

CITY OF COLUSA, CALIFORNIA



**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2023**

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CITY OF COLUSA
Annual Financial Report
For the Year Ended June 30, 2023

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INTRODUCTORY SECTION

- **List of Officials**

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CITY OF COLUSA
List of Officials
For the Year Ended June 30, 2023

City Officials

Greg Ponciano	Mayor
Julie Garofalo	Mayor Pro-Tem
Denise Conrado	Member
Daniel Vaca	Member
John Ryan Codorniz	Member

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FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining Nonmajor Fund Financial Statements**

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Colusa
Colusa, 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 Colusa, California (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.

To the Honorable Mayor and Members of the City Council
City of Colusa
Colusa, California

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 judgement 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 judgement 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 judgement, 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.

To the Honorable Mayor and Members of the City Council
City of Colusa
Colusa, California

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, City Pension Plan, City OPEB Plan, and budgetary comparison information as listed in the table of contents to 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 obtain 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 nonmajor fund financial statements are presented for purposes of additional analysis and is 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 nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

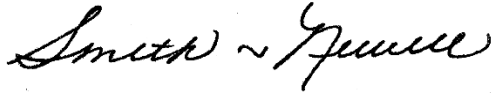
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, 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.

To the Honorable Mayor and Members of the City Council
City of Colusa
Colusa, California

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 the City's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Smith & Newell", written in a cursive style.

Smith & Newell CPAs
Yuba City, California
January 2, 2024

Management's Discussion and Analysis
(Unaudited)

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CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

This discussion and analysis of the City of Colusa's (City) financial performance provides an overview of the City's financial activities for the fiscal year ending June 30, 2023. Please read it in conjunction with the accompanying basic financial statements and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

The City's government-wide total assets exceeded liabilities (net position) at the close of the fiscal year by \$27.6 million. Of this amount, \$6.4 million is in unrestricted net position, which is generally available to meet the City's ongoing commitments to citizens and creditors. Net position continues to include recognition of \$8.7 million in net pension liability consistent with the implementation of accounting standards prescribed by Governmental Accounting Standards Board Statement No. 68 (GASB 68). Additionally, net position also includes recognition of \$983,556 in net other post-employment benefits (OPEB) consistent with the FY 2018-19 implementation of GASB 75.

The City's governmental activities ended the year with a total net position of \$9.3 million. Of this balance, (\$2.2) million is unrestricted and available and again includes recognition of net pension liability of \$8.06 million; and \$.69 million in net OPEB liability consistent with GASB 75.

The City's General Fund ended the year with a fund balance of \$4.2 million, of which \$4.0 million is unassigned.

The City's business-type activities ended the year with a total net position of \$18.2 million. Of this balance, \$8.7 million is unrestricted and available for spending in each of the component business type activities - \$4.2 million in Water Operations, \$4.3 million in Sewer Operations, and \$152,610 in other enterprise funds. The City has \$4.6 million in capital improvement reserve funds which is not assigned to any specific project.

Completed major capital projects and acquisitions including new technology and equipment for the police and fire departments; a new Ravo 5-Series Sweeper; two new trucks F150 for the Street/Park department, a new 1.75 Yard Towable Concrete Mixer Trailer, New fence and New AC unit for the Scout Cabin, a major part of Splash pad were completed. Funds were applied towards city-wide roadway and overlay projects, rehabilitation of two wells, and an ultraviolet rebuild and infrastructure for the sewer department. The Water Recycling project was completed. Additionally, ongoing construction-in-progress expenditures were incurred the Software upgrades for the fire dispatch system.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. These statements include all activities of the City of Colusa using the integrated approach as prescribed by GASB Statement No. 34. The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how these services are financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances. These statements include all assets and liabilities of the City using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. As previously discussed, the City continues to recognize throughout the government-wide financial statements the City's net pension liability consistent with GASB 68. Beginning with Fiscal Year 2018-19, the City

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

also recognizes throughout the government-wide financial statements the City's net OPEB liability consistent with the implementation of GASB 75. All of the current year's revenues and expenses are taken into account regardless of when cash is received.

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 one indicator of whether the City's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed in the most recent fiscal year. All changes of net position are reported as soon as the underlying event giving rise to the change occurs. Thus, revenues and expenses are reported on this statement for some items that will result in cash flows in future fiscal periods (i.e., earned but unused vacation leave).

The government-wide financial statements of the City are divided as follows:

Governmental Activities: Most of the City's basic services are included here such as public safety, public works (streets and roads), community development, culture and recreation, and general government. These services are primarily financed by property and sales taxes, federal and state grants, and fees and charges for services.

Business-Type Activities: The City charges fees to customers to cover the costs of services provided. The City's sewer operations, water operations and solid waste/corporation yard remodel are included in business-type activities.

The government-wide financial statements can be found on pages 13-15 of this report.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State Law or by financial covenants. Management established other funds to control and manage money for particular purposes or to show the City is meeting legal responsibilities for using certain taxes, grants and other money. All the funds of the City can be classified into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information is useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Governmental Funds Balance Sheet and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances provide reconciliations between governmental funds and governmental activities. These reconciliations explain the relationship (or differences) between the fund statements and the government-wide statements. The basic governmental fund financial statements can be found on pages 16-19 of this report.

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

Proprietary Funds. The City utilizes enterprise funds (one type of proprietary fund) to account for those activities that are supported primarily by user charges to external users, specifically sewer operations, water operations and the former solid waste/corporation yard remodel activities. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer, water and former solid waste/corporation yard remodel activities. The basic proprietary fund financial statements can be found on pages 20-24 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund statements. The notes to the financial statements can be found on pages 25-54 of this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Below is a table showing the City's net position for the fiscal year ended June 30, 2023.

City of Colusa Net Position							
	Governmental Activities		Business-Type Activities		Total Activities		Total Percentage Change
	2022	2023	2022	2023	2022	2023	
Current and other assets	\$ 10,564,096	\$ 12,852,346	\$ 9,235,019	\$ 11,078,094	\$ 19,799,115	\$ 23,930,440	20.9%
Capital assets	6,845,884	6,852,383	28,702,372	27,459,233	35,548,256	34,311,616	-3.5%
Total Assets	<u>17,409,980</u>	<u>19,704,729</u>	<u>37,937,391</u>	<u>38,537,327</u>	<u>55,347,371</u>	<u>58,242,056</u>	5.2%
Employer pension contributions	1,371,981	3,085,842	294,257	532,850	1,666,238	3,618,692	117.2%
Employer OPEB contributions	281,968	378,487	110,898	146,548	392,866	525,035	33.6%
Total Deferred Outflows of Resources	<u>1,653,949</u>	<u>3,464,329</u>	<u>405,155</u>	<u>679,398</u>	<u>2,059,104</u>	<u>4,143,727</u>	101.2%
Current liabilities	465,516	1,384,817	259,285	638,998	724,801	2,023,815	179.2%
Long-term liabilities	5,258,459	8,916,612	20,346,423	20,118,429	25,604,882	29,035,041	13.4%
Total Liabilities	<u>5,723,975</u>	<u>10,301,429</u>	<u>20,605,708</u>	<u>20,757,427</u>	<u>26,329,683</u>	<u>31,058,856</u>	18.0%
Deferred pension adjustments	3,369,205	2,510,448	722,616	119,503	4,091,821	2,629,951	-35.7%
Deferred OPEB adjustments	584,816	692,065	229,009	113,335	813,825	805,400	-1.0%
Deferred housing loan payments	2,493,691	271,633	-	-	2,493,691	271,633	-89.1%
Total Deferred Inflows of Resources	<u>6,447,712</u>	<u>3,474,146</u>	<u>951,625</u>	<u>232,838</u>	<u>7,399,337</u>	<u>3,706,984</u>	-49.9%
Net position							
Net investment in capital assets	6,827,737	6,852,383	9,075,352	8,384,853	15,903,089	15,237,236	-4.2%
Restricted	4,253,483	4,804,945	5,950,451	1,132,101	10,203,934	5,937,046	-41.8%
Unrestricted	(4,188,978)	(2,263,845)	1,759,410	8,709,506	(2,429,568)	6,445,661	-365.3%
Total Net Position	<u>\$ 6,892,242</u>	<u>\$ 9,393,483</u>	<u>\$ 16,785,213</u>	<u>\$ 18,226,460</u>	<u>\$ 23,677,455</u>	<u>\$ 27,619,943</u>	16.7%

