senior center	231,468	255,499	251,610	3,889
Parks maintenance	1,840,431	2,045,568	1,731,480	314,088
Total community services	4,041,512	4,387,910	4,014,505	373,405
Public works and facilities:				
Administration	179,427	186,901	196,076	(9,175)
Streets	1,950,611	2,151,814	2,043,553	108,261
Facilities maintenance	947,556	1,035,986	1,070,535	(34,549)
Electrical maintenance	623,040	633,573	648,185	(14,612)
Engineering	1,713,945	1,898,781	1,726,490	172,291
Total public works and facilities	5,414,579	5,907,055	5,684,839	222,216
Development services:				
Planning	749,590	910,931	835,665	75,266
Building	1,168,624	1,330,695	1,113,319	217,376
Economic development	-	19,930	965	18,965
Total development services	1,918,214	2,261,556	1,949,949	311,607
Capital outlay:				
Public safety	-	508,648	89,352	419,296
Community development	-	12,420	12,420	-
Total capital outlay	-	521,068	101,772	419,296
Debt service:				
Principal	540,796	540,796	515,888	24,908
Interest and fiscal charges	202,272	202,272	245,709	(43,437)
Total debt service	743,068	743,068	761,597	(18,529)
Total expenditures	52,535,301	58,543,474	55,028,849	3,514,625
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	(1,593,101)	(6,415,514)	(3,275,663)	3,139,851

City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

Budgetary Comparison Schedule, General Fund, Continued

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	7,800	7,800	669	(7,131)
Transfers in	1,932,600	5,871,499	5,050,293	(821,206)
Transfers out	-	(1,297,474)	(1,297,586)	(112)
Total other financing sources (uses)	1,940,400	4,581,825	3,753,376	(828,449)
Net change in fund balances	\$ 347,299	\$ (1,833,689)	477,713	\$ 2,311,402
FUND BALANCES:				
Beginning of year			18,069,164	
End of year			<u>\$ 18,546,877</u>	

City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

Budgetary Comparison Schedule, Streets and Roads Special Revenue Fund

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Taxes and assessments	\$ 918,700	\$ 918,700	\$ 997,011	\$ 78,311
Use of money and property	-	-	173,632	173,632
Intergovernmental revenues	3,504,200	3,504,200	3,294,091	(210,109)
Other revenues	-	-	61,854	61,854
Total revenues	4,422,900	4,422,900	4,526,588	103,688
EXPENDITURES:				
Current:				
Public works and facilities	-	1,517,700	1,517,700	-
Total expenditures	-	1,517,700	1,517,700	-
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	4,422,900	2,905,200	3,008,888	103,688
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(3,274,803)	(3,266,250)	8,553
Total other financing sources (uses)	-	(3,274,803)	(3,266,250)	8,553
Net change in fund balances	\$ 4,422,900	\$ (369,603)	(257,362)	\$ 112,241
FUND BALANCES:				
Beginning of year			2,000,731	
End of year			\$ 1,743,369	

City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

Budgetary Comparison Schedule, H.R. 1319 ARPA of 2021 Special Revenue Fund

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 337,553	\$ 337,553
Intergovernmental revenues	-	-	1,675,150	1,675,150
Total revenues	-	-	2,012,703	2,012,703
EXPENDITURES:				
Current:				
Public safety	-	-	875	(875)
Capital outlay	-	16,216	9,933	6,283
Total expenditures	-	16,216	10,808	5,408
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(16,216)	2,001,895	2,018,111
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(1,664,341)	(1,664,341)	-
Total other financing sources (uses)	-	(1,664,341)	(1,664,341)	-
Net change in fund balances	\$ -	\$ (1,680,557)	337,554	\$ 2,018,111
FUND BALANCES:				
Beginning of year			26,622	
End of year			\$ 364,176	

City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

**2. AGENT MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN - SCHEDULE OF
CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - LAST 10 FISCAL YEARS⁽¹⁾**

Measurement Period ⁽¹⁾	2021-22	2020-21	2019-20	2018-19
TOTAL PENSION LIABILITY				
Service Cost	\$ 2,194,276	\$ 2,015,319	\$ 2,185,082	\$ 2,207,967
Interest	9,538,374	9,528,855	9,119,361	8,807,968
Difference Between Expected and Actual Experience	(1,673,579)	1,058,103	(531,809)	1,730,790
Changes of Assumptions	2,024,863	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(7,300,402)	(6,736,297)	(6,364,623)	(5,870,470)
Net Change in Total Pension Liability	4,783,532	5,865,980	4,408,011	6,876,255
Total Pension Liability - Beginning	140,439,069	134,573,089	130,165,078	123,288,823
Total Pension Liability - Ending (a)	\$ 145,222,601	\$ 140,439,069	\$ 134,573,089	\$ 130,165,078
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 4,541,942	\$ 4,673,392	\$ 3,541,298	\$ 3,998,006
Contributions - Employee	1,274,605	1,168,393	1,256,225	1,274,690
Net Investment Income ⁽²⁾	(9,088,075)	22,392,080	4,876,208	5,978,177
Benefit Payments, Including Refunds of Employee Contributions	(7,300,402)	(6,736,297)	(6,364,623)	(5,870,470)
Other Changes in Fiduciary Net Position	(75,057)	(98,834)	(135,005)	(64,336)
Net Change in Fiduciary Net Position	(10,646,987)	21,398,734	3,174,103	5,316,067
Plan Fiduciary Net Position - Beginning	120,337,703	98,938,969	95,764,866	90,448,799
Plan Fiduciary Net Position - Ending (b)	\$ 109,690,716	\$ 120,337,703	\$ 98,938,969	\$ 95,764,866
Plan Net Position Liability (Asset)				
- Ending (a) - (b)	\$ 35,531,885	\$ 20,101,366	\$ 35,634,120	\$ 34,400,212
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.53%	85.69%	73.52%	73.57%
Covered Payroll	\$ 12,428,669	\$ 12,066,669	\$ 11,513,392	\$ 11,656,700
Plan Net Pension Liability/(Asset) as a a Percentage of Covered Payroll	285.89%	166.59%	309.50%	295.11%

Notes to Schedule

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) Net of administrative expenses.

The CalPERS discount rate was increased from 7.5% to 7.65% in fiscal year 2016, and then decreased from 7.65 to 7.15% in fiscal year 2018.

The CalPERS discount rate was increased from 7.15% to 6.90% in fiscal year 2023.

The CalPERS mortality assumptions were updated in fiscal year 2019.

2017-18		2016-17		2015-16		2014-15		2013-14	
\$	2,081,229	\$	2,066,882	\$	1,852,938	\$	1,911,173	\$	1,996,804
	8,346,161		8,365,397		8,102,735		7,750,612		7,426,882
	(1,696,880)		(1,270,134)		(270,933)		(708,337)		-
	(3,647,430)		7,290,479		-		(1,986,626)		-
	(5,654,940)		(5,073,435)		(4,931,631)		(4,585,998)		(4,205,602)
	(571,860)		11,379,189		4,753,109		2,380,824		5,218,084
	123,860,683		112,481,494		107,728,385		105,347,561		100,129,477
\$	123,288,823	\$	123,860,683	\$	112,481,494	\$	107,728,385	\$	105,347,561
\$	2,808,258	\$	2,480,008	\$	2,306,847	\$	2,183,090	\$	2,178,855
	1,280,015		1,197,316		1,164,258		770,559		722,828
	7,233,147		8,675,655		390,407		1,768,847		11,844,477
	(5,654,940)		(5,073,435)		(4,931,631)		(4,585,998)		(4,205,602)
	(384,950)		(36,427)		(48,172)		(88,966)		-
	5,281,530		7,243,117		(1,118,291)		47,532		10,540,558
	85,167,269		77,924,152		79,042,443		78,994,911		68,454,353
\$	90,448,799	\$	85,167,269	\$	77,924,152	\$	79,042,443	\$	78,994,911
\$	32,840,024	\$	38,693,414	\$	34,557,342	\$	28,685,942	\$	26,352,650
	73.36%		68.76%		69.28%		73.37%		74.99%
\$	11,256,193	\$	11,021,623	\$	10,574,118	\$	10,349,684	\$	10,002,524
	291.75%		351.07%		326.81%		277.17%		263.46%

City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

**3. COST SHARING PLAN - SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY - Last 10 Years ⁽¹⁾**

Fiscal year:	2023	2022	2021	2020
Measurement date:	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Proportion of the net pension liability	0.45552%	0.51072%	0.41358%	0.39923%
Proportionate share of the net pension liability	\$ 52,616,438	\$ 27,621,234	\$ 44,999,500	\$ 40,908,760
Covered payroll	\$ 9,773,420	\$ 9,488,757	\$ 10,743,929	\$ 10,193,087
Proportionate share of the net pension liability as a percentage of covered payroll	538%	291%	419%	401%
Plan's share of fiduciary net position as a percentage of total pension liability	76.68%	88.29%	75.10%	75.26%

Notes to Schedule

⁽¹⁾Fiscal year 2015 was the 1st year of implementation, therefore only nine years are shown.

The CalPERS discount rate was increased from 7.5% to 7.65% in fiscal year 2016, and then decreased from 7.65% to 7.15% in fiscal year 2018. In fiscal year 2023, the discount rate was decreased to 6.90%.

The CalPERS mortality assumptions were adjusted in fiscal year 2019.

2019	2018	2017	2016	2015
6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
0.39060%	0.37446%	0.37070%	0.36017%	0.33927%
\$ 37,639,215	\$ 37,136,045	\$ 32,077,284	\$ 24,721,836	\$ 21,111,427
\$ 9,573,803	\$ 9,365,287	\$ 9,055,782	\$ 8,075,871	\$ 9,815,408
393%	397%	354%	306%	215%
75.26%	73.31%	74.06%	78.40%	79.82%

City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

4. SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION PLANS - Last 10 Years ⁽¹⁾

Miscellaneous Plan

	Fiscal Year 2022-23	Fiscal Year 2021-22	Fiscal Year 2020-21	Fiscal Year 2019-20
Actuarially determined contribution	\$ 4,332,448	\$ 4,542,121	\$ 3,823,956	\$ 3,541,298
Contribution in relation to the actuarially determined contributions	(4,332,448)	(5,367,121)	(4,673,256)	(3,541,298)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (825,000)</u>	<u>\$ (849,300)</u>	<u>\$ -</u>
Covered payroll	\$ 12,801,529	\$ 12,428,669	\$ 12,066,669	\$ 11,513,392
Contributions as a percentage of covered payroll	33.84%	43.18%	38.73%	30.76%

Notes to Schedule

⁽¹⁾Fiscal year 2015 was the 1st year of implementation, therefore only nine years are shown.

Supplemental contributions were made in fiscal year 2019, 2021 and 2022.

Methods and assumptions used to determine contribution rates:

Valuation date (for contractually required contribution):	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Actuarial cost method:	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method:	(1)	(1)	(1)	(1)
Assets valuation method:	Market Value	Market Value	Market Value	Market Value
Inflation:	2.50%	2.50%	2.50%	2.63%
Salary increases:	(2)	(2)	(2)	(2)
Investment rate of return:	7.00%	7.00%	7.00%	7.25%
Retirement age:	(3)	(3)	(3)	(3)
Mortality:	(4)	(4)	(4)	(4)

(1) Level percentage of payroll, closed

(2) Depending on age, service, and type of employment

(3) Based on most recently available CalPERS experience study.

(4) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17	Fiscal Year 2015-16	Fiscal Year 2014-15
\$ 3,249,970	\$ 2,805,881	\$ 2,480,933	\$ 2,306,847	\$ 2,183,090
(3,999,970)	(2,805,881)	(2,480,933)	(2,306,847)	(2,183,090)
<u>\$ (750,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 11,656,700	\$ 11,256,193	\$ 11,021,623	\$ 10,574,118	\$ 10,349,684
34.31%	24.93%	22.51%	21.82%	21.09%

6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
(1)	(1)	(1)	(1)	(1)
Market Value	Market Value	Market Value	Market Value	15 Year Smoothed Market Method
2.75%	2.75%	2.75%	2.75%	2.75%
(2)	(2)	(2)	(2)	(2)
7.375%	7.50%	7.50%	7.50%	7.50%
(3)	(3)	(3)	(3)	(3)
(4)	(4)	(4)	(4)	(4)

City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

4. SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION PLANS - Last 10 Years ⁽¹⁾, Continued

Safety Plan

	Fiscal Year 2022-23	Fiscal Year 2021-22	Fiscal Year 2020-21	Fiscal Year 2019-20
Actuarially determined contribution	\$ 6,175,038	\$ 5,308,570	\$ 4,741,696	\$ 4,186,445
Contribution in relation to the actuarially determined contributions	(6,175,038)	(5,308,570)	(4,741,696)	(4,186,445)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 10,066,622	\$ 9,773,420	\$ 9,488,757	\$ 10,743,929
Contributions as a percentage of covered payroll	61.34%	54.32%	49.97%	38.97%

Notes to Schedule

⁽¹⁾Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.