As of June 30, 2023, the City's government-wide total assets exceeded liabilities (net position) by \$27.6 million. Governmental activities finished the year with a positive net position balance of \$9.4 million.

Business-type activities finished the year with a positive balance of \$18.2 million. Again, as previously discussed, net position continues to include recognition of \$8.7 million in net pension liability (\$8 million in Government Activities and \$0.7 million in Business-Type Activities) consistent with the implementation of accounting standards prescribed by Governmental Accounting Standards Board Statement No. 68 (GASB 68). Also, net position includes recognition of \$.98 million in net OPEB liability (\$688,407 in Governmental Activities and \$295,149 in Business-Type Activities) consistent with the implementation of GASB 75. As noted earlier, net position may serve over time as a useful indicator the City's financial position.

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

Of the total net position, \$15.2 million is the City's investment in capital assets (i.e. land, buildings and improvements, machinery and equipment and the road infrastructure) less any related debt used to acquire those assets still outstanding. In fiscal year 2022-23, the City acquired new technology and equipment for the police and fire departments; two new trucks and Ravo 5-Series Sweeper and towable Concrete Mixer Trailer for the street department; Splash pad, funds were applied towards city-wide roadway and overlay projects; and an ultraviolet rebuild and infrastructure was completed for the sewer department. Additionally, ongoing construction-in-progress expenditures were incurred towards CalTrans COOP and Bridge Street Improvement Projects in the water department, and Wastewater Treatment Plant and Collection System Upgrade Project in the sewer department.

The City's long-term liabilities include debt incurred to finance certain improvements to the City's wastewater treatment system and pump station and the expansion of the wastewater treatment plant. Long-term liabilities also include outstanding capital lease payments to be made towards a mower, compensated absences payable, net Other Postemployment Benefits (OPEB), and CalPERS Pension obligations. Descriptions of these long-term liabilities can be found in notes 7, 10 and 11 of the notes to the basic financial statements.

Restricted net position amounts to \$5.9 million, or 22 percent of total net position. Restricted net position includes those resources that are subject to external restrictions on how they may be used. These restrictions are established by financial covenants or restrictions on the use of funds by state or federal regulations.

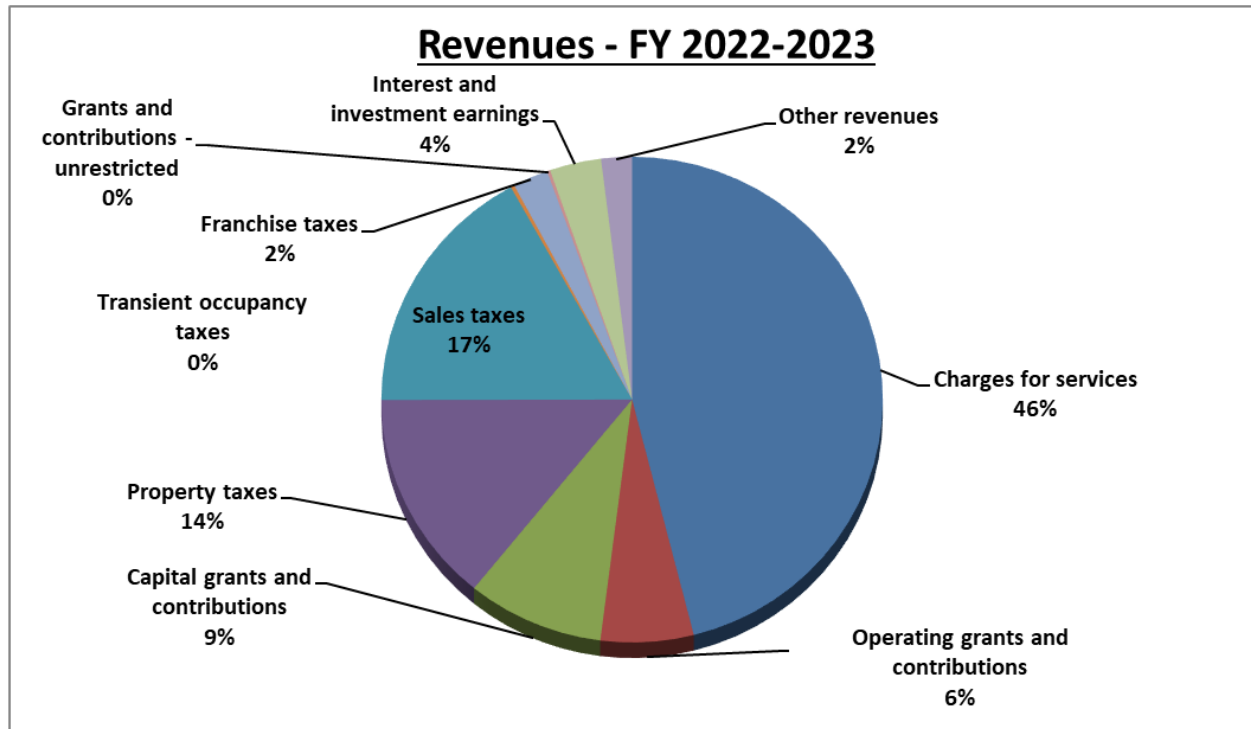
Unrestricted net position represents those resources which may be used to meet the City's ongoing commitments to citizens and creditors. Total unrestricted net position is \$6.4 million or 24 percent of total net position. Governmental activities account for a deficit position of (\$2.3) million of total unrestricted net position. Business-type activities account for \$8.7 million of the total unrestricted net position. The City can use unrestricted net position of the sewer operations, water operations, and former solid waste/corporation yard remodel funds to finance their continuing operations. Unrestricted net position in governmental activities increased by \$1.9 million primarily because of the change in reserve requirements and increase in pension liabilities and deferred inflows of resources including certain payables and deferred payments on HOME/CDBG loans.