Methods and assumptions used to determine contribution rates:

Valuation date (for contractually required contribution):	6/30/2019	6/30/2019	6/30/2018	6/30/2017
Actuarial cost method:	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method:	(1)	(1)	(1)	(1)
Assets valuation method:	Market Value	Market Value	Market Value	Market Value
Inflation:	2.50%	2.50%	2.50%	2.63%
Salary increases:	(2)	(2)	(2)	(2)
Investment rate of return:	7.00%	7.00%	7.00%	7.25%
Retirement age:	(3)	(3)	(3)	(3)
Mortality:	(4)	(4)	(4)	(4)

⁽¹⁾ Level percentage of p Level percentage of payroll, closed

⁽²⁾ Depending on age, se Depending on age, service, and type of employment

⁽³⁾ 50 for all plans, with 50 for all plans, with the exception of 52 for Miscellaneous PEPI

⁽⁴⁾ Mortality assumptions are based on mortality rates resulting fr
CalPERS Experience Study adopted by the CalPERS Board.

Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17	Fiscal Year 2015-16	Fiscal Year 2014-15
\$ 3,595,112	\$ 3,010,863	\$ 2,724,002	\$ 2,470,885	\$ 2,618,919
(3,595,112)	(3,010,863)	(2,724,002)	(2,470,885)	(2,618,919)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,193,087	\$ 9,573,803	\$ 9,365,287	\$ 9,055,782	\$ 8,075,871
35.27%	31.45%	29.09%	27.29%	32.43%

6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
(1)	(1)	(1)	(1)	(1)
Market Value	Market Value	Market Value	Market Value	15 Year Smoothed Market Method
2.75%	2.75%	2.75%	2.75%	2.75%
(2)	(2)	(2)	(2)	(2)
7.375%	7.50%	7.50%	7.50%	7.50%
(3)	(3)	(3)	(3)	(3)
(4)	(4)	(4)	(4)	(4)

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City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

5. OTHER POST EMPLOYMENT BENEFITS

A. Schedule of Changes in Net OPEB Liability and Related Ratios - Last 10 Years⁽¹⁾

<i>Measurement Period</i>	2022	2021	2020
Total OPEB Liability			
Service Cost	\$ 89,384	\$ 268,149	\$ 260,339
Interest on the total OPEB liability	97,737	211,316	194,685
Changes in benefit terms	-	(2,195,915)	-
Differences between expected and actual experience	-	(301,061)	-
Changes of assumptions	-	(39,819)	-
Benefit payments, including refunds of employee contributions	(62,365)	(149,807)	(126,685)
Net change in total OPEB liability	124,756	(2,207,137)	328,339
Total OPEB liability - beginning	1,892,835	4,099,972	3,771,633
Total OPEB liability - ending (a)	\$ 2,017,591	\$ 1,892,835	\$ 4,099,972
Plan Fiduciary Net Position			
Contributions - employer	\$ 497,131	\$ 471,295	\$ 467,205
Contributions - employee	-	-	-
Net investment income	(225,755)	157,191	59,684
Benefit payments, including refunds of employee contributions	(62,365)	(149,807)	(126,685)
Administrative expense	-	-	-
Net change in plan fiduciary net position	209,011	478,679	400,204
Plan fiduciary net position - beginning	1,795,054	1,316,375	916,171
Plan fiduciary net position - ending (b)	\$ 2,004,065	\$ 1,795,054	\$ 1,316,375
Net OPEB liability/(asset) - ending (a) - (b)	\$ 13,526	\$ 97,781	\$ 2,783,597
Plan fiduciary net position as a percentage of the total OPEB liability	99.33%	94.83%	32.11%
Covered-employee payroll	\$ 7,903,597	\$ 8,839,522	\$ 6,734,058
Net OPEB liability as a percentage of covered-employee payroll	0.17%	1.11%	41.34%

Notes to Schedule

(1) Historical information is required only for measurement periods for which GASB 75 is applicable.

2019	2018	2017
\$ 149,927	\$ 145,560	\$ 141,000
191,680	185,816	173,000
-	-	-
(134,957)	-	-
(49,180)	-	-
(73,763)	(74,450)	(75,000)
83,707	256,926	239,000
3,687,926	3,431,000	3,192,000
<u>\$ 3,771,633</u>	<u>\$ 3,687,926</u>	<u>\$ 3,431,000</u>

\$ 400,136	\$ 379,324	\$ 317,000
-	-	-
39,262	3,662	-
(73,763)	(74,450)	(75,000)
-	-	-
365,635	308,536	242,000
550,536	242,000	-
<u>\$ 916,171</u>	<u>\$ 550,536</u>	<u>\$ 242,000</u>

\$ 2,855,462 \$ 3,137,390 \$ 3,189,000

24.29% 14.93% 7.05%

\$ 8,063,000 \$ 6,470,000 \$ 6,929,000

35.41% 48.49% 46.02%

City of Yuba City
Required Supplementary Information
For the year ended June 30, 2023

5. OTHER POST EMPLOYMENT BENEFITS

B. Schedule of OPEB Contributions - Last 10 Years⁽¹⁾

Fiscal Year Ended June 30	2023	2022	2021
Actuarially Determined Contribution (ADC)	\$ 93,454	\$ 98,964	\$ 482,410
Contributions in relation to the ADC	(117,907)	(497,131)	(471,295)
Contribution deficiency (excess)	<u>\$ (24,453)</u>	<u>\$ (398,167)</u>	<u>\$ 11,115</u>
Covered-employee payroll	\$ 8,544,605	\$ 7,903,597	\$ 8,839,522
Contributions as a percentage of covered-employee payroll	1.38%	6.29%	5.33%

Notes to Schedule

⁽¹⁾Fiscal year 2018 was the 1st year of implementation, therefore only six years are shown.

Methods and assumptions used to determine contribution rates:

Valuation date	6/30/2021	6/30/2021	6/30/2020
Actuarial cost method	(1)	(1)	(1)
Amortization method	(2)	(2)	(2)
Asset valuation method	(3)	(3)	(3)
Inflation	2.75%	2.75%	2.75%
Healthcare cost trend rate	7-4%	7-4%	7-4%
Salary increase	3%	3%	3%
Investment rate of return	5.25%	5.25%	5.25%
Retirement age	(4)	(4)	(4)
Mortality	(4)	(4)	(4)

⁽¹⁾ Entry age

⁽²⁾ Level percentage of payroll, closed group

⁽³⁾ Fair market value

⁽⁴⁾ Based on most recently available CalPERS valuation

2020	2019	2018
\$ 518,367	\$ 375,000	\$ 365,000
(467,205)	(400,136)	(378,000)
<u>\$ 51,162</u>	<u>\$ (25,136)</u>	<u>\$ (13,000)</u>
\$ 6,734,058	\$ 8,063,000	\$ 6,470,000
6.94%	4.96%	5.84%

6/30/2019	1/1/2017	1/1/2017
(1)	(1)	(1)
(2)	(2)	(2)
(3)	(3)	(3)
2.75%	2.75%	2.75%
7-4%	7.5-4%	7.5-4%
3%	n/a	n/a
5.25%	5.25%	5.25%
(4)	(4)	(4)
(4)	(4)	(4)

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SUPPLEMENTARY INFORMATION

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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

HOME Grant Fund accounts for funds related to various HOME housing rehabilitation grant programs. The main source of revenue of this fund are loan repayments and intergovernmental revenues that are restricted for HOME eligible activities.

Traffic Safety Fund accounts for court fines collected on the City's account for moving violations.

Law Enforcement Services Fund account for special police revenue to be used for traffic enforcement services.

Landscape Districts Fund accounts for monies to be used to landscape various areas of the City.

Recology Rate Stabilization Fund accounts for funds received from Recology Yuba-Sutter to be used for stabilization of future solid waste collection rates and/or the acquisition of solid waste facilities or equipment.

CDBG Grant Fund accounts for CDBG open grant activities.

CDBG Program Income Fund accounts for CDBG program income generated from loans made previously, which revolve back into the program for reuse.

Miscellaneous Lighting Districts Fund accounts for monies to be used for various street lighting districts.

TDA/LTF Fund account for Transportation Development Act and Local Transportation fund monies.

Cal-HOME Grant Fund account for CAL-HOME grant activities.

Fire Mitigation Fees Fund account for monies collected for fire mitigation purposes.

Harter Specific Plan Fund account for monies to be used for the Harter Specific Plan.

DOE Energy Conservation Fund accounts for DOE Energy Conservation grant activities.

Housing Successor Fund account for amounts held for housing assets previously held by the City of Yuba City Redevelopment Agency Housing Fund.

Pension Stabilization Fund accounts for monies restricted for making required employer contributions to the City's pension plans.

NON-MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

Gauche Park COP Fund accounts for the activity for the repayment of the 2015 Refunding Lease Revenue Bonds.

CAPITAL PROJECT FUND

Street and Roads CIP Projects Fund accounts for funds budgeted for capital expenditures, which are funded from gas tax revenues and street and road fund sources.

General Capital Improvements Project Fund accounts for funds budgeted for capital improvements which are funded from general City revenue sources.

2017 Police Solar CREB Fund accounts for funds budgeted for the 2017 Police Solar CREB project.

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City of Yuba City
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2023

	Special Revenue			
	HOME Grant Fund	Traffic Safety Fund	Law Enforcement Services Fund	Landscape Districts Fund
ASSETS				
Cash and investments	\$ 439,828	\$ 537,405	\$ 288,427	\$ 510,943
Restricted cash and investments	-	-	-	-
Restricted cash and investments held by fiscal agents	-	-	-	-
Accounts receivable	-	40,807	-	-
Taxes and assessments receivable	-	-	-	-
Deposits	-	-	-	-
Advances to other funds	-	-	-	-
Notes receivable	5,302,219	-	-	-
Receivable due from Successor Agency trust fund	-	-	-	-
Total assets	\$ 5,742,047	\$ 578,212	\$ 288,427	\$ 510,943
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,934	\$ -	\$ 6,903	\$ 68,268
Deposits payable	-	35	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	1,934	35	6,903	68,268
Deferred Inflow of Resources:				
Unavailable revenue	865,047	-	-	-
Total deferred inflow of resources	865,047	-	-	-
Fund Balances:				
Restricted	4,875,066	-	-	442,675
Committed	-	578,177	281,524	-
Unassigned	-	-	-	-
Total fund balances	4,875,066	578,177	281,524	442,675
Total liabilities, deferred inflow of resources, and fund balances	\$ 5,742,047	\$ 578,212	\$ 288,427	\$ 510,943

Special Revenue						
Recology Rate Stabilization Fund	CDBG Grant Fund	CDBG Program Income Fund	Miscellaneous Lighting Districts Fund	TDA/LTF Fund	Cal-HOME Grant Fund	Fire Mitigation Fees Fund
\$ 68,601	\$ -	\$ 311,720	\$ 312,226	\$ 562,252	\$ 391,535	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	480,528	-	-	3,296,869	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,531,504	-	-	838,492	-
-	-	-	-	-	-	-
<u>\$ 68,601</u>	<u>\$ 480,528</u>	<u>\$ 1,843,224</u>	<u>\$ 312,226</u>	<u>\$ 3,859,121</u>	<u>\$ 1,230,027</u>	<u>\$ -</u>
\$ -	\$ 93,793	\$ -	\$ 20,698	\$ 50,525	\$ -	\$ -
-	-	-	-	-	-	-
44,203	-	-	-	-	-	-
-	528,461	-	-	-	-	331,315
<u>44,203</u>	<u>622,254</u>	<u>-</u>	<u>20,698</u>	<u>50,525</u>	<u>-</u>	<u>331,315</u>
-	-	132,934	-	3,296,869	232,282	-
-	-	132,934	-	3,296,869	232,282	-
24,398	-	1,710,290	291,528	511,727	997,745	-
-	-	-	-	-	-	-
-	(141,726)	-	-	-	-	(331,315)
<u>24,398</u>	<u>(141,726)</u>	<u>1,710,290</u>	<u>291,528</u>	<u>511,727</u>	<u>997,745</u>	<u>(331,315)</u>
<u>\$ 68,601</u>	<u>\$ 480,528</u>	<u>\$ 1,843,224</u>	<u>\$ 312,226</u>	<u>\$ 3,859,121</u>	<u>\$ 1,230,027</u>	<u>\$ -</u>

City of Yuba City
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2023

	Special Revenue			
	Harter Specific Plan Fund	DOE Energy Conservation Fund	Housing Successor Fund	Pension Stabilization Fund
ASSETS				
Cash and investments	\$ 332,494	\$ 61,342	\$ 1,793,113	\$ 464,685
Restricted cash and investments	-	-	-	4,397,825
Restricted cash and investments held by fiscal agents	-	-	-	-
Accounts receivable	-	-	-	-
Taxes and assessments receivable	-	-	-	-
Deposits	-	-	9,800	-
Advances to other funds	-	-	-	-
Notes receivable	-	-	3,760,211	-
Receivable due from Successor Agency trust fund	-	-	929,791	-
Total assets	<u>\$ 332,494</u>	<u>\$ 61,342</u>	<u>\$ 6,492,915</u>	<u>\$ 4,862,510</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Deposits payable	215,761	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>215,761</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflow of Resources:				
Unavailable revenue	-	-	398,229	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>398,229</u>	<u>-</u>
Fund Balances:				
Restricted	116,733	61,342	6,094,686	4,397,825
Committed	-	-	-	464,685
Unassigned	-	-	-	-
Total fund balances	<u>116,733</u>	<u>61,342</u>	<u>6,094,686</u>	<u>4,862,510</u>
Total liabilities, deferred inflow of resources, and fund balances	<u>\$ 332,494</u>	<u>\$ 61,342</u>	<u>\$ 6,492,915</u>	<u>\$ 4,862,510</u>