NET POSITION

Governmental activities account for \$9.4 million or 34 percent of the total government-wide net position. Business-type activities account for \$18.2 million or 66 percent of total government-wide net position. The following tables and graphs list key components (revenues and expenditures) of net position and highlight the changes between fiscal year 2021-22 and fiscal year 2022-23 for both governmental activities and business-type activities:

City of Colusa Changes in Net Position							
	Governmental Activities		Business-Type Activities		Total Activities		Total Percentage Change
	2022	2023	2022	2023	2022	2023	
Revenues							
<i>Program Revenues</i>							
Charges for services	\$ 1,494,604	\$ 1,453,016	\$ 4,571,777	\$ 4,642,026	\$ 6,066,381	\$ 6,095,042	0.5%
Operating grants and contributions	1,167,906	792,464	-	-	1,167,906	792,464	-32.1%
Capital grants and contributions	5,780	115,554	-	1,052,497	5,780	1,168,051	20108.5%
<i>General Revenues</i>							
Property taxes	1,670,279	1,870,067	-	-	1,670,279	1,870,067	12.0%
Sales taxes	1,733,940	2,249,001	-	-	1,733,940	2,249,001	29.7%
Transient occupancy taxes	43,364	32,093	-	-	43,364	32,093	-26.0%
Franchise taxes	269,547	302,349	-	-	269,547	302,349	12.2%
Grants and contributions - unrestricted	13,743	27,132	-	-	13,743	27,132	97.4%
Interest and investment earnings	45,006	152,482	143,994	287,923	189,000	440,405	133.0%
Other revenues	285,897	740,459	-	(477,887)	285,897	262,572	-8.2%
Total Revenues	\$ 6,730,066	\$ 7,734,617	\$ 4,715,771	\$ 5,504,559	\$ 11,445,837	\$ 13,239,176	15.7%

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023



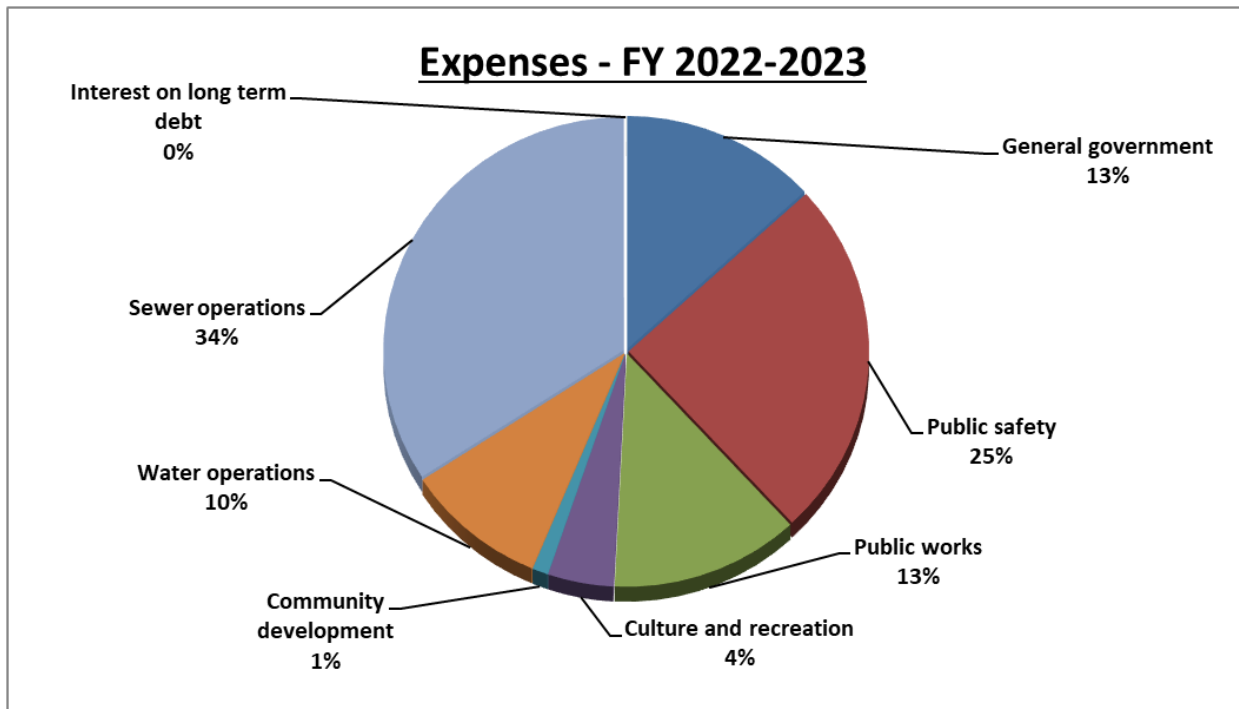
Total governmental activities revenues for fiscal year 2022-23 were \$7.7 million, an increase of \$1 million or 14.93 percent when compared to fiscal year 2021-22. The net increase in governmental revenues can be attributed to an increase in sales tax that includes Measure B revenue, increase in Interest Income and a slight increase in property tax revenue.

Total business-type revenues for fiscal year 2022-23 were \$5.5 million, an increase of \$788,788 when compared to fiscal year 2021-22. The net investment can be primarily attributed to capital grants and contributions for water and sewer projects received in FY 2022-23. The salary transfer of \$545,915 to the General Fund was subtracted from the revenue.

City of Colusa
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Activities		Total Percentage Change
	2022	2023	2022	2023	2022	2023	
Expenses							
General government	\$ 1,193,435	\$ 1,227,276	\$ -	\$ -	\$ 1,193,435	\$ 1,227,276	2.8%
Public safety	3,403,359	2,315,985	-	-	3,403,359	2,315,985	-32.0%
Public works	1,227,254	1,180,568	-	-	1,227,254	1,180,568	-3.8%
Culture and recreation	597,977	410,063	-	-	597,977	410,063	-31.4%
Community development	229,444	98,976	-	-	229,444	98,976	-56.9%
Water operations	-	-	1,433,978	889,893	1,433,978	889,893	-37.9%
Sewer operations	-	-	3,786,583	3,173,419	3,786,583	3,173,419	-16.2%
Solid waste operations	-	-	-	-	-	-	0.0%
Interest on long term debt	1,276	508	-	-	1,276	508	-60.2%
Total Expenses	6,652,745	5,233,376	5,220,561	4,063,312	11,873,306	9,296,688	-21.7%
Change in net position	77,321	2,501,241	(504,790)	1,441,247	(427,469)	3,942,488	-1022.3%
Net Position - Beginning of year	6,814,921	6,892,242	17,290,003	16,785,213	24,104,924	23,677,455	-1.8%
Net Position - End of year	<u>\$ 6,892,242</u>	<u>\$ 9,393,483</u>	<u>\$ 16,785,213</u>	<u>\$ 18,226,460</u>	<u>\$ 23,677,455</u>	<u>\$ 27,619,943</u>	16.7%

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023



Total governmental expenses for the fiscal year 2022-23 were \$5.2 million, a decrease of \$1.4 million, or 21.34 percent when compared to the fiscal year 2021-22. The main reasons for the decrease were City-wide vacant positions and cut back on City-sponsored events and a decrease in pension expenses. Several elements contributed to the increase in expenses inflation, new recreational activities, an increase in unfunded liability, liability insurance, and health insurance expenditure. The net result was a decrease in expenses mainly the pension expense.

Total business-type activity expenses for fiscal year 2022-23 were \$4.1 million, a decrease of \$1.15 million, or 5.8 percent when compared to fiscal year 2021-22. The reduction in expenses is mainly due to the reduction in pension expenses and vacant positions.