Debt Service	Capital Projects			Total
Gauche Park COP Fund	Streets and Roads CIP Projects Fund	General Capital Improvements Projects Fund	2017 Police Solar CREB Projects Fund	Non-Major Governmental Funds
\$ -	\$ 7,383,215	\$ 7,061,405	\$ 49,340	\$ 20,568,531
-	-	-	-	4,397,825
667	-	-	-	667
-	-	811,799	-	4,630,003
-	-	-	-	-
-	-	-	-	9,800
-	-	87,690	-	87,690
-	-	-	-	11,432,426
-	-	-	-	929,791
<u>\$ 670</u>	<u>\$ 7,383,215</u>	<u>\$ 7,960,894</u>	<u>\$ 49,340</u>	<u>\$ 42,056,736</u>
\$ -	\$ 398,377	\$ 77,899	\$ 14,757	\$ 733,154
-	-	-	-	215,796
-	-	-	-	44,203
-	-	-	-	859,776
-	398,377	77,899	14,757	1,852,929
-	-	-	-	4,925,361
-	-	-	-	4,925,361
670	6,984,838	-	34,583	26,544,106
-	-	7,882,995	-	9,207,381
-	-	-	-	(473,041)
670	6,984,838	7,882,995	34,583	35,278,446
<u>\$ 670</u>	<u>\$ 7,383,215</u>	<u>\$ 7,960,894</u>	<u>\$ 49,340</u>	<u>\$ 42,056,736</u>

City of Yuba City

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the year ended June 30, 2023

	Special Revenue			
	HOME Grant Fund	Traffic Safety Fund	Law Enforcement Services Fund	Landscape Districts Fund
REVENUES:				
Use of money and property	\$ 9,224	\$ 11,110	\$ 5,249	\$ 4,270
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	704,195
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	220,060	152,444	-
Program income	121,302	-	-	-
Other revenues	-	-	-	-
Total revenues	<u>130,526</u>	<u>231,170</u>	<u>157,693</u>	<u>708,465</u>
EXPENDITURES:				
Current:				
Public safety	-	150,000	81,903	-
Community services	-	-	-	390,559
Development services	5,258	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>5,258</u>	<u>150,000</u>	<u>81,903</u>	<u>390,559</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>125,268</u>	<u>81,170</u>	<u>75,790</u>	<u>317,906</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	(188,517)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(188,517)</u>
Net change in fund balances	<u>125,268</u>	<u>81,170</u>	<u>75,790</u>	<u>129,389</u>
FUND BALANCES:				
Beginning of year	<u>4,749,798</u>	<u>497,007</u>	<u>205,734</u>	<u>313,286</u>
End of year	<u>\$ 4,875,066</u>	<u>\$ 578,177</u>	<u>\$ 281,524</u>	<u>\$ 442,675</u>

Special Revenue						
Recology Rate Stabilization Fund	CDBG Grant Fund	CDBG Program Income Fund	Miscellaneous Lighting Districts Fund	TDA/LTF Fund	Cal-HOME Grant Fund	Fire Mitigation Fees Fund
\$ 1,546	\$ -	\$ 4,514	\$ 6,013	\$ 43,283	\$ 8,822	\$ 863
-	408,948	-	-	-	-	(64,339)
-	-	-	328,651	-	-	-
-	-	-	-	-	-	-
-	-	100,110	-	-	-	-
-	-	10,000	-	-	-	-
1,546	408,948	114,624	334,664	43,283	8,822	(63,476)
-	-	-	-	-	-	6,071
-	-	-	283,502	-	-	-
-	299,384	-	-	-	-	-
-	102,082	-	-	2,359,883	-	-
-	401,466	-	283,502	2,359,883	-	6,071
1,546	7,482	114,624	51,162	(2,316,600)	8,822	(69,547)
-	-	-	-	-	-	-
-	(31,353)	-	(134,883)	(108,855)	-	-
-	(31,353)	-	(134,883)	(108,855)	-	-
1,546	(23,871)	114,624	(83,721)	(2,425,455)	8,822	(69,547)
22,852	(117,855)	1,595,666	375,249	2,937,182	988,923	(261,768)
\$ 24,398	\$ (141,726)	\$ 1,710,290	\$ 291,528	\$ 511,727	\$ 997,745	\$ (331,315)

City of Yuba City

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the year ended June 30, 2023

	Special Revenue			
	Harter Specific Plan Fund	DOE Energy Conservation Fund	Housing Successor Fund	Pension Stabilization Fund
REVENUES:				
Use of money and property	\$ 7,491	\$ 1,382	\$ 33,989	\$ 161,090
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Program income	-	-	-	-
Other revenues	-	-	-	-
Total revenues	<u>7,491</u>	<u>1,382</u>	<u>33,989</u>	<u>161,090</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Community services	-	-	-	-
Development services	-	-	1,153	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>1,153</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>7,491</u>	<u>1,382</u>	<u>32,836</u>	<u>161,090</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>7,491</u>	<u>1,382</u>	<u>32,836</u>	<u>161,090</u>
FUND BALANCES:				
Beginning of year	<u>109,242</u>	<u>59,960</u>	<u>6,061,850</u>	<u>4,701,420</u>
End of year	<u>\$ 116,733</u>	<u>\$ 61,342</u>	<u>\$ 6,094,686</u>	<u>\$ 4,862,510</u>

Debt Service	Capital Projects			Total Non-Major Governmental Funds
Gauche Park COP Fund	Streets and Roads CIP Projects Fund	General Capital Improvements Projects Fund	2017 Police Solar CREB Projects Fund	
\$ 832	\$ -	\$ 54,330	\$ 964	\$ 354,972
-	-	351,106	-	695,715
-	-	-	-	1,032,846
-	-	-	-	-
-	-	-	-	372,504
-	-	-	-	221,412
-	556	338,998	-	349,554
832	556	744,434	964	3,027,003
-	-	-	-	237,974
-	-	-	-	674,061
-	-	-	-	305,795
-	2,293,134	1,728,559	-	6,483,658
-	2,293,134	1,728,559	-	7,701,488
832	(2,292,578)	(984,125)	964	(4,674,485)
-	3,266,250	1,540,419	-	4,806,669
(316)	(111,031)	(3,937,846)	-	(4,512,801)
(316)	3,155,219	(2,397,427)	-	293,868
516	862,641	(3,381,552)	964	(4,380,617)
154	6,122,197	11,264,547	33,619	39,659,063
\$ 670	\$ 6,984,838	\$ 7,882,995	\$ 34,583	\$ 35,278,446

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

HOME Grant Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ 6,500	\$ 6,500	\$ 9,224	\$ 2,724
Program income	200,000	200,000	121,302	(78,698)
Total revenues	206,500	206,500	130,526	(75,974)
EXPENDITURES:				
Current:				
Development services	50,000	50,000	5,258	44,742
Total expenditures	50,000	50,000	5,258	44,742
Net change in fund balances	\$ 156,500	\$ 156,500	125,268	\$ (31,232)
FUND BALANCES:				
Beginning of year			4,749,798	
End of year			\$ 4,875,066	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Traffic Safety Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ 4,600	\$ 4,600	\$ 11,110	\$ 6,510
Fines and forfeitures	195,400	195,400	220,060	24,660
Total revenues	200,000	200,000	231,170	31,170
EXPENDITURES:				
Current:				
Public safety	150,000	151,239	150,000	1,239
Total expenditures	150,000	151,239	150,000	1,239
Net change in fund balances	\$ 50,000	\$ 48,761	81,170	\$ 32,409
FUND BALANCES:				
Beginning of year			497,007	
End of year			\$ 578,177	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Law Enforcement Services Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ 2,000	\$ 2,000	\$ 5,249	\$ 3,249
Fines and forfeitures	110,000	110,000	152,444	42,444
Total revenues	112,000	112,000	157,693	45,693
EXPENDITURES:				
Current:				
Public safety	75,000	75,000	81,903	(6,903)
Total expenditures	75,000	75,000	81,903	(6,903)
Net change in fund balances	\$ 37,000	\$ 37,000	75,790	\$ 38,790
FUND BALANCES:				
Beginning of year			205,734	
End of year			\$ 281,524	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Landscape Districts Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ 6,056	\$ 6,056	\$ 4,270	\$ (1,786)
Charges for services	592,575	592,575	704,195	111,620
Total revenues	598,631	598,631	708,465	109,834
EXPENDITURES:				
Current:				
Community services	334,523	358,738	390,559	(31,821)
Total expenditures	334,523	358,738	390,559	(31,821)
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	264,108	239,893	317,906	78,013
OTHER FINANCING SOURCES (USES):				
Transfers out	(188,518)	(188,518)	(188,517)	1
Total other financing sources (uses)	(188,518)	(188,518)	(188,517)	1
Net change in fund balances	\$ 75,590	\$ 51,375	129,389	\$ 78,014
FUND BALANCES:				
Beginning of year			313,286	
End of year			\$ 442,675	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Recology Rate Stabilization Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,546	\$ 1,546
Total revenues	-	-	1,546	1,546
Net change in fund balances	\$ -	\$ -	1,546	\$ 1,546
FUND BALANCES:				
Beginning of year			22,852	
End of year			\$ 24,398	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

CDBG Grant Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES:				
Intergovernmental revenues	\$ 1,129,500	\$ 1,129,500	\$ 408,948	\$ (720,552)
Total revenues	<u>1,129,500</u>	<u>1,129,500</u>	<u>408,948</u>	<u>(720,552)</u>
EXPENDITURES:				
Current:				
Development services	-	865,007	299,384	565,623
Capital outlay	<u>310,000</u>	<u>813,456</u>	<u>102,082</u>	<u>711,374</u>
Total expenditures	<u>310,000</u>	<u>1,678,463</u>	<u>401,466</u>	<u>1,276,997</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	819,500	(548,963)	7,482	556,445
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>-</u>	<u>-</u>	<u>(31,353)</u>	<u>(31,353)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(31,353)</u>	<u>(31,353)</u>
Net change in fund balances	<u>\$ 819,500</u>	<u>\$ (548,963)</u>	<u>(23,871)</u>	<u>\$ 525,092</u>
FUND BALANCES:				
Beginning of year			<u>(117,855)</u>	
End of year			<u>\$ (141,726)</u>	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

CDBG Program Income Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ 2,000	\$ 2,000	\$ 4,514	\$ 2,514
Program income	25,000	25,000	100,110	75,110
Other revenues	-	-	10,000	10,000
Total revenues	27,000	27,000	114,624	87,624
EXPENDITURES:				
Current:				
Development services	25,000	25,000	-	25,000
Total expenditures	25,000	25,000	-	25,000
Net change in fund balances	\$ 2,000	\$ 2,000	114,624	\$ 112,624
FUND BALANCES:				
Beginning of year			1,595,666	
End of year			<u>\$ 1,710,290</u>	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Miscellaneous Lighting District Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES:				
Use of money and property	\$ 8,226	\$ 8,226	\$ 6,013	\$ (2,213)
Charges for services	457,334	457,334	328,651	(128,683)
Total revenues	<u>465,560</u>	<u>465,560</u>	<u>334,664</u>	<u>(130,896)</u>
EXPENDITURES:				
Current:				
Community services	302,113	302,113	283,502	18,611
Total expenditures	<u>302,113</u>	<u>302,113</u>	<u>283,502</u>	<u>18,611</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	163,447	163,447	51,162	(112,285)
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(134,883)</u>	<u>(134,883)</u>	<u>(134,883)</u>	<u>-</u>
Total other financing sources (uses)	<u>(134,883)</u>	<u>(134,883)</u>	<u>(134,883)</u>	<u>-</u>
Net change in fund balances	<u>\$ 28,564</u>	<u>\$ 28,564</u>	<u>(83,721)</u>	<u>\$ (112,285)</u>
FUND BALANCES:				
Beginning of year			<u>375,249</u>	
End of year			<u>\$ 291,528</u>	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

TDA/LTF Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ 11,100	\$ 11,100	\$ 43,283	\$ 32,183
Intergovernmental revenues	3,293,900	3,293,900	-	(3,293,900)
Total revenues	3,305,000	3,305,000	43,283	(3,261,717)
EXPENDITURES:				
Capital outlay	1,188,300	5,803,073	2,359,883	3,443,190
Total expenditures	1,188,300	5,803,073	2,359,883	3,443,190
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	2,116,700	(2,498,073)	(2,316,600)	181,473
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(108,855)	(108,855)
Total other financing sources (uses)	-	-	(108,855)	(108,855)
Net change in fund balances	\$ 2,116,700	\$ (2,498,073)	(2,425,455)	\$ 72,618
FUND BALANCES:				
Beginning of year			2,937,182	
End of year			\$ 511,727	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Cal-HOME Special Revenue Fund

For the year ended June 30, 2023

	<u>Budget Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 8,822	\$ 8,822
Total revenues	-	-	8,822	8,822
Net change in fund balances	\$ -	\$ -	8,822	\$ 8,822
FUND BALANCES:				
Beginning of year			988,923	
End of year			\$ 997,745	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Fire Mitigation Fees Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ 100	\$ 100	\$ 863	\$ 763
Intergovernmental revenues	-	-	(64,339)	(64,339)
Licenses, permits, and fees	1,500	1,500	-	(1,500)
Total revenues	1,600	1,600	(63,476)	(65,076)
EXPENDITURES:				
Current:				
Public safety	-	-	6,071	(6,071)
Total expenditures	-	-	6,071	(6,071)
Net change in fund balances	\$ 1,600	\$ 1,600	(69,547)	\$ (71,147)
FUND BALANCES:				
Beginning of year			(261,768)	
End of year			<u>\$ (331,315)</u>	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Harter Specific Plan Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 7,491	\$ 7,491
Total revenues	-	-	7,491	7,491
Net change in fund balances	\$ -	\$ -	7,491	\$ 7,491
FUND BALANCES:				
Beginning of year			109,242	
End of year			\$ 116,733	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

DOE Energy Conservation Grant Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,382	\$ 1,382
Total revenues	-	-	1,382	1,382
Net change in fund balances	\$ -	\$ -	1,382	\$ 1,382
FUND BALANCES:				
Beginning of year			59,960	
End of year			\$ 61,342	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Housing Successor Agency Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 33,989	\$ 33,989
Total revenues	-	-	33,989	33,989
EXPENDITURES:				
Current:				
Community development	-	-	1,153	(1,153)
Total expenditures	-	-	1,153	(1,153)
Net change in fund balances	\$ -	\$ -	32,836	\$ 32,836
FUND BALANCES:				
Beginning of year, as restated			6,061,850	
End of year			\$ 6,094,686	

City of Yuba City

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Pension Stabilization Special Revenue Fund

For the year ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 161,090	\$ 161,090
Total revenues	-	-	161,090	161,090
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ -	\$ -	161,090	\$ 161,090
FUND BALANCES:				
Beginning of year			4,701,420	
End of year			\$ 4,862,510	

INTERNAL SERVICE FUNDS

Vehicle Replacement Fund accounts for the replacement of City vehicles upon the expiration of their useful life.