Total government-wide net position increased by \$3.9 from fiscal year 2021-22 to fiscal year 2022-23. Of this amount, governmental activities net position increased by \$2.5 million while business-type net position increased by \$1.44 million.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. All of the City's governmental funds, with the exception of certain grant-related funds for which reimbursement is ultimately anticipated (Traffic Safety and State Park Fund) ended the year with positive fund balances. The ending fund balance for all governmental funds is \$8.9 million. Of the total fund balance, \$3.99 million is unassigned, which is available for spending at the City's discretion. See the notes to the financial statements, Note 9, for a more in depth discussion of fund balance designations.

The General fund is the chief operating fund of the City. As of June 30, 2023, the total fund balance of the General fund was \$4.2 million, all of which is unassigned.

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

Total governmental revenues exceeded total expenditures, excluding other financing sources/uses, by \$1,352,192.

Proprietary Funds. The City's sewer operations, water operations, and former solid waste/corporation yard remodel funds ended the year with positive unrestricted net position. The vast majority of the unrestricted net position in the City's proprietary funds is available for ongoing operations and capital activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General fund budgetary comparison schedule is shown on page 61 of this report. Significant changes to the original budgeted revenues included higher budgeted collections of taxes and assessments and charges for services. Significant changes to originally budgeted expenditures included increased staffing and services costs primarily in the general government and public safety and community development budgets. The budgeted surplus of \$202,531 in fund balance during fiscal year 2022-23 was primarily actual expenditures coming under budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

City of Colusa
Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total Activities	
	2022	2023	2022	2023	2022	2023
Land	\$ 168,613	\$ 168,613	\$ 5,860,839	\$ 5,860,839	\$ 6,029,452	\$ 6,029,452
Construction in progress	103,735	192,733	3,767,868	582,032	3,871,603	774,765
Infrastructure	1,161,823	1,058,868	106,624	101,248	1,268,447	1,160,116
Structures and improvements	4,593,017	4,290,624	18,335,185	20,306,370	22,928,202	24,596,994
Equipment and vehicles	818,694	1,141,543	631,856	608,744	1,450,550	1,750,287
Software	2	2	-	-	2	2
Totals	\$ 6,845,884	\$ 6,852,383	\$ 28,702,372	\$ 27,459,233	\$ 35,548,256	\$ 34,311,616

Completed major capital projects and acquisitions include new technology and equipment for the police and fire departments; a new rescue pumper for the fire department; funds applied towards city-wide roadway and overlay projects; one sweeper and two F150 trucks were purchased for the street department, a new 1.75-yard towable concrete mixer trailer, new fencing and an AC at the Scout Cabin; and an ultraviolet rebuild and infrastructure for the sewer department. Additionally, ongoing construction-in-progress expenditures were incurred towards CalTrans COOP and Bridge Street Improvement Projects in the water department; and Wastewater Treatment Plant and Collection System Upgrade Project in the sewer department.

Additional information on the City's capital assets can be found in Note 4 of the Notes to Basic Financial Statements on pages 37 and 38 of this report.

Long-Term Debt. The City's long-term debt as of June 30, 2023, was \$23.17 million and includes \$19.1 million in loans related to improvements made to the City's wastewater treatment facility, \$8.7 million in the net pension liability, and \$.98 million in net OPEB liability. Additional information on the City's long-term debt can be found in Note 7 of the Notes to Basic Financial Statements on pages 39 through 41 of this report.

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City anticipates an increase in revenue of \$50,000 from property tax and 1.5 million from Measure B sales tax and an increase of \$500,000 in General fund revenues and expenditures, respectively, in fiscal year 2023-24 (adopted budget) when compared to revised budgeted amounts for fiscal year 2022-23 in a result of salary increase and new hires. Another \$300,000 will be funded through the Prop 64 grant. The City purchased Perli building for 3.3 million in August 2023 which was paid 1.5 million through HCD grant and \$1.7 million borrowed from the enterprise funds (Water and Sewer). The General fund budget anticipates activity levels similar to those experienced in fiscal year 2022-23 with particular attention being placed on expected continued increases in personnel costs – primarily due to rising CalPERS retirement costs and increase in health insurance. The City plans to start Walnut Ranch Water and Sewer Projects in fiscal year 2023-24. The City continues to maintain a watchful eye on future impacts of cost drivers associated with increasing CalPERS retirement premiums and other costs related to implementing future memoranda of understanding and contracts related to the City's labor force. It is anticipated that the City will use approximately \$100,000 in fund balance to balance the fiscal year 2023-24 budget.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Colusa's finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Department, City of Colusa, 425 Webster Street, Colusa, CA, 95932.

Basic Financial Statements

- **Government-Wide Financial Statements**

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CITY OF COLUSA
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and investments	\$ 9,203,781	\$ 10,910,861	\$ 20,114,642
Receivables:			
Accounts	227,732	120,445	348,177
Interest	38,427	46,788	85,215
Taxes	669,216	-	669,216
Prepaid insurance	152,963	-	152,963
Loans receivable	2,560,227	-	2,560,227
Capital assets:			
Non-depreciable	361,346	6,442,871	6,804,217
Depreciable, net	6,491,037	21,016,362	27,507,399
Total capital assets	<u>6,852,383</u>	<u>27,459,233</u>	<u>34,311,616</u>
Total Assets	<u>19,704,729</u>	<u>38,537,327</u>	<u>58,242,056</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	3,085,842	532,850	3,618,692
Deferred OPEB adjustments	<u>378,487</u>	<u>146,548</u>	<u>525,035</u>
Total Deferred Outflows of Resources	<u>3,464,329</u>	<u>679,398</u>	<u>4,143,727</u>
LIABILITIES			
Accounts payable	368,090	503,217	871,307
Salaries and benefits payable	4,213	-	4,213
Deposits payable	2,000	-	2,000
Unearned revenue	1,010,514	-	1,010,514
Interest payable	-	135,781	135,781
Long-term liabilities:			
Due within one year	91,707	810,441	902,148
Due in more than one year	75,662	18,330,224	18,405,886
Net pension liability	8,060,836	682,615	8,743,451
Net OPEB liability	<u>688,407</u>	<u>295,149</u>	<u>983,556</u>
Total Liabilities	<u>10,301,429</u>	<u>20,757,427</u>	<u>31,058,856</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred housing loan payments	2,510,448	-	2,510,448
Deferred pension adjustments	692,065	119,503	811,568
Deferred OPEB adjustments	<u>271,633</u>	<u>113,335</u>	<u>384,968</u>
Total Deferred Inflows of Resources	<u>3,474,146</u>	<u>232,838</u>	<u>3,706,984</u>

The notes to the basic financial statements are an integral part of this statement.

Continued (Page 1 of 2)

CITY OF COLUSA
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Totals
NET POSITION			
Net investment in capital assets	6,852,383	8,384,853	15,237,236
Restricted for:			
General government	201,711	-	201,711
Public safety	2,405,698	-	2,405,698
Public works	1,551,879	-	1,551,879
Culture and recreation	191,438	-	191,438
Community development	454,219	-	454,219
Debt service	-	1,132,101	1,132,101
Unrestricted	(2,263,845)	8,709,506	6,445,661
Total Net Position	\$ 9,393,483	\$ 18,226,460	\$ 27,619,943

The notes to the basic financial statements are an integral part of this statement.

Continued (Page 2 of 2)

CITY OF COLUSA
Statement of Activities
For the Year Ended June 30, 2023

<u>Functions/Programs:</u>	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions Capital Grants and Contributions
Governmental activities:			
General government	\$ 1,227,276	\$ 258,047	\$ 15,630 \$ -
Public safety	2,315,985	874,568	166,013 -
Public works	1,180,568	24,682	610,821 115,554
Culture and recreation	410,063	168,954	- -
Community development	98,976	126,765	- -
Interest on long-term debt	508	-	- -
Total Governmental Activities	5,233,376	1,453,016	792,464 115,554
Business-type activities:			
Water operations	889,893	1,520,396	- -
Sewer operations	3,173,419	3,121,630	- 1,052,497
Total Business-Type Activities	4,063,312	4,642,026	- 1,052,497
Total	\$ 9,296,688	\$ 6,095,042	\$ 792,464 \$ 1,168,051

General Revenues and Transfers:

Taxes:

Property taxes

Sales and use taxes

Transient occupancy taxes

Franchise taxes

Grants and contributions - unrestricted

Interest and investment earnings

Miscellaneous

Loss on disposal of capital asset

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

The notes to the basic financial statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business- Type Activities	Totals
\$ (953,599)	\$ -	\$ (953,599)
(1,275,404)	-	(1,275,404)
(429,511)	-	(429,511)
(241,109)	-	(241,109)
27,789	-	27,789
(508)	-	(508)
(2,872,342)	-	(2,872,342)
-	630,503	630,503
-	1,000,708	1,000,708
-	1,631,211	1,631,211
(2,872,342)	1,631,211	(1,241,131)
1,870,067	-	1,870,067
2,249,001	-	2,249,001
32,093	-	32,093
302,349	-	302,349
27,132	-	27,132
152,482	287,923	440,405
194,544	69,784	264,328
-	(1,756)	(1,756)
545,915	(545,915)	-
5,373,583	(189,964)	5,183,619
2,501,241	1,441,247	3,942,488
6,892,242	16,785,213	23,677,455
<u>\$ 9,393,483</u>	<u>\$ 18,226,460</u>	<u>\$ 27,619,943</u>

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Basic Financial Statements

- **Fund Financial Statements**

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CITY OF COLUSA
Balance Sheet
Governmental Funds
June 30, 2023

	General Fund	CDBG Program Income	Other Governmental Funds	Totals
ASSETS				
Cash and investments	\$ 4,466,809	\$ 256,670	\$ 4,480,302	\$ 9,203,781
Receivables:				
Accounts	133,508	-	94,224	227,732
Interest	18,261	1,132	19,034	38,427
Taxes	669,216	-	-	669,216
Due from other funds	128,599	-	-	128,599
Prepaid insurance	152,963	-	-	152,963
Loans receivable	-	1,608,190	952,037	2,560,227
Total Assets	<u>\$ 5,569,356</u>	<u>\$ 1,865,992</u>	<u>\$ 5,545,597</u>	<u>\$ 12,980,945</u>
LIABILITIES				
Accounts payable	\$ 333,840	\$ -	\$ 34,250	\$ 368,090
Salaries and benefits payable	4,213	-	-	4,213
Deposits payable	2,000	-	-	2,000
Due to other funds	-	-	128,599	128,599
Unearned revenue	1,010,514	-	-	1,010,514
Total Liabilities	<u>1,350,567</u>	<u>-</u>	<u>162,849</u>	<u>1,513,416</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred housing loan payments	-	1,608,190	902,258	2,510,448
Total Deferred Inflows of Resources	<u>-</u>	<u>1,608,190</u>	<u>902,258</u>	<u>2,510,448</u>
FUND BALANCES				
Nonspendable	152,963	-	-	152,963
Restricted	-	257,802	4,547,143	4,804,945
Unassigned	4,065,826	-	(66,653)	3,999,173
Total Fund Balances	<u>4,218,789</u>	<u>257,802</u>	<u>4,480,490</u>	<u>8,957,081</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,569,356</u>	<u>\$ 1,865,992</u>	<u>\$ 5,545,597</u>	<u>\$ 12,980,945</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF COLUSA
Reconciliation of the Governmental Funds Balance
Sheet to the Government-Wide Statement of
Net Position - Governmental Activities
June 30, 2023

Total Fund Balances - Total Governmental Funds	\$ 8,957,081
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet.	6,852,383
Deferred outflows of resources related to pension and OPEB are not reported in the governmental funds.	3,464,329
Deferred inflows of resources related to pension and OPEB are not reported in the governmental funds.	(963,698)
Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Compensated absences	(167,369)
Net pension liability	(8,060,836)
Net OPEB liability	(688,407)
Net Position of Governmental Activities	<u><u>\$ 9,393,483</u></u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF COLUSA
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	General Fund	CDBG Program Income	Other Governmental Funds	Totals
REVENUES				
Taxes and assessments	\$ 4,424,730	\$ -	\$ 293,137	\$ 4,717,867
Licenses and permits	399,842	-	227,306	627,148
Fines and forfeitures	31,577	-	1,613	33,190
Use of money	90,510	3,609	58,363	152,482
Intergovernmental	111,606	-	854,652	966,258
Charges for services	248,034	-	249,179	497,213
Other revenues	39,010	6,176	149,358	194,544
Total Revenues	5,345,309	9,785	1,833,608	7,188,702
EXPENDITURES				
Current:				
General government	1,485,152	-	74,171	1,559,323
Public safety	2,455,969	-	272,590	2,728,559
Public works	680,138	-	210,544	890,682
Culture and recreation	335,583	-	70,377	405,960
Community development	122,541	-	2,871	125,412
Debt service:				
Principal	8,164	-	9,983	18,147
Interest and other charges	231	-	277	508
Capital outlay	108,993	-	544,841	653,834
Total Expenditures	5,196,771	-	1,185,654	6,382,425
Excess of Revenues Over (Under) Expenditures	148,538	9,785	647,954	806,277
OTHER FINANCING SOURCES (USES)				
Transfers in	640,185	-	-	640,185
Transfers out	-	(2,468)	(91,802)	(94,270)
Total Other Financing Sources (Uses)	640,185	(2,468)	(91,802)	545,915
Net Change in Fund Balances	788,723	7,317	556,152	1,352,192
Fund Balances - Beginning	3,430,066	250,485	3,924,338	7,604,889
Fund Balances - Ending	\$ 4,218,789	\$ 257,802	\$ 4,480,490	\$ 8,957,081

The notes to the basic financial statements are an integral part of this statement.

CITY OF COLUSA
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2023

Net Change in Fund Balances - Total Governmental Funds	\$ 1,352,192
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Amounts reported for governmental activities in the Statement of Activities are different because:

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

Expenditures for capital outlay	653,834
Less current year depreciation	(647,335)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal retirements	18,147
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Certain changes in deferred outflows and deferred inflows of resources reported in the Statement of Activities relate to long-term liabilities and are not reported in the governmental funds.

Changes in deferred outflows of resources related to pension	1,713,861
Changes in deferred outflows of resources related to OPEB	96,519
Changes in deferred inflows of resources related to pension	2,677,140
Changes in deferred inflows of resources related to OPEB	313,183

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

Change in compensated absences	559
Change in net pension liability	(3,385,336)
Change in net OPEB liability	(291,523)

Change in Net Position of Governmental Activities	<u>\$ 2,501,241</u>
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The notes to the basic financial statements are an integral part of this statement.