Vehicle Maintenance Fund accounts for the maintenance of City vehicles.

Technology Replacement Fund accounts for the replacement of City computers and servers upon the expiration of their useful life.

Employee Benefits Fund accounts for the provision of health and unemployment benefits.

Vision/Dental Fund accounts for the provisions of employee vision and dental benefits.

Disability Program Fund accounts for the City's self-funded employee disability benefits.

Workers' Compensation Program Fund accounts for the City's self-insured employee workers' compensation benefits.

General Liability Program Fund accounts for the provision of the City's self-insured general liability program.

City of Yuba City
Combining Statement of Net Position
Internal Service Funds
June 30, 2023

	Vehicle Replacement Fund	Vehicle Maintenance Fund	Technology Replacement Fund
ASSETS			
Current assets:			
Cash and investments	\$ 13,278,091	\$ 276,241	\$ 2,732,945
Accounts receivable, net	19,355	13,126	3,000
Inventory	-	21,868	-
Prepaid expenses	-	-	-
Total current assets	13,297,446	311,235	2,735,945
Noncurrent assets:			
Deposits	781,881	-	-
Advances to other funds	1,405,736	-	-
Capital assets:			
Non-depreciable, net	445,876	-	-
Depreciable, net	4,848,160	100,624	911,151
Total capital assets	5,294,036	100,624	911,151
Total noncurrent assets	7,481,653	100,624	911,151
Total assets	20,779,099	411,859	3,647,096
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflows of resources - pension	-	207,744	-
Total deferred outflow of resources	-	207,744	-
LIABILITIES			
Current liabilities:			
Accounts payable	45,547	35,697	52,393
Accrued interest payable	15,528	-	-
Accrued wages	49,829	16,453	-
Unearned revenue	-	-	-
Compensated absences, due within one year	-	32,931	-
Finance purchase payable, due within one year	318,446	-	-
Total current liabilities	429,350	85,081	52,393
Noncurrent liabilities:			
Compensated absences, due in more than one year	-	34,513	-
Finance purchase payable, due in more than one year	2,543,519	-	-
Net pension liability	-	639,574	-
Total noncurrent liabilities	2,543,519	674,087	-
Total liabilities	2,972,869	759,168	52,393
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	-	20,392	-
Total deferred inflows of resources	-	20,392	-
NET POSITION			
Net investment in capital assets	5,294,036	100,624	911,151
Unrestricted	12,512,194	(260,581)	2,683,552
Total net position	\$ 17,806,230	\$ (159,957)	\$ 3,594,703

Employee Benefits Fund	Vision/ Dental Fund	Disability Program Fund	Worker's Compensation Program Fund	General Liability Program Fund	Totals
\$ 328,542	\$ 436,393	\$ 256,505	\$ 1,430,945	\$ 547,484	\$ 19,287,146
29,858	-	-	-	-	65,339
-	-	-	-	-	21,868
209,648	-	-	1,364,082	534,785	2,108,515
568,048	436,393	256,505	2,795,027	1,082,269	21,482,868
-	-	-	-	-	781,881
-	-	-	-	-	1,405,736
-	-	-	-	-	445,876
-	-	-	-	-	5,859,935
-	-	-	-	-	6,305,811
-	-	-	-	-	8,493,428
568,048	436,393	256,505	2,795,027	1,082,269	29,976,296
-	-	-	-	-	207,744
-	-	-	-	-	207,744
22,290	9,970	5,889	-	2,129	173,915
-	-	-	-	-	15,528
135,359	-	-	-	-	201,641
861	-	-	-	-	861
-	-	-	-	-	32,931
-	-	-	-	-	318,446
158,510	9,970	5,889	-	2,129	743,322
-	-	-	-	-	34,513
-	-	-	-	-	2,543,519
-	-	-	-	-	639,574
-	-	-	-	-	3,217,606
158,510	9,970	5,889	-	2,129	3,960,928
-	-	-	-	-	20,392
-	-	-	-	-	20,392
-	-	-	-	-	6,305,811
409,538	426,423	250,616	2,795,027	1,080,140	19,896,909
\$ 409,538	\$ 426,423	\$ 250,616	\$ 2,795,027	\$ 1,080,140	\$ 26,202,720

City of Yuba City

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds

For the year ended June 30, 2023

	Vehicle Replacement Fund	Vehicle Maintenance Fund	Technology Replacement Fund
OPERATING REVENUES:			
Sales and charges for services	\$ 1,332,536	\$ 1,012,166	\$ 894,800
Other revenues	-	13,939	71,464
Total operating revenues	1,332,536	1,026,105	966,264
OPERATING EXPENSES:			
Salaries and benefits	-	470,657	-
Professional services	-	23,675	37,711
Supplies	4,045	1,052	-
Benefits, claims, and insurance	-	11,660	-
Maintenance and operation	121,557	524,500	273,351
Tools and equipment	37,829	16,804	271,439
Power and utilities	-	12,677	62,546
Training	-	3,252	-
Depreciation	596,831	14,532	343,357
Total operating expenses	760,262	1,078,809	988,404
OPERATING INCOME (LOSS):	572,274	(52,704)	(22,140)
NONOPERATING REVENUES (EXPENSES):			
Interest income	192,028	6,605	61,032
Interest expense	(45,687)	-	-
Gain (loss) on sale of capital assets	48,775	-	-
Total nonoperating revenues (expenses)	195,116	6,605	61,032
INCOME (LOSS) BEFORE TRANSFERS	767,390	(46,099)	38,892
Transfers in	3,800	-	-
Total transfers	3,800	-	-
Change in net position	771,190	(46,099)	38,892
NET POSITION:			
Beginning of year	17,035,040	(113,858)	3,555,811
End of year	<u>\$ 17,806,230</u>	<u>\$ (159,957)</u>	<u>\$ 3,594,703</u>

Employee Benefits Fund	Vision/ Dental Fund	Disability Program Fund	Worker's Compensation Program Fund	General Liability Program Fund	Totals
\$ 3,868,881	\$ 524,287	\$ 125,713	\$ 1,300,017	\$ 2,893,500	\$ 11,951,900
-	-	-	2,132	1,360	88,895
3,868,881	524,287	125,713	1,302,149	2,894,860	12,040,795
-	-	-	-	-	470,657
-	-	-	-	-	61,386
-	-	-	-	-	5,097
3,865,260	525,720	85,690	951,710	2,519,223	7,959,263
9,856	-	-	-	-	929,264
-	-	-	-	-	326,072
-	-	-	-	-	75,223
-	-	-	-	-	3,252
-	-	-	-	-	954,720
3,875,116	525,720	85,690	951,710	2,519,223	10,784,934
(6,235)	(1,433)	40,023	350,439	375,637	1,255,861
10,428	10,869	5,281	30,852	1	317,096
-	-	-	-	-	(45,687)
-	-	-	-	-	48,775
10,428	10,869	5,281	30,852	1	320,184
4,193	9,436	45,304	381,291	375,638	1,576,045
-	-	-	-	-	3,800
-	-	-	-	-	3,800
4,193	9,436	45,304	381,291	375,638	1,579,845
405,345	416,987	205,312	2,413,736	704,502	24,622,875
\$ 409,538	\$ 426,423	\$ 250,616	\$ 2,795,027	\$ 1,080,140	\$ 26,202,720

City of Yuba City
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2023

	Vehicle Replacement Fund	Vehicle Maintenance Fund	Technology Replacement Fund
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 1,325,287	\$ 1,030,757	\$ 964,764
Payments to suppliers and users	(630,905)	(587,154)	(584,760)
Payments to employees	-	(482,052)	-
Net cash provided by (used in) operating activities	694,382	(38,449)	380,004
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash receipts from other funds	116,382	-	-
Net cash provided by (used in) noncapital financing activities	116,382	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of capital assets	(595,801)	-	(423,003)
Deposits drawn for capital assets	2,523,813	-	-
Interest paid	(45,687)	-	-
Principal payments - long-term debt	(313,802)	-	-
Net cash provided by (used in) capital and related financing activities	1,568,523	-	(423,003)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	192,028	6,605	61,032
Net cash provided by investing activities	192,028	6,605	61,032
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,571,315	(31,844)	18,033
CASH AND CASH EQUIVALENTS:			
Beginning of year	10,706,776	308,085	2,714,912
End of year	<u>\$ 13,278,091</u>	<u>\$ 276,241</u>	<u>\$ 2,732,945</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income	\$ 572,274	\$ (52,704)	\$ (22,140)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	596,831	14,532	343,357
Changes in assets and liabilities:			
Accounts receivable	(7,249)	4,652	(1,500)
Inventory	-	1,526	-
Prepaid expenses	-	-	13,745
Accounts payable	(467,474)	4,940	46,542
Accrued wages	-	2,519	-
Unearned revenue	-	-	-
Deferred outflows of resources - pension	-	(112,283)	-
Net pension liability	-	277,749	-
Deferred inflows of resources - pension	-	(184,678)	-
Compensated absences	-	5,298	-
Total adjustments	122,108	14,255	402,144
Net cash provided by (used in) operating activities	\$ 694,382	\$ (38,449)	\$ 380,004

Employee Benefits Fund	Vision/ Dental Fund	Disability Program Fund	Worker's Compensation Program Fund	General Liability Program Fund	Totals
\$ 3,860,971 (3,771,418)	\$ 524,299 (546,416)	\$ 125,713 (79,801)	\$ 793,575 (1,112,188)	\$ 2,851,872 (2,641,618)	\$ 11,477,238 (9,954,260)
-	-	-	-	-	(482,052)
89,553	(22,117)	45,912	(318,613)	210,254	1,040,926
-	-	-	-	-	116,382
-	-	-	-	-	116,382
-	-	-	-	-	(1,018,804)
-	-	-	-	-	2,523,813
-	-	-	-	-	(45,687)
-	-	-	-	-	(313,802)
-	-	-	-	-	1,145,520
10,428	10,869	5,281	30,852	1	317,096
10,428	10,869	5,281	30,852	1	317,096
99,981	(11,248)	51,193	(287,761)	210,255	2,619,924
228,561	447,641	205,312	1,718,706	337,229	16,667,222
<u>\$ 328,542</u>	<u>\$ 436,393</u>	<u>\$ 256,505</u>	<u>\$ 1,430,945</u>	<u>\$ 547,484</u>	<u>\$ 19,287,146</u>
\$ (6,235)	\$ (1,433)	\$ 40,023	\$ 350,439	\$ 375,637	\$ 1,255,861
-	-	-	-	-	954,720
(7,910)	12	-	-	-	(11,995)
-	-	-	-	-	1,526
79,594	(3,994)	-	(160,478)	(124,524)	(195,657)
18,985	(16,702)	5,889	-	2,129	(405,691)
5,119	-	-	-	-	7,638
-	-	-	(508,574)	(42,988)	(551,562)
-	-	-	-	-	(112,283)
-	-	-	-	-	277,749
-	-	-	-	-	(184,678)
-	-	-	-	-	5,298
95,788	(20,684)	5,889	(669,052)	(165,383)	(214,935)
<u>\$ 89,553</u>	<u>\$ (22,117)</u>	<u>\$ 45,912</u>	<u>\$ (318,613)</u>	<u>\$ 210,254</u>	<u>\$ 1,040,926</u>

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FIDUCIARY FUNDS - CUSTODIAL FUNDS

City Trust Fund accounts for assets held for employees and outside independent entities in a fiduciary capacity.