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CITY OF COLUSA
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
ASSETS					
Current Assets:					
Cash and investments	\$ 4,459,591	\$ 5,167,223	\$ 1,132,101	\$ 151,946	\$ 10,910,861
Receivables:					
Accounts	47,742	72,703	-	-	120,445
Interest	19,836	26,288	-	664	46,788
Total Current Assets	<u>4,527,169</u>	<u>5,266,214</u>	<u>1,132,101</u>	<u>152,610</u>	<u>11,078,094</u>
Noncurrent Assets:					
Capital assets:					
Non-depreciable	163,840	6,279,031	-	-	6,442,871
Depreciable, net	2,147,443	18,868,919	-	-	21,016,362
Total capital assets	<u>2,311,283</u>	<u>25,147,950</u>	<u>-</u>	<u>-</u>	<u>27,459,233</u>
Total Noncurrent Assets	<u>2,311,283</u>	<u>25,147,950</u>	<u>-</u>	<u>-</u>	<u>27,459,233</u>
Total Assets	<u>6,838,452</u>	<u>30,414,164</u>	<u>1,132,101</u>	<u>152,610</u>	<u>38,537,327</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension adjustments	235,126	297,724	-	-	532,850
Deferred OPEB adjustments	64,029	82,519	-	-	146,548
Total Deferred Outflows of Resources	<u>299,155</u>	<u>380,243</u>	<u>-</u>	<u>-</u>	<u>679,398</u>
LIABILITIES					
Current Liabilities:					
Accounts payable	44,716	458,501	-	-	503,217
Interest payable	-	135,781	-	-	135,781
Compensated absences	14,611	17,995	-	-	32,606
Loans payable	-	777,835	-	-	777,835
Total Current Liabilities	<u>59,327</u>	<u>1,390,112</u>	<u>-</u>	<u>-</u>	<u>1,449,439</u>

The notes to the basic financial statements are an integral part of this statement.

Continued (Page 1 of 2)

CITY OF COLUSA
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
Noncurrent Liabilities:					
Compensated absences	16,478	17,201	-	-	33,679
Loans payable	-	18,296,545	-	-	18,296,545
Net pension liability	301,211	381,404	-	-	682,615
Net OPEB liability	124,858	170,291	-	-	295,149
Total Noncurrent Liabilities	442,547	18,865,441	-	-	19,307,988
Total Liabilities	501,874	20,255,553	-	-	20,757,427
DEFERRED INFLOWS OF RESOURCES					
Deferred pension adjustments	52,732	66,771	-	-	119,503
Deferred OPEB adjustments	46,305	67,030	-	-	113,335
Total Deferred Inflows of Resources	99,037	133,801	-	-	232,838
NET POSITION					
Net investment in capital assets	2,311,283	6,073,570	-	-	8,384,853
Restricted for debt service	-	-	1,132,101	-	1,132,101
Unrestricted	4,225,413	4,331,483	-	152,610	8,709,506
Total Net Position	\$ 6,536,696	\$ 10,405,053	\$ 1,132,101	\$ 152,610	\$ 18,226,460

The notes to the basic financial statements are an integral part of this statement.

Continued (Page 2 of 2)

CITY OF COLUSA
Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
OPERATING REVENUES					
Charges for services	\$ 1,520,396	\$ 3,121,630	\$ -	\$ -	\$ 4,642,026
Other revenue	60,970	1	-	8,813	69,784
Total Operating Revenues	<u>1,581,366</u>	<u>3,121,631</u>	<u>-</u>	<u>8,813</u>	<u>4,711,810</u>
OPERATING EXPENSES					
Salaries and benefits	7,743	47,418	-	-	55,161
Office expense	181,928	188,894	-	-	370,822
Insurance	103,064	103,064	-	-	206,128
Utilities	139,617	319,467	-	-	459,084
Supplies and tools	5,765	72,621	-	-	78,386
Maintenance and repair	50,618	82,265	-	-	132,883
Professional services	201,125	164,621	-	-	365,746
Depreciation	200,033	1,888,529	-	-	2,088,562
Total Operating Expenses	<u>889,893</u>	<u>2,866,879</u>	<u>-</u>	<u>-</u>	<u>3,756,772</u>
Operating Income (Loss)	<u>691,473</u>	<u>254,752</u>	<u>-</u>	<u>8,813</u>	<u>955,038</u>
NON-OPERATING REVENUE (EXPENSES)					
Interest income	61,064	221,164	4,407	1,288	287,923
Interest expense	-	(306,540)	-	-	(306,540)
Loss on disposal of capital assets	(1,756)	-	-	-	(1,756)
Total Non-Operating Revenue (Expenses)	<u>59,308</u>	<u>(85,376)</u>	<u>4,407</u>	<u>1,288</u>	<u>(20,373)</u>
Income (Loss) Before Contributions and Transfers	<u>750,781</u>	<u>169,376</u>	<u>4,407</u>	<u>10,101</u>	<u>934,665</u>
Capital contributions	-	1,052,497	-	-	1,052,497
Transfers in	-	-	77,500	-	77,500
Transfers out	(267,933)	(355,482)	-	-	(623,415)
Change in Net Position	<u>482,848</u>	<u>866,391</u>	<u>81,907</u>	<u>10,101</u>	<u>1,441,247</u>
Total Net Position - Beginning	<u>6,053,848</u>	<u>9,538,662</u>	<u>1,050,194</u>	<u>142,509</u>	<u>16,785,213</u>
Total Net Position - Ending	<u>\$ 6,536,696</u>	<u>\$ 10,405,053</u>	<u>\$ 1,132,101</u>	<u>\$ 152,610</u>	<u>\$ 18,226,460</u>

The notes to the basic financial statements are an integral part of this statement.

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CITY OF COLUSA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 1,625,573	\$ 3,115,812	\$ -	\$ 8,813	\$ 4,750,198
Payments to suppliers	(672,296)	(489,490)	-	-	(1,161,786)
Payments to employees	(307,068)	(416,477)	-	-	(723,545)
Net Cash Provided (Used) by Operating Activities	<u>646,209</u>	<u>2,209,845</u>	<u>-</u>	<u>8,813</u>	<u>2,864,867</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from other funds	-	-	77,500	-	77,500
Transfers to other funds	(267,933)	(355,482)	-	-	(623,415)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(267,933)</u>	<u>(355,482)</u>	<u>77,500</u>	<u>-</u>	<u>(545,915)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(5,764)	(939,099)	-	-	(944,863)
Loss from disposal of capital assets	-	30,894	-	-	30,894
Capital contributions	-	1,143,888	-	-	1,143,888
Principal paid on debt	-	(644,030)	-	-	(644,030)
Interest paid on debt	-	(311,301)	-	-	(311,301)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(5,764)</u>	<u>(719,648)</u>	<u>-</u>	<u>-</u>	<u>(725,412)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	<u>46,337</u>	<u>200,980</u>	<u>4,407</u>	<u>800</u>	<u>252,524</u>
Net Cash Provided (Used) by Investing Activities	<u>46,337</u>	<u>200,980</u>	<u>4,407</u>	<u>800</u>	<u>252,524</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>418,849</u>	<u>1,335,695</u>	<u>81,907</u>	<u>9,613</u>	<u>1,846,064</u>
Balances - Beginning	<u>4,040,742</u>	<u>3,831,528</u>	<u>1,050,194</u>	<u>142,333</u>	<u>9,064,797</u>
Balances - Ending	<u>\$ 4,459,591</u>	<u>\$ 5,167,223</u>	<u>\$ 1,132,101</u>	<u>\$ 151,946</u>	<u>\$ 10,910,861</u>

The notes to the basic financial statements are an integral part of this statement.