Net-5 Operations Fund accounts for assets held for an independent agency in a fiduciary capacity.

Assessment Districts Funds accounts for assets held for independent assessment districts in a fiduciary capacity.

Sunsweet Boulevard CFD Fund accounts for assets held for an independent community facilities district in a fiduciary capacity.

Flood Control Agency Fund accounts for the operating activities of the Sutter-Butte Flood Control Agency.

Animal Control Operations Fund accounts for the operating activities of the Sutter Animal Services Authority.

SBFCA Capital Fund accounts for the capital project activities of the Sutter Butte Flood Control Agency.

LAFCO Trust Fund accounts for the monies held for on behalf of Local Agency Formation Commission (LAFCO).

Valencia Estate Fund accounts for the monies held for on behalf of Valencia Estate.

City of Yuba City
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023

	Assessment Districts				
	City Trust	Net-5 Operation	Staple/ Ashley		
			Village Green- Del Wayne Assessment District 2003-2	Dennis/ Cornwell Assessment District 2004-1	Butte Vista Assessment District 2000-1
ASSETS					
Cash and investments	\$ 1,051,105	\$ 558,161	\$ 30,550	\$ 25,104	\$ 198,872
Cash and investments with fiscal agent	-	-	-	-	-
Interest receivable	-	-	-	-	-
Other assets	-	-	-	-	-
Taxes and assessments receivable	-	-	-	-	-
Accounts receivable	364	-	-	-	-
Total assets	1,051,469	558,161	30,550	25,104	198,872
LIABILITIES					
Accounts payable	20,423	15,133	-	-	-
Accrued liabilities	20,275	-	-	-	133,327
Deposits payable	1,009,215	407,908	-	-	60,970
Total liabilities	\$ 1,049,913	\$ 423,041	\$ -	\$ -	\$ 194,297
NET POSITION					
Restricted for Net-5	-	135,120	-	-	-
Restricted for assessment districts	-	-	30,550	25,104	4,575
Restricted for flood control	-	-	-	-	-
Restricted for LAFCO	-	-	-	-	-
Restricted for other	1,556	-	-	-	-
Total net position	\$ 1,556	\$ 135,120	\$ 30,550	\$ 25,104	\$ 4,575

Assessment Districts						
Butte Vista Assessment District 2002-1	Darrough Assessment District 2003	Tierra Buena Assessment District	Sunsweet Boulevard CFD	Flood Control Agency	Animal Control Operations	SBFCA Capital
\$ 132,415	\$ 46,303	\$ 357,798	\$ 195,641	\$ 6,084,322	\$ 45,350	\$ 21,653,770
-	-	-	44,240	-	-	1,479,684
-	-	-	181	-	-	6,061
-	-	-	-	-	-	-
-	1	-	2	-	-	80,661
-	-	-	-	-	238,263	-
132,415	46,304	357,798	240,064	6,084,322	283,613	23,220,176
-	-	-	1,500	91,165	44,578	702,977
128,491	-	-	-	-	53,062	764,520
-	-	-	-	-	-	-
\$ 128,491	\$ -	\$ -	\$ 1,500	\$ 91,165	\$ 97,640	\$ 1,467,497
-	-	-	-	-	-	-
3,924	46,304	357,798	238,564	-	-	-
-	-	-	-	5,993,157	-	21,752,679
-	-	-	-	-	-	-
-	-	-	-	-	185,973	-
\$ 3,924	\$ 46,304	\$ 357,798	\$ 238,564	\$ 5,993,157	\$ 185,973	\$ 21,752,679

City of Yuba City
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023

	LAFCO Trust	Valencia Estate	CFD 2021-1	Totals
ASSETS				
Cash and investments	\$ 235,672	\$ 66,680	\$ 55,330	\$ 30,737,073
Cash and investments with fiscal agent	-	-	-	1,523,924
Interest receivable	-	-	-	6,242
Other assets	-	-	-	-
Taxes and assessments receivable	-	-	-	80,664
Accounts receivable	-	-	-	238,627
Total assets	<u>235,672</u>	<u>66,680</u>	<u>55,330</u>	<u>32,586,530</u>
LIABILITIES				
Accounts payable	13,366	-	4,285	893,427
Accrued liabilities	414	-	-	1,100,089
Deposits payable	-	-	-	1,478,093
Total liabilities	<u>\$ 13,780</u>	<u>\$ -</u>	<u>\$ 4,285</u>	<u>\$ 3,471,609</u>
NET POSITION				
Restricted for Net-5	-	-	-	135,120
Restricted for assessment districts	-	-	51,045	757,864
Restricted for flood control	-	-	-	27,745,836
Restricted for LAFCO	221,892	-	-	221,892
Restricted for other	-	66,680	-	254,209
Total net position	<u>\$ 221,892</u>	<u>\$ 66,680</u>	<u>\$ 51,045</u>	<u>\$ 29,114,921</u>

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City of Yuba City
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the year ended June 30, 2023

	City Trust	Net-5 Operation	Assessment Districts		
			Village Green- Del Wayne Assessment District 2003-2	Staple/ Ashley Dennis/ Cornwell Assessment District 2004-1	Butte Vista Assessment District 2000-1
ADDITIONS:					
Investment returns	\$ -	\$ 11,926	\$ 511	\$ 392	\$ 3,397
Intergovernmental	-	-	-	-	-
Charges for services	-	115,533	-	-	-
Special assessments	-	-	38,372	10,421	61,014
Fines and forfeitures	-	-	-	-	-
Other	-	-	-	-	-
Total additions	-	127,459	38,883	10,813	64,411
DEDUCTIONS:					
Bond payments - principal	-	-	36,636	7,349	56,445
Bond payments - interest	-	-	-	4,846	4,687
Salaries and benefits	-	-	-	-	-
Professional services	-	152,642	1,818	705	3,830
Transfers	-	-	-	-	-
Total deductions	-	152,642	38,454	12,900	64,962
Change in net position	-	(25,183)	429	(2,087)	(551)
NET POSITION:					
Beginning of year	1,556	160,303	30,121	27,191	5,126
End of year	<u>\$ 1,556</u>	<u>\$ 135,120</u>	<u>\$ 30,550</u>	<u>\$ 25,104</u>	<u>\$ 4,575</u>

Assessment Districts						
Butte Vista Assessment District 2002-1	Darrough Assessment District 2003	Tierra Buena Assessment District	Sunsweet Boulevard CFD	Flood Control Operations	Animal Control Operations	SBFCA Capital
\$ 2,038	\$ 792	\$ 4,950	\$ 1,769	\$ 132,286	\$ 307	\$ 165,702
-	-	-	-	-	-	8,578,926
-	-	-	-	-	1,538,056	-
53,607	14,672	199,555	225,333	448,922	-	6,222,515
-	-	-	-	-	-	-
-	-	-	-	-	43,799	1,228,116
55,645	15,464	204,505	227,102	581,208	1,582,162	16,195,259
43,699	10,898	176,913	111,116	-	-	2,045,000
6,677	1,755	9,870	55,864	-	-	3,385,739
-	-	-	-	389,529	-	-
3,738	1,939	12,063	11,792	373,810	1,819,894	5,503,372
-	-	-	47,513	-	-	-
54,114	14,592	198,846	226,285	763,339	1,819,894	10,934,111
1,531	872	5,659	817	(182,131)	(237,732)	5,261,148
2,393	45,432	352,139	237,747	6,175,288	423,705	16,491,531
\$ 3,924	\$ 46,304	\$ 357,798	\$ 238,564	\$ 5,993,157	\$ 185,973	\$ 21,752,679

City of Yuba City
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the year ended June 30, 2023

	LAFCO Trust	Valencia Estate	CFD 2021-1	Totals
ADDITIONS:				
Investment returns	\$ 5,481	\$ 1,812	\$ -	\$ 331,363
Intergovernmental revenues	-	-	-	8,578,926
Charges for services	-	-	-	1,653,589
Special Assessment Charges	-	19,966	28,276	7,322,653
Fines and forfeitures	-	-	-	-
Other revenues	85,006	-	27,054	1,383,975
Total additions	90,487	21,778	55,330	19,270,506
DEDUCTIONS:				
Bond payments - principal	-	-	-	2,488,056
Bond payments - interest	-	-	-	3,469,438
Salaries and benefits	-	-	-	389,529
Professional services	127,319	2,122	4,285	8,019,329
Transfers	-	27,054	-	74,567
Total deductions	127,319	29,176	4,285	14,440,919
Change in net position	(36,832)	(7,398)	51,045	4,829,587
NET POSITION:				
Beginning of year	258,724	74,078	-	24,285,334
End of year	<u>\$ 221,892</u>	<u>\$ 66,680</u>	<u>\$ 51,045</u>	<u>\$ 29,114,921</u>

STATISTICAL SECTION

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

Index

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

CITY OF YUBA CITY
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
Governmental Activities				
Net Investment In Capital Assets	\$ 408,431,621	\$ 402,069,188	\$ 396,528,329	\$ 395,934,158
Restricted	21,512,890	18,966,851	18,331,920	15,982,186
Unrestricted	34,160,188	(9,635,998)	(9,466,531)	(10,923,862)
Total Governmental Activities Net Position	\$ 464,104,699	\$ 411,400,041	\$ 405,393,718	\$ 400,992,482
Business-Type Activities				
Net Investment In Capital Assets	\$ 146,164,051	\$ 146,107,792	\$ 144,380,529	\$ 137,804,966
Restricted	1,346,340	1,483,073	5,100,098	7,442,933
Unrestricted	19,758,356	17,895,992	17,991,569	19,913,104
Total Business-Type Activities Net Position	\$ 167,268,747	\$ 165,486,857	\$ 167,472,196	\$ 165,161,003
Primary Government				
Net Investment In Capital Assets	\$ 554,595,672	\$ 548,176,980	\$ 540,908,858	\$ 533,739,124
Restricted	22,859,230	20,449,924	23,432,018	23,425,119
Unrestricted	53,918,544	8,259,994	8,525,038	8,989,242
Total Primary Government Net Position	\$ 631,373,446	\$ 576,886,898	\$ 572,865,914	\$ 566,153,485

Note: The City implemented GASB Statement No. 68 in FY 2015, which required the City to record their net pension liability in the statement of net position.

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 409,375,087	\$ 430,499,082	\$ 446,196,845	\$ 441,299,433	\$ 436,342,250	\$ 433,099,975
20,475,091	16,638,970	19,672,175	26,832,599	31,746,351	33,577,012
(23,187,274)	(20,707,481)	(16,239,752)	(13,171,830)	(8,972,500)	(6,102,790)
<u>\$ 406,662,904</u>	<u>\$ 426,430,571</u>	<u>\$ 449,629,268</u>	<u>\$ 454,960,202</u>	<u>\$ 459,116,101</u>	<u>\$ 460,574,197</u>
\$ 136,086,933	\$ 136,830,781	\$ 127,765,893	\$ 138,589,750	\$ 138,821,742	\$ 139,461,861
3,629,428	2,450,317	9,173,888	3,205,320	2,949,650	2,839,199
27,764,584	32,136,071	37,804,378	39,682,840	43,125,325	45,388,937
<u>\$ 167,480,945</u>	<u>\$ 171,417,169</u>	<u>\$ 174,744,159</u>	<u>\$ 181,477,910</u>	<u>\$ 184,896,717</u>	<u>\$ 187,689,997</u>
\$ 545,462,020	\$ 567,329,863	\$ 573,962,738	\$ 579,889,183	\$ 575,163,992	\$ 572,561,836
24,104,519	19,089,287	28,846,063	30,037,919	34,696,001	36,416,211
4,577,310	11,428,590	21,564,626	26,511,010	34,152,825	39,286,147
<u>\$ 574,143,849</u>	<u>\$ 597,847,740</u>	<u>\$ 624,373,427</u>	<u>\$ 636,438,112</u>	<u>\$ 644,012,818</u>	<u>\$ 648,264,194</u>

CITY OF YUBA CITY
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
Expenses				
Governmental Activities				
General government	\$ 4,393,129	\$ 4,374,344	\$ 6,649,977	\$ 5,181,682
Public safety	24,980,039	24,894,058	24,767,950	29,379,977
Public works and facilities	15,409,666	14,888,082	14,927,232	14,061,408
Development services	1,292,742	5,438,612	1,307,882	1,439,154
Community services	3,536,186	2,244,504	2,500,042	2,624,534
Interest on long-term debt	843,038	753,437	994,519	524,658
Total Governmental Activities Expenses	50,454,800	52,593,037	51,147,602	53,211,413
Business-Type Activities				
Water	10,726,296	11,512,906	12,612,023	15,234,066
Wastewater	10,061,207	9,777,819	11,094,136	13,229,102
Total Business-Type Activities Expenses	20,787,503	21,290,725	23,706,159	28,463,168
Total Primary Government Net Expenses	\$ 71,242,303	\$ 73,883,762	\$ 74,853,761	\$ 81,674,581
Program Revenues				
Governmental Activities				
Charges for Services				
General government	\$ 53,769	\$ 75,309	\$ 101,139	\$ 300,713
Public safety	2,556,336	2,626,869	2,705,427	2,777,026
Public works and facilities	418,210	424,353	443,365	6,584,677
Development services	1,520,681	1,458,308	1,448,510	1,554,212
Community services	1,134,791	975,052	1,063,289	991,831
Operating Contributions and Grants	5,231,043	3,546,059	2,397,875	2,466,277
Capital Contributions and Grants	5,955,999	4,623,083	4,531,637	6,429,034
Total Governmental Activities Program Revenues	16,870,829	13,729,033	12,691,242	21,103,770
Business-Type Activities				
Charges for Services				
Water	11,794,764	11,021,165	12,035,874	12,525,914
Wastewater	11,863,241	12,505,064	12,899,797	13,814,641
Operating Contributions and Grants				21,689
Capital Contributions and Grants	3,862,488	8,098,514	3,658,074	
Total Business-Type Activities Program Revenues	27,520,493	31,624,743	28,593,745	26,362,244
Total Primary Government Program Revenues	\$ 44,391,322	\$ 45,353,776	\$ 41,284,987	\$ 47,466,014

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 6,387,016	\$ 5,081,913	\$ 5,323,637	\$ 4,652,661	\$ 4,541,453	\$ 6,244,489
29,993,797	30,024,064	32,902,940	33,950,547	33,139,174	33,154,940
16,146,534	16,489,679	15,351,029	15,357,629	14,175,605	18,256,268
2,484,463	3,109,898	3,909,295	2,531,671	1,895,581	2,920,730
3,561,389	5,725,996	5,411,898	4,625,985	4,161,369	5,600,439
408,597	389,316	397,868	346,378	286,983	248,018
58,981,796	60,820,866	63,296,667	61,464,871	58,200,165	66,424,884
16,012,941	15,704,612	15,208,497	15,144,772	15,889,814	16,954,025
14,810,174	15,485,624	15,693,342	15,236,719	15,879,677	17,373,317
30,823,115	31,190,236	30,901,839	30,381,491	31,769,491	34,327,342
\$ 89,804,911	\$ 92,011,102	\$ 94,198,506	\$ 91,846,362	\$ 89,969,656	\$ 100,752,226
\$ 273,667	\$ 268,394	\$ 267,562	\$ 248,600	\$ 266,367	\$ 268,016
1,983,875	1,973,621	1,759,856	2,288,464	2,526,001	2,204,511
10,270,869	8,600,295	9,940,216	9,502,569	8,819,434	9,158,487
1,654,431	1,480,976	1,998,931	2,239,827	2,970,618	5,901,622
910,894	916,166	430,678	376,459	837,945	888,360
1,942,560	1,578,678	1,735,146	2,987,296	1,984,685	3,141,314
17,213,610	35,263,293	21,878,842	11,637,873	5,464,896	4,918,760
34,249,906	50,081,423	38,011,231	29,281,088	22,869,946	26,481,070
15,407,774	16,785,427	15,952,611	16,375,709	16,859,237	16,439,187
15,801,725	16,840,750	16,506,981	16,785,770	18,149,298	19,222,133
423,582	122,157	2,814	3,827,168	1,250,995	877,217
915,453				441,466	
32,548,534	33,748,334	32,462,406	36,988,647	36,700,996	36,538,537
\$ 66,798,440	\$ 83,829,757	\$ 70,473,637	\$ 66,269,735	\$ 59,570,942	\$ 63,019,607

CITY OF YUBA CITY
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year				
	2014	2015	2016	2017	2018
Net (Expense)/Revenue					
Governmental Activities	\$ (38,864,004)	\$ (38,456,360)	\$ (32,107,643)	\$ (32,107,643)	\$ (24,731,890)
Business-Type Activities	10,334,018	4,887,586	(2,100,924)	(2,100,924)	2,319,942
Total Primary Government Net Expense	(28,529,986)	(33,568,774)	(34,208,567)	(34,208,567)	(22,411,948)
General Revenues and Other Changes in Net Position					
Governmental Activities					
Taxes					
Secured and unsecured property taxes	13,203,137	11,003,670	11,401,648	11,780,943	12,355,415
Sales and use taxes	8,304,105	11,864,667	12,004,221	12,912,621	13,385,073
Transient lodging taxes	696,092	816,356	852,227	987,297	1,105,667
Franchise taxes	1,581,936	1,764,820	2,009,323	2,149,312	2,339,954
Other and public service taxes	997,047	1,567,630	1,410,211	1,291,998	1,401,426
Grants and Contributions - Unrestricted	27,933	26,982	26,776	30,486	35,502
Motor vehicle in lieu, unrestricted					
Interest and Investment Earnings	734,621	668,306	860,543	129,035	400,056
Miscellaneous	741,795	1,022,209	672,703	756,694	1,091,075
Sale of capital assets	96,458	89,804			
Transfers	3,400,139	3,422,409	3,212,385	40,000	(80,728)
Total Governmental Activities	29,783,263	32,246,853	32,450,037	30,078,386	32,033,440
Business-Type Activities					
Interest and Investment Earnings	248,809	170,129	310,138	218,148	513,795
Sale of capital assets					
Transfers	(3,400,139)	(3,422,409)	(3,212,385)	(40,000)	80,728
Total Business-Type Activities	(3,151,330)	(3,252,280)	(2,902,247)	178,148	594,523
Total Primary Government	26,631,933	28,994,573	29,547,790	30,256,534	32,627,963
Change in Net Position					
Governmental Activities	(9,080,741)	(6,209,507)	342,394	(2,029,257)	7,301,550
Business-Type Activities	7,182,688	1,635,306	(5,003,171)	(1,922,776)	2,319,942
Total Primary Government	\$ (1,898,053)	\$ (4,574,201)	\$ (4,660,777)	\$ (3,952,033)	\$ 9,621,492

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

Fiscal Year				
2019	2020	2021	2022	2022
\$ (10,739,443)	\$ (25,285,436)	\$ (32,183,783)	\$ (35,330,219)	\$ (39,943,814)
2,558,098	1,560,567	6,607,156	4,931,505	2,211,195
(8,181,345)	(23,724,869)	(25,576,627)	(30,398,714)	(37,732,619)
12,974,393	13,702,310	14,257,261	14,837,723	15,622,920
14,258,912	14,305,695	17,131,079	18,493,679	17,675,409
1,357,899	1,106,889	1,167,422	1,472,332	1,344,264
2,514,007	2,707,384	2,818,291	3,036,393	2,983,148
1,486,153	1,807,700	1,310,385	1,876,138	1,872,706
32,295	53,452	51,677	81,764	71,937
1,250,090	1,492,697	316,565	(1,128,379)	983,439
1,070,048	524,993	462,037	430,435	517,789
345,706	81,900		386,033	330,298
35,289,503	35,783,020	37,514,717	39,486,118	41,401,910
1,723,832	1,848,323	126,595	(1,126,665)	912,383
(345,706)	(81,900)		(386,033)	(330,298)
1,378,126	1,766,423	126,595	(1,512,698)	582,085
36,667,629	37,549,443	37,641,312	37,973,420	41,983,995
24,550,060	10,497,584	5,330,934	4,155,899	1,458,096
3,936,224	3,326,990	6,733,751	3,418,807	2,793,280
\$ 28,486,284	\$ 13,824,574	\$ 12,064,685	\$ 7,574,706	\$ 4,251,376

CITY OF YUBA CITY
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year				
	2014	2015	2016	2017	2018
General Fund					
Nonspendable	\$ 11,097,202	\$ 11,137,155	\$ 11,195,687	\$ 8,825,887	\$ 8,804,368
Committed	4,541,557	4,541,557	715,680	1,113,766	1,511,852
Unassigned	4,530,069	6,304,518	5,882,502	6,076,786	6,209,409
Total General Fund	20,168,828	21,983,230	17,793,869	16,016,439	16,525,629
All Other Governmental Funds					
Nonspendable	3,032,704				
Restricted	10,865,600	11,261,234	10,808,910	15,982,186	20,475,091
Committed	8,234,627	8,168,404	7,194,599	6,193,145	6,425,659
Assigned					
Unassigned	(1,917)	(530,072)		(80,289)	(7,044,563)
Total All Other Governmental Funds	22,131,014	18,899,566	18,003,509	22,095,042	19,856,187
Total Governmental Funds	\$ 42,299,842	\$ 40,882,796	\$ 35,797,378	\$ 38,111,481	\$ 36,381,816

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

Fiscal Year				
2019	2020	2021	2022	2023
\$ 8,808,955	\$ 8,825,652	\$ 8,824,344	\$ 8,811,861	\$ 8,820,807
1,592,344	1,592,344	1,592,344	1,592,344	1,592,344
6,836,022	6,625,995	7,161,876	7,664,959	8,133,726
17,237,321	17,043,991	17,578,564	18,069,164	18,546,877
16,638,970	20,542,014	25,278,183	29,795,156	28,651,651
5,630,824	7,614,769	12,265,648	12,270,883	9,207,381
(5,308,605)	(1,007,190)		(725,089)	(937,526)
16,961,189	27,149,593	37,543,831	41,340,950	36,921,506
\$ 34,198,510	\$ 44,193,584	\$ 55,122,395	\$ 59,410,114	\$ 55,468,383

CITY OF YUBA CITY
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
Revenues				
Taxes and Assessments	\$ 29,087,598	\$ 30,455,874	\$ 32,241,022	\$ 29,122,171
Licenses, Permits and Fees	1,133,736	1,110,842	1,013,229	3,880,483
Fines and Forfeitures	276,227	306,313	308,659	241,978
Use of Money and Property	510,789	389,897	575,213	177,032
Intergovernmental Revenues	5,024,014	3,677,430	3,191,650	8,925,797
Charges for Services	6,105,051	4,031,027	4,512,724	10,473,222
Program income				141,441
Other Revenue	931,392	1,480,987	790,621	911,352
Total Revenues	43,068,807	41,452,370	42,633,118	53,873,476
Expenditures				
Current				
General Government	3,863,559	3,848,744	4,218,216	4,803,582
Public Safety	24,164,207	23,832,458	25,144,760	26,213,138
Community Services	3,283,707	1,942,989	2,145,220	3,749,068
Public works and facilities	4,551,124	4,621,709	4,767,121	6,626,656
Development Services	1,281,553	5,598,687	1,241,065	1,487,176
Debt Service				
Principal Retirement	1,920,032	1,986,833	2,149,334	2,309,582
Interest and Fiscal Charges	852,225	766,055	674,231	532,354
Bond Issue Cost			178,867	
Capital Outlay	5,201,065	4,612,112	6,538,037	9,880,913
Total Expenditures	45,117,472	47,209,587	47,056,851	55,602,469
Excess of Revenues Over (Under) Expenditures	(2,048,665)	(5,757,217)	(4,423,733)	(1,728,993)
Other Financing Sources (Uses)				
Transfers In	9,901,040	9,529,509	12,044,693	3,603,108
Transfers Out	(6,500,901)	(6,107,100)	(11,373,865)	(3,815,744)
Issuance of debt		1,111,615	11,341,409	
Payments to Refunding Agents			(10,673,922)	
Proceeds from sale of capital assets				27,126
Total Other Financing Sources (Uses)	3,400,139	4,534,024	1,338,315	(185,510)
Extraordinary/Special Items			(2,000,000)	
Net Change In Fund Balances	\$1,351,474	(\$1,223,193)	(\$5,085,418)	(\$1,914,503)
Debt Service as a percentage of non-capital expenditures¹	6.9%	6.5%	7.4%	6.2%

¹For 2008, 2009, 2010, 2011, 2012, and 2013 the debt service as a percentage of noncapital expenditures was calculated by excluding the capital outlay expenditure amount from the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activi

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 30,587,534	\$ 32,591,365	\$ 33,629,977	\$ 36,684,438	\$ 39,716,265	\$ 39,498,447
3,632,821	2,079,498	2,838,294	2,512,284	3,228,832	1,067,823
246,953	330,612	311,357	246,057	467,240	8,132,009
262,035	827,148	988,203	387,628	(1,041,264)	10,701,419
19,191,674	36,874,263	23,667,439	14,676,846	7,531,345	3,870,514
10,555,180	10,488,156	10,607,379	11,395,817	10,567,556	385,469
105,460	154,085	169,399	212,027	496,889	221,412
1,295,541	1,265,467	705,868	638,629	606,390	701,424
65,877,198	84,610,594	72,917,916	66,753,726	61,573,253	64,578,517
5,356,012	5,462,797	5,064,948	4,919,732	5,700,123	6,437,979
26,786,050	27,891,500	28,915,007	30,619,081	33,312,907	36,317,057
4,064,563	4,335,854	4,060,489	3,823,454	4,183,194	4,688,566
5,259,244	5,795,412	5,588,681	5,851,681	6,225,997	7,202,539
2,262,064	2,262,329	2,638,601	1,771,782	2,173,138	2,255,744
1,258,578	595,168	626,793	674,689	708,922	743,896
459,013	419,974	390,913	365,651	304,957	354,092
23,657,447	34,829,950	25,268,875	7,701,650	4,937,973	10,847,542
69,102,971	81,592,984	72,554,307	55,727,720	57,547,211	68,847,415
(3,225,773)	3,017,610	363,609	11,026,006	4,026,042	(4,268,898)
13,506,065	35,608,984	26,283,536	17,177,999	8,036,366	11,117,601
(13,623,753)	(36,033,866)	(26,308,836)	(17,275,299)	(7,783,305)	(10,791,103)
1,611,448					
2,348	6,359	717,544	105	8,616	669
1,496,108	(418,523)	692,244	(97,195)	261,677	327,167
(\$1,729,665)	\$2,599,087	\$1,055,853	\$10,928,811	\$4,287,719	(\$3,941,731)
3.9%	2.2%	2.1%	2.2%	2.0%	1.9%

ties.

CITY OF YUBA CITY
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Real Property	Personal Property	Less: Tax-Exempt Real Property	Total Taxable Assessed Value ¹	Total Direct Tax Rate
2014	\$ 4,196,228,276	\$ 343,103,021	\$ 305,053,071	\$ 4,234,278,226	1.11574%
2015	4,429,291,191	346,898,386	311,355,267	4,464,834,310	1.11381%
2016	4,695,039,095	335,903,536	317,890,657	4,713,051,974	1.10658%
2017	4,872,431,090	332,984,296	313,658,236	4,891,757,150	1.10873%
2018	5,102,031,175	307,173,588	304,184,374	5,105,020,389	1.10874%
2019	5,370,804,443	210,634,104	318,594,796	5,262,843,751	1.11515%
2020	5,642,766,979	301,894,655	318,055,124	5,626,606,510	1.10936%
2021	5,914,894,295	300,549,854	326,047,615	5,889,396,534	1.11254%
2022	6,111,805,735	279,891,845	334,426,483	6,057,271,097	1.12166%
2023	6,571,721,823	272,427,121	426,740,408	6,417,408,536	1.12166%

¹ Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value as it appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased to reflect:

- a) annual inflation up to 2 percent
- b) current market value at time of ownership change;
- c) market value for new construction

Note: Estimated actual value of taxable property cannot easily be determined as the property in the City is not reassessed annually.

Reassessment normally occurs when ownership changes.

Source: Sutter County Tax Collector/Treasurer

CITY OF YUBA CITY
DIRECT AND OVERLAPPING PROPERTY TAX RATES¹
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>County Direct Rate²</u>	<u>Yuba City Unified and Community College Bond</u>	<u>Field Bond</u>	<u>Total Rate</u>
2014	1.00000	0.11574	-	1.11574
2015	1.00000	0.11381	-	1.11381
2016	1.00000	0.10658	-	1.10658
2017	1.00000	0.10873	-	1.10873
2018	1.00000	0.10874	-	1.10874
2019	1.00000	0.11515	-	1.11515
2020	1.00000	0.10936	-	1.10936
2021	1.00000	0.11254	-	1.11254
2022	1.00000	0.12166	-	1.12166
2023	1.00000	0.11217	-	1.11217

¹ On June 6, 1978, California voters approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, that limits the taxing power of California public agencies. Legislation to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that notwithstanding any other law, local agencies may not levy property taxes except to pay debt service on indebtedness approved by voters prior to July 1, 1978 or on bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978 by two-thirds of the voting public.

² Proposition 13 allows each county to levy a maximum of \$1 per \$100 of full cash value. Full cash value is equivalent to assessed value pursuant to Statutes of 1978, Senate Bill 1656.

Source: Sutter County Auditor-Controller

CITY OF YUBA CITY
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Fiscal Year 2023			Fiscal Year 2014		
	Taxable Assessed Value ¹	Percent Of Total Assessed Valuation	Rank	Taxable Assessed Value ¹	Percent Of Total Assessed Valuation	Rank
Sunsweet Growers Inc	\$ 79,272,832 ¹	1.24%	1	\$ 78,629,710	1.89%	1
Walmart Stores Inc/Sam's West	47,642,110	0.74%	2	43,066,942	1.03%	2
ELVS LLC ET AL	44,686,216	0.70%	3	N/A	N/A	N/A
Sutter Valley Medical Foundation	36,777,643	0.57%	4	N/A	N/A	N/A
Miravista LLC ET AL	36,000,000	0.56%	5	33,600,000	0.81%	3
Comcast	24,354,638	0.38%	6	13,139,263	0.32%	9
Kats River Oaks	22,307,334	0.35%	7	19,229,100	0.46%	5
Butte House Bel Air Investments -II LP	21,868,118	0.34%	8	19,125,855	0.46%	6
Judson R Landis Irrevocable Trust	20,653,021	0.32%	9	N/A	N/A	N/A
Holt of California Inc	19,007,106	0.30%	10	N/A	N/A	N/A
	<u>\$352,569,018</u>	<u>5.50%</u>		<u>\$206,790,870</u>	<u>4.97%</u>	

¹ Taxable assessed value includes tax assessments on real and personal properties.

Source: Sutter County Assessor

N/A - data not available

CITY OF YUBA CITY
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year			Collections within the Fiscal Year of the Levy	
	City	RDA/Successor Agency	Total ¹	Amount	Percent of Levy
2014	6,276,524	2,790,734	9,067,258	9,067,258	100.00%
2015	6,645,580	2,772,586	9,418,166	9,418,166	100.00%
2016	7,039,111	2,855,601	9,894,712	9,894,712	100.00%
2017	7,408,328	3,139,175	10,547,503	10,547,503	100.00%
2018	7,829,448	2,605,910	10,435,358	10,435,358	100.00%
2019	8,238,660	2,960,208	11,198,868	11,198,868	100.00%
2020	8,689,986	2,620,930	11,310,916	11,310,916	100.00%
2021	9,038,257	3,163,118	12,201,375	12,201,375	100.00%
2022	8,068,863	1,911,361	9,980,224	9,980,224	100.00%
2023	9,763,228	2,541,324	12,304,552	12,304,552	100.00%

¹ Schedule excludes unitary tax.

² Yuba City is part of Sutter County which adopted the Teeter Plan in the 1993/94 fiscal year.

Source: Sutter County Tax Collector/Treasurer

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

Governmental Activities								
Fiscal Year	Loans Payable	Certificates of Participation	Refunding Lease Revenue Bonds	Clean Energy Renewable Bonds	Pension Obligation Bonds	Finance Purchase Payable	Total ²	Revenue Bonds Payable
2014	\$ 279,125	\$ 10,650,000	\$ -	\$ -	\$ 3,115,000	\$ 3,924,677	\$ 17,968,802	\$ 36,218,737
2015	254,100	10,345,000	-	-	2,165,000	4,329,484	17,093,584	34,688,000
2016	231,000	-	9,700,629	-	1,130,000	4,866,999	15,928,628	33,142,661
2017	207,900	-	9,357,655	-	-	4,035,517	13,601,072	38,952,062
2018	184,800	-	8,795,000	1,585,488	-	3,165,998	13,731,286	39,097,092
2019	161,700	-	8,626,707	1,544,332	-	2,990,086	13,322,825	60,961,460
2020	138,600	-	8,233,733	1,507,387	-	2,798,338	12,678,058	58,559,242
2021	115,500	-	7,820,759	1,466,854	-	2,582,282	11,985,395	56,097,168
2022	92,400	-	7,387,785	1,426,379	-	5,527,702	14,434,266	53,553,749
2023	69,300	-	6,939,811	1,380,972	-	4,968,511	13,358,594	50,951,187

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹ See Demographic and Economic Indicators schedule for personal income and population data.

² Totals do not include other post-employment benefits payable or compensated absences.

n/a: not available

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

Business-Type Activities

Certificates of Participation	Loans Payable	Finance Purchase Payable	Total ²	Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
\$ -	\$ 29,284,569	\$ -	\$ 65,503,306	\$ 83,472,108	6.22%	1,271
-	32,036,454	1,117,576	67,842,030	84,935,614	6.06%	1,280
-	29,477,660	2,409,957	65,030,278	96,917,895	6.92%	1,424
-	28,012,829	2,338,559	69,303,450	99,654,838	6.12%	1,478
-	26,516,330	2,260,128	67,873,550	96,650,008	5.88%	1,437
-	24,985,870	2,172,838	88,120,168	115,278,876	6.74%	1,707
-	23,421,213	2,076,154	84,056,609	109,553,976	6.10%	1,555
-	21,821,587	1,955,869	79,874,624	103,652,080	5.49%	1,465
-	22,371,671	1,824,094	77,749,514	101,945,279	5.23%	1,463
-	20,487,903	1,680,160	73,119,250	95,287,313	4.89%	1,371

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

Fiscal Year	General Bonded Debt Outstanding					Percentage of Personal Income ¹	Percentage of Total Taxable Assessed Value ²	Per Capita ¹
	Certificates of Participation	Refunding Lease Revenue Bonds	Clean Energy Renewable Bonds	Pension Obligation Bonds	Total			
2014	\$10,650,000	\$ -	\$ -	\$3,115,000	\$13,765,000	1.03%	0.33%	210
2015	10,345,000	-	-	2,165,000	12,510,000	0.89%	0.28%	176
2016	-	9,700,629	-	1,130,000	10,830,629	0.77%	0.23%	162
2017	-	9,357,655	-	-	9,357,655	0.57%	0.18%	139
2018	-	8,626,707	1,544,332	-	10,171,039	0.62%	0.19%	151
2019	-	8,233,733	1,507,387	-	9,741,120	0.57%	0.17%	144
2020	-	8,233,733	1,507,387	-	9,741,120	0.54%	0.17%	138
2021	-	7,820,759	1,466,854	-	9,287,613	0.49%	0.16%	131
2022	-	7,387,785	1,426,379	-	8,814,164	0.45%	0.15%	127
2023	-	6,939,811	1,380,972	-	8,320,783	0.43%	0.13%	120

¹ See Demographic and Economic Indicators schedule for personal income and population data.

² See Assessed Value and Actual Value of Taxable Property schedule for property value data.

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

CITY OF YUBA CITY
DIRECT AND OVERLAPPING DEBT GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023

	Percent Applicable ¹	Debt June 30, 2023
OVERLAPPING TAX AND ASSESSMENT DEBT:		
Yuba Joint Community College District	16.129%	\$ 28,538,025
Sutter Union High School District	6.694%	1,509,184
Franklin School District	32.228%	757,358
Yuba City Unified School District School Facilities Improvement District No. 99-1	72.268%	4,765,223
Yuba City Unified School District School Facilities Improvement District No. 2004-1	73.562%	7,644,770
City of Yuba City Community Facilities District No. 2004-1	100.000%	1,684,764
City of Yuba City 1915 Act Bonds	100.000%	813,415
California Statewide Communities Development Authority 1915 Act Bonds	100.000%	2,599,608
Sutter Butte Flood Control Agency Assessment District	55.098%	42,921,342
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		91,233,689
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
Sutter County Board of Education Certificates of Participation	54.555%	2,468,614
Yuba Joint Community College District Certificates of Participation	16.126%	1,769,913
Yuba City Unified School District Certificates of Participation	79.626%	12,162,872
City of Yuba City Certificates of Participation	100.000%	8,320,783
City of Yuba City Finance Purchase Agreements	100.000%	4,968,511
City of Yuba City Loans Payable	100.000%	69,300
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):		37,505,297
COMBINED TOTAL DEBT		\$ 158,498,979
TOTAL DIRECT DEBT		
		\$ 13,358,594
TOTAL OVERLAPPING DEBT		
		145,140,385
COMBINED TOTAL DEBT		\$ 158,498,979

1 The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of overlapping district's assessed value that is within the boundaries of the City, divided by the District's total taxable assessed value.

2 Excludes business-type activities debt.

RATIOS TO 2022-23 ASSESSED VALUATION:

Total Overlapping Tax and Assessment Debt	1.42%
Combined Direct Debt	0.21%
Combined Total Debt	2.47%

RATIOS TO REDEVELOPMENT INCREMENTAL VALUATION (\$405,931,246):

Total Overlapping Tax Increment Debt	9.24%
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Source: California Municipal Statistics

CITY OF YUBA CITY
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal year			
	2014	2015	2016	2017
Total assessed value of all real and personal property	\$ 4,234,278,226	\$ 4,464,834,310	\$ 4,713,051,974	\$ 4,891,757,150
Debt limit percentage	3.75%	3.75%	3.75%	3.75%
Total debt limit	158,785,433	167,431,287	176,739,449	183,440,893
Amount applicable to debt limit	13,765,000	17,093,584	15,687,999	13,601,072
Legal debt margin	\$ 145,020,433	\$ 150,337,703	\$ 161,051,450	\$ 169,839,821
Total net debt applicable to the limit as a percentage of debt limit	8.67%	10.21%	8.88%	7.41%

Note: California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted when assessed valuations were based on 25% of full market value. This has since changed to 100% of full market value. Thus the limit shown is 3.75% (1/4 of 15%).

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

Fiscal year					
2018	2019	2020	2021	2022	2023
\$ 5,105,020,389	\$ 5,626,606,510	\$ 5,626,606,510	\$ 5,889,396,534	\$ 6,057,271,097	\$ 6,417,408,536
3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
191,438,265	210,997,744	210,997,744	220,852,370	227,147,666	240,652,820
13,731,286	13,322,825	12,678,058	11,962,295	14,434,266	13,358,594
<u>\$ 177,706,979</u>	<u>\$ 197,674,919</u>	<u>\$ 198,319,686</u>	<u>\$ 208,890,075</u>	<u>\$ 212,713,400</u>	<u>\$ 227,294,226</u>
7.17%	6.31%	6.01%	5.42%	6.35%	5.55%

CITY OF YUBA CITY
PLEDGED REVENUE COVERAGE
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Tax Allocation Revenue Bonds					
Fiscal Year	Property Tax Increment	Principal	Interest	Coverage	
2014	\$ -	\$ -	\$ -	0.00	
2015	-	-	-	-	
2016	-	-	-	-	
2017	-	-	-	-	
2018	-	-	-	-	
2019	-	-	-	-	
2020	-	-	-	-	
2021	-	-	-	-	
2022	-	-	-	-	
2023	-	-	-	-	

Loans Payable			
Fiscal Year	Principal	Interest	
2014	\$ 21,175	\$ 1,289	
2015	25,025	3,098	
2016	23,100	-	
2017	23,100	-	
2018	23,100	-	
2019	23,100	-	
2020	23,100	-	
2021	23,100	-	
2022	23,100	-	
2023	23,100	-	

Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. Operating expenses do not include interest, depreciation or amortization.

Note: As of June 30, 2013, pledged revenue for governmental fund debt was zero, due to transfer of liabilities to Successor Agency.

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

CITY OF YUBA CITY
PLEDGED REVENUE COVERAGE
PROPRIETARY FUNDS
LAST TEN FISCAL YEARS

Water Revenue Bonds							
Fiscal Year	Operating Revenue	Adjusted Operating Expenses	Other Allowed Sources (Uses)	Net Available Revenue	Principal	Interest	Coverage
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-

Sewer Revenue Bonds							
Fiscal Year	Operating Revenue	Adjusted Operating Expenses	Other Allowed Sources (Uses)	Net Available Revenue	Principal	Interest	Coverage
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-

Note: Does not include 2000 Wastewater Certificates of Participation debt defeased of \$9,670,000.

Note: 2002 Wastewater Certificates of Participation were defeased in fiscal year 11/12.

Note: 2005 Water Certificates of Participation were defeased in fiscal year 12/13.

Note: 2007 Wastewater Certificates of Participation were defeased in fiscal year 13/14.

Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. Operating expenses do not include interest, depreciation or amortization.

Source: Annual Comprehensive Financial Reports - City of Yuba City, California

Water Certificates of Participation, SRF Loans, Revenue Refunding Bonds, and Finance Purchase

Operating Revenue	Adjusted Operating Expenses	Use of Stabilization Reserve	Other Allowed Sources (Uses)	Net Available Revenue	Principal	Interest	Coverage
11,794,764	(4,815,664)	-	(1,343,364)	5,635,736	1,768,787	1,146,362	1.93
11,021,165	(5,349,921)	-	(1,933,671)	3,737,573	1,817,019	1,102,835	1.28
12,035,874	(5,534,189)	-	(1,750,485)	4,751,200	1,923,963	1,174,003	1.53
12,659,452	(7,765,967)	-	-	4,893,485	1,936,886	1,104,329	1.61
15,407,774	(8,481,667)	-	-	6,926,107	2,071,040	1,172,259	2.14
16,785,427	(8,429,886)	-	-	8,355,541	2,131,492	1,014,827	2.66
15,952,611	(8,634,353)	-	-	7,318,258	2,185,555	1,041,721	2.27
16,375,709	(9,179,585)	-	-	7,196,124	2,252,973	961,139	2.24
16,859,237	(9,592,693)	-	-	7,266,544	2,310,539	915,158	2.25
16,439,187	(10,736,917)	-	-	5,702,270	2,586,372	869,191	1.65

Wastewater Certificates of Participation, Revenue Refunding Bonds, and Finance Purchase

Operating Revenue	Adjusted Operating Expenses	Use of Stabilization Reserve	Other Allowed Sources (Uses)	Net Available Revenue	Principal	Interest	Coverage
11,863,241	(5,852,523)	-	(1,376,580)	4,634,138	810,373	756,338	2.96
12,505,064	(6,010,491)	-	(1,318,609)	5,175,964	833,130	612,867	3.58
12,899,797	(7,033,450)	-	(1,151,762)	4,714,585	1,185,222	684,989	2.52
13,899,068	(9,002,623)	-	(40,000)	4,856,445	1,187,907	671,706	2.61
15,801,725	(10,249,739)	-	-	5,551,986	1,715,370	927,136	2.10
16,840,750	(10,600,939)	-	-	6,239,811	1,698,423	1,058,739	2.26
16,506,981	(10,701,338)	-	-	5,805,643	1,874,566	1,285,113	1.84
16,785,770	(10,104,092)	-	-	6,681,678	1,927,018	1,295,539	2.07
18,149,298	(10,917,862)	-	-	7,231,436	1,998,049	1,219,923	2.25
19,222,133	(12,437,367)	-	-	6,784,766	2,041,898	1,187,491	2.10

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CITY OF YUBA CITY
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population ¹	Personal Income ²		School Enrollment ³	Unemployment Rate ⁴	City Square Miles ⁵
		Total (in thousands)	Per Capita			
2014	65,677	1,342,164	20,436	12,822	12.6%	14.91
2015	66,363	1,400,858	21,109	12,751	9.6%	14.91
2016	68,052	1,400,858	20,585	12,722	9.3%	14.91
2017	67,445	1,629,451	24,160	13,284	8.3%	14.91
2018	67,280	1,644,636	24,445	13,236	7.0%	14.91
2019	67,536	1,709,333	25,310	13,111	6.0%	15.00
2020	70,458	1,794,538	25,470	12,315	14.7%	15.00
2021	70,776	1,886,840	26,659	13,050	8.5%	15.00
2022	69,663	1,947,643	27,958	12,526	4.3%	16.60
2023	69,478	1,947,643	28,033	12,526	5.8%	16.62

¹ Source: California Department of Finance

² Source: California Franchise Tax Board

³ Source: Yuba City Unified School District

⁴ Source: California Employment Development Department

⁵ Source: Yuba City Engineering Department

n/a: not available

CITY OF YUBA CITY
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	Fiscal Year 2023			Fiscal Year 2014		
	Employees	Percent of Total Employment	Rank	Employees	Percent of Total Employment	Rank
Yuba City Unified School District	1,533	3.89%	1	1,377	7.13%	2
County of Sutter	1,129	2.87%	2	857	4.44%	3
Sunsweet Growers*	600	1.52%	3	710	3.68%	4
Rush Personnel Services, Inc	497	1.26%	4	N/A	N/A	N/A
Wal-Mart*	400	1.02%	5	550	2.85%	5
Sutter North Medical	381	0.97%	6	450	2.33%	6
City of Yuba City	321	0.82%	7	297	1.54%	7
Home Depot*	300	0.76%	8	N/A	N/A	N/A
Bel Air/Raleys*	204	0.52%	9	180	0.93%	10
Valley Fine Foods*	186	0.47%	10	N/A	N/A	N/A
	<u>5,551</u>	<u>14.10%</u>				

Source: City of Yuba City Economic Development Division

N/A - Data not available

* - FY21/22 data reported, FY22/23 was not available to report

CITY OF YUBA CITY
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year					
	2014	2015	2016	2017	2018	2019
Governmental Activities						
General Government						
City manager	3.50	3.00	3.00	3.34	3.34	3.34
Finance	13.00	13.00	13.00	13.00	14.00	14.00
IT	5.00	5.00	5.00	5.00	6.00	6.00
Human resources	3.00	3.00	4.00	4.00	5.00	5.00
Public Safety						
Police	91.50	91.50	91.50	94.50	94.50	94.50
Fire	55.00	48.00	57.00	58.00	59.00	58.00
Community Services	23.98	24.10	24.10	19.00	18.00	18.00
Public Works and facilities						
Administration	1.30	1.30	1.30	1.00	1.00	1.00
Custodial	5.00	5.00	5.00	5.00	5.00	4.00
Streets	9.23	9.24	9.24	9.34	9.34	9.34
Engineering	12.00	11.00	11.00	11.00	11.00	11.00
Electrical maintenance	0.88	0.88	0.88	0.88	0.88	0.88
Development Services						
Planning	3.00	3.00	3.00	3.75	3.75	3.75
Building inspection	6.00	5.00	5.00	5.25	5.25	5.25
Economic development	1.00	1.00	1.00	1.00	1.00	1.00
Water	24.13	24.19	24.69	24.97	24.97	24.97
Wastewater	35.13	35.19	35.69	36.47	36.47	37.47
Vehicle maintenance	4.10	4.10	4.10	4.00	4.00	4.00
SBFCA	1.00	1.00	1.00	1.00	1.00	
Total Full-Time Equivalent Employees	297.75	288.50	299.50	300.50	303.50	301.50

Source: City of Yuba City Finance Department

Fiscal Year			
2020	2021	2022	2023
4.34	4.34	4.00	5.00
14.00	14.00	16.00	16.00
6.00	6.00	6.00	6.00
5.00	5.00	6.00	6.00
96.50	96.50	102.50	102.50
58.00	58.00	56.00	56.00
18.00	18.00	20.00	20.00
1.00	1.00	0.75	0.75
5.00	5.00	7.15	7.15
9.34	9.34	11.54	11.54
11.00	11.00	11.00	11.00
0.88	0.88	0.78	0.78
3.75	3.75	4.75	3.75
5.25	5.25	6.50	7.50
24.97	24.97	25.69	25.69
37.47	37.47	38.69	38.69
4.00	4.00	4.15	4.15
304.50	304.50	321.50	322.50

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

	Fiscal Year				
	2014	2015	2016	2017	2018
Finance					
Utility customers billed	18,219	18,700	18,699	18,719	18,624
Development Services					
Single family dwelling building permits issued	49	39	43	42	39
Land use entitlement applications	37	45	26	33	38
Police					
Citations issued	6,172	6,343	6,308	5,790	7,791
Arrests made	3,298	2,878	2,913	3,460	3,632
Requests for services	47,384	45,233	46,162	48,479	49,444
Fire					
Fire responses	8,513	8,875	9,327	10,417	10,468
Area served (sq. miles)	30.000	30.000	30.000	30.000	30.000
Parks and Recreation					
Classes held	1,117	1,009	1,687	1,743	1,797
Hours of recreation offered	12,838	16,122	8,450	8,870	8,769
Total participants	60,000	51,021	68,211	68,319	65,421
Public Works					
Encroachment permits	115	108	143	192	203
Subdivision agreements	-	1.00	-	1.00	-
Capital improvement projects	21	24	30	28	32
Park acres overseen	133.00	133.00	133.00	275.00	275.00
Street maintenance - crack seal (streets)	31	66	0	22	18
Street maintenance - traffic marking paint (gal.)	50	30	115	45	7
Street light repairs	435	425	435	144	162
Water					
Water introduced to system (million gallons)	5,260	4,572	4,110	4,272	4,643
Metered water deliveries (hundred cubic feet)	6,800,658	5,821,860	5,086,702	5,303,569	5,617,273
Wastewater					
Effluent (millions of gallons per day)	5.500	5.500	4.700	6.000	5.900

Source: City of Yuba City Finance Department

Fiscal Year				
2019	2020	2021	2022	2023
18,745	18,845	18,874	18,987	19,054
28	36	30	58	48
15	21	19	15	42
9,185	9,316	4,617	6,104	6,536
3,612	3,766	2,444	2,049	1,987
48,585	48,031	46,742	49,830	49,786
10,586	10,710	10,667	10,888	11,391
30.000	30.000	30.000	32.600	32.600
2,453	1,158	1,048	2,366	2,567
9,800	5,476	2,075	5,404	6,790
77,163	41,358	23,967	60,045	71,886
153	180	284	271	347
-	-	2	2	2
60	58	57	59	59
324.00	324.00	324.00	324.00	329.00
16	27	4	53	39
5	<5	<10	7	7
77	127	143	183	191
4,393	4,305	4,729	4,670	4,080
5,178,758	5,401,430	5,862,430	5,317,833	4,966,307
6.000	6.000	5.200	5.200	6.000

CITY OF YUBA CITY
CAPITAL ASSET STATISTICS
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year					
	2014	2015	2016	2017	2018	2019
Police						
Stations	1	1	1	1	1	1
Fire						
Stations	5	5	5	5	5	5
Public Works						
Streets (centerline miles)	237	237	237	237	237	237
Street lights	6,078	6,078	6,078	3,626	3,646	3,670
Traffic signals	37	37	37	38	38	38
Community Services						
Office buildings	2	2	2	2	2	2
Park acreage	188	188	188	275	275	275
Playing fields/courts	7	7	7	7	7	7
Swimming pools	1	1	1	1	1	1
Water play features	2	2	2	2	2	2
Water						
Water mains (miles)	275	280	280	280	281	281.2
Fire hydrants	2,703	2,771	2,771	2,789	2,811	2,812
Storage capacity (million gallons)	21.0	21.0	21.0	21.0	21.0	21.0
Treatment capacity (million gallons)	36.0	36.0	36.0	36.0	36.0	36.0
Wastewater						
Sewer mains (miles)	179	179	179	179	180	179.5
Treatment capacity (million gallons)	10.5	10.5	10.5	10.5	10.5	10.5

Source: City of Yuba City Finance Department

Fiscal Year			
2020	2021	2022	2023
1	1	1	1
5	5	5	5
237	237	237	237
3,735	3,735	3,735	3,735
40	40	40	40
2	2	2	2
275	275	275	275
7	7	7	7
1	1	1	1
2	2	2	2
281.2	281.2	281.2	281.2
2,812	2,812	2,812	2,812
21.0	21.0	21	21
36.0	36.0	36.0	36.0
179.5	179.5	179.5	179.5
10.5	10.5	10.5	10.5