Continued (Page 1 of 2)

CITY OF COLUSA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 691,473	\$ 254,752	\$ -	\$ 8,813	\$ 955,038
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	200,033	1,888,529	-	-	2,088,562
Decrease (increase) in:					
Accounts receivable	44,207	(5,819)	-	-	38,388
Deferred outflows - pension adjustments	(104,160)	(134,433)	-	-	(238,593)
Deferred outflows - OPEB adjustments	(16,062)	(19,588)	-	-	(35,650)
Increase (decrease) in:					
Accounts payable	9,821	441,442	-	-	451,263
Compensated absences	(4,925)	(4,840)	-	-	(9,765)
Net pension liability	98,312	128,425	-	-	226,737
Net OPEB liability	48,513	59,161	-	-	107,674
Deferred inflows - pension adjustments	(268,886)	(334,227)	-	-	(603,113)
Deferred inflows - OPEB adjustments	(52,117)	(63,557)	-	-	(115,674)
Net Cash Provided (Used) by Operating Activities	<u>\$ 646,209</u>	<u>\$ 2,209,845</u>	<u>\$ -</u>	<u>\$ 8,813</u>	<u>\$ 2,864,867</u>

The notes to the basic financial statements are an integral part of this statement.

Continued (Page 2 of 2)

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Basic Financial Statements

- **Notes to Basic Financial Statements**

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CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Colusa was incorporated in 1868, 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, highways and streets, culture and recreation, public improvements, planning and zoning, general administrative services, water, sewer and solid waste.

Component Units

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

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 are 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 Council. Separate financial statements for the City of Colusa Public Financing Authority are not issued.

Blended Component Units

City of Colusa Public Financing Authority - The Authority was established December 7, 2010, by the execution of a Joint Exercise of Powers Agreement between the City of Colusa and the former City of Colusa Redevelopment Agency. The Authority was created for the purpose of providing financing for public capital improvements owned and operated by the City. The Authority is the lessor for the City's Certificates of Participation (Wastewater System Improvement Project) and makes debt service payments on behalf of the City. The City Council is the governing body of the Authority and because its financial and operational relationship with the City is closely integrated, the activity and debt of the Authority is reported in the Sewer Operations enterprise fund financial statements.

Discretely Presented Component Units

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

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Joint Agencies

The City is a participant in Northern California Cities Self-Insurance Fund (NCCSIF), the purpose of which is for member Cities to share in the administrative costs of providing liability and workers' compensation insurance. The NCCSIF is governed by a board of directors appointed by the member cities. Complete financial information can be obtained from the Program Administrator at, 2180 Harvard Street, Suite 460, Sacramento, CA 95815. The City is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39 and 61 of the Governmental Accounting Standards Board.

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information on all of the nonfiduciary activities of the City, and its blended component units. These statements include the financial activities of the overall government, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the City's business-type activities and each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including blended component units. Funds are organized into two major categories: governmental and proprietary. The emphasis is placed on major funds within the governmental and proprietary categories; each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

- 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. For the City, the General fund includes such activities as public safety, planning and zoning, general administrative services and public works.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The City reports the following major governmental funds (Continued):

- The CDBG Program Income fund is a special revenue fund used to account for revenues and expenditures related to the Community Development Block Grant (CDBG) activity. Funding comes primarily from program income.

The City reports the following major proprietary funds:

- The Water Operations fund is an enterprise fund used to account for activity related to providing customers with water and billing for services provided by the City.
- The Sewer Operations fund is an enterprise fund used to account for activity related to providing customers with sewer and billing for services provided by the City.

C. Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are considered susceptible to accrual and are accrued when their receipt occurs within sixty days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

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

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Non-Current Governmental Assets/Liabilities

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide Statement of Net Position.

E. Cash and Cash Equivalents

For purposes of the accompanying Statement of Cash Flows, the City considers all highly liquid investments with a maturity of three months or less when purchased, including amounts held in the City's investment pool, to be cash and cash equivalents.

F. Investments

The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

Investment transactions are recorded on the trade date. The fair value of investments is determined annually. Investments in nonparticipating interest-earning investment contracts are reported at cost; short term investments are reported at amortized cost, investments in the State of California Local Agency Investment Fund, an external pool, are reported at amortized cost which approximates fair value, and the fair value of all other investments are obtained by using quotations obtained from independent published sources or by the safekeeping institution. The fair value represents the amount the City could reasonably expect to receive for an investment in a current sale between a willing buyer and seller.

Income from pooled investments is allocated to the individual funds based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Income from non-pooled investments is recorded based on the specific investments held by the fund.

G. Receivables

Receivables for governmental activities consist mainly of accounts, interest, taxes and amounts due from other governments. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

Receivables for business-type activities consist mainly of user fees and interest. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

H. Other Assets

Inventory

Governmental fund and proprietary fund inventories are recorded as expenditures/expenses at the time the inventory is purchased rather than when consumed. Records are not maintained of inventory and supplies on hand, although these amounts are not considered material.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Assets (Continued)

Prepaid Items

Payments made for services that will benefit periods beyond June 30, 2023, are recorded as prepaid costs under both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. The City records prepaid insurance for the net investment in a joint powers self-insurance agency.

I. Loans Receivable

A total of \$2,560,227 was recorded as loans receivable at June 30, 2023. These represent low interest notes and related accrued interest to finance multi-family and single-family construction and rehabilitation projects and homebuyer assistance for low-income families. Loan terms are 15 to 55 years with an interest rate at 0 to 5 percent. The primary source of funding for these loans comes from grants from the federal Community Development Block Grant (CDBG) program and Home Investment Partnerships (HOME) program. The CDBG and HOME grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements. Due to the terms of the loans, offsetting deferred inflows of resources of \$2,560,227 have been established in the Governmental Activities Statement of Net Position and the Governmental Funds Balance Sheet for the loan principal and interest payments.

J. Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, water, sewer, and similar items) are defined by the City as assets with a cost greater than \$500 for office equipment, \$1,000 for buildings and machinery and equipment, and \$3,000 for water system infrastructure and a useful life of at least two years. Capital assets are recorded at historical or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their fair value at the date of donation.

Capital assets used in operations are depreciated or amortized using the straight-line method over the assets' estimated useful lives in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	5 to 10 years
Structures and improvements	10 to 40 years
Infrastructure	20 to 75 years
Intangibles (computer software)	5 to 10 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 to be included in the results of operations.

K. Property Tax

Colusa County assesses properties, bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Property Tax (Continued)

Property taxes are levied on a fiscal year (July 1 - June 30). The secured property tax assessments are due on November 1 and February 1 and become delinquent after December 10 and April 10, respectively. The unsecured property tax assessments are due on August 1 and become delinquent after August 31. Property taxes become a lien on the property effective January 1 of the preceding year.

The City recognizes property taxes when the individual installments are due provided they are collected within 60 days after year-end.

L. Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide Statement of Activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

M. Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation leave and an unlimited amount of sick leave. In the government-wide financial statements the accrued compensated absences is recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature. In the proprietary funds the accrued compensated absences is recorded as an expense and related liability in the year earned. The City includes its share of Social Security and Medicare taxes payable on behalf of the employees in the accrual for compensated absences.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Compensated Absences (Continued)

Unused vacation is paid to employees upon termination. The maximum accrual for employees in the police, middle management, department head and miscellaneous groups for vacation is one and a half times the employees' annual vacation leave credits, and for fire department employees the maximum accrual is two and a half times the employees' annual vacation leave credits. Annually, all employees may "sell back" a portion of their unused vacation. In addition to vacation, police, middle management, department heads, and miscellaneous employees also accrue sick leave credits. Fire department employees do not accrue sick leave credits. There is no limit as to the accrual of sick leave. After 10 years of service, the employee may be paid for up to 50 percent of the sick leave accrual to a maximum of 300 hours upon termination or retirement.

N. Pension

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

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

O. 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 City's plan (OPEB Plan) and additions to/deductions from the OPEB Plans' 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.

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 COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position 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 position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. These items relate to the outflows from changes in the net pension liability and net OPEB liability and are reportable on the Statement of Net Position.

In addition to liabilities, the statement of financial position 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 position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items which qualify for reporting in this category. The first item relates to the housing loan principal and interest receivable amount and is reportable on the Statement of Net Position as well as on the governmental funds balance sheet. The second and third items relate to the inflows from changes in the net pension liability and net OPEB liability and are reportable on the Statement of Net Position.

Q. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

R. Implementation of Governmental Accounting Standards Board (GASB) Statements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented, if applicable, in the current financial statements.

Statement No. 91, Conduit Debt Obligations. This statement improves the comparability of financial reporting for issuers by eliminating the option to recognize a liability for a conduit debt obligation.

Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. This statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions.

Statement No. 96, Subscription-Based Information Technology Arrangements. This statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The definition and uniform guidance will result in greater consistency in practice.

Statement No. 99, Omnibus 2022. This statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Future Accounting Pronouncements

The following GASB Statements will be implemented, if applicable, in future financial statements:

Statement No. 99 “Omnibus 2022” The requirements of this statement related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023. (FY 23/24)

Statement No. 100 “Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62” The requirements of this statement are effective for fiscal years beginning after June 15, 2023. (FY 23/24)

Statement No. 101 “Compensated Absences” The requirements of this statement are effective for fiscal years beginning after December 15, 2023. (FY 24/25)

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balance

The following non-major governmental funds had deficit fund balances at June 30, 2023:

Traffic Safety	\$ 3,896
State Park	62,332
Hoblit Lighting	425

Some of these deficits may be eliminated in the future through grant revenues. Certain amounts of these deficits will ultimately become the responsibility of the General fund.

NOTE 3: CASH AND INVESTMENTS

A. Financial Statement Presentation

As of June 30, 2023, the City’s cash and investments are reported in the financial statements as follows:

Governmental activities	\$ 9,203,781
Business-type activities	<u>10,910,861</u>
Total Cash and Investments	<u>\$ 20,114,642</u>

As of June 30, 2023, the City’s cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 500
Deposits (less outstanding checks)	<u>9,260,815</u>
Total Cash	<u>9,261,315</u>
Investments:	
Local Agency Investment Fund (LAIF)	<u>10,853,327</u>
Total Investments	<u>10,853,327</u>
Total Cash and Investments	<u>\$ 20,114,642</u>

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

B. Cash

At year end, the carrying amount of the City's cash deposits (including amounts in a checking account) was \$9,260,815 and the bank balance was \$9,307,155. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. In addition, the City had cash on hand of \$500.

Custodial Credit Risk For Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The City's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of public funds. The first \$250,000 of the City's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits of more than the \$250,000 insured amount are collateralized.

C. Investments

The City has an investment policy, the purpose of which is to establish guidelines for the prudent investment of the City's funds, and outline the policies for maximizing the efficiency of the City's cash management program. The ultimate goal is to enhance the economic status of the City while protecting its pooled investments.

The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law.

Under the provisions of the City's investment policy the City may invest or deposit in the following:

- Securities of the U.S. Government, or its agencies
- Small Business Administration loans
- Certificates of Deposit or Time Deposits placed with commercial banks and/or savings and loan companies
- Negotiable Certificates of Deposit
- Bankers' Acceptances for a maximum of 180 days
- Commercial Paper for a maximum of 270 days
- Local Agency Investment Fund (LAIF)
- Demand Accounts – Insured/Collateralized

Fair Value of Investments - The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

The City's position in external investment pools is in itself regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate. Therefore, the City's investment in external investment pools is not recognized in the three-tiered fair value hierarchy described above.

At June 30, 2023, the City had the following recurring fair value measurements:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level				
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Investments Measured at Fair Value	-	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Investments in External Investment Pool				
LAIF	<u>10,853,327</u>			
Total Investments	<u>\$10,853,327</u>			

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit the exposure to fair value losses resulting from increases in interest rates, the City's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the City to meet all projected obligations. Any investments that mature more than five years from the date of purchase cannot occur without prior approval of the City Council.

As of June 30, 2023, the City had the following investments, all of which had a maturity of 5 years or less:

<u>Investment Type</u>	<u>Interest Rates</u>	<u>Maturities</u>		<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
		<u>0-1 year</u>	<u>1-5 years</u>		
LAIF	Variable	\$ 10,853,327	\$ -	\$ 10,853,327	-
Total Investments		<u>\$ 10,853,327</u>	<u>\$ -</u>	<u>\$ 10,853,327</u>	<u>-</u>

Credit Risk - 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. The City's investment policy sets specific parameters by type of investment to be met at the time of purchase. As of June 30, 2023, the City's investments were all pooled with LAIF which is not rated by a nationally recognized statistical rating organization.

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the City's investment policy requires that all securities owned by the City shall be held in safekeeping by a third-party bank trust department.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The City's investment policy contains limitations on the amount that can be invested in any one issuer. All investments of the City were pooled with LAIF which holds a diversified portfolio of high-quality investments.

D. Investment in External Investment Pool

The City of Colusa maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2023, the City's investment in LAIF valued at amortized cost was \$10,853,327 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$178.4 billion. Of that amount, 97.22 percent is invested in non-derivative financial products and 2.78 percent in structured notes and asset-backed securities.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Retirements/ Transfers	Balance June 30, 2023
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 168,613	\$ -	\$ -	\$ 168,613
Construction in progress	103,735	148,480	(59,482)	192,733
Total Capital Assets, Not Being Depreciated	272,348	148,480	(59,482)	361,346
Capital Assets, Being Depreciated				
Infrastructure	2,361,779	-	-	2,361,779
Improvements	6,477,560	-	-	6,477,560
Structures	2,464,363	-	-	2,464,363
Equipment	1,594,273	381,398	-	1,975,671
Vehicles	3,053,634	123,956	59,482	3,237,072
Software	53,959	-	-	53,959
Total Capital Assets, Being Depreciated	16,005,568	505,354	59,482	16,570,404
Less Accumulated Depreciation For:				
Infrastructure	(1,199,956)	(102,955)	-	(1,302,911)
Improvements	(1,884,543)	(302,393)	-	(2,186,936)
Structures	(2,464,363)	-	-	(2,464,363)
Equipment	(1,504,349)	(101,445)	-	(1,605,794)
Vehicles	(2,324,864)	(140,542)	-	(2,465,406)
Software	(53,957)	-	-	(53,957)
Total Accumulated Depreciation	(9,432,032)	(647,335)	-	(10,079,367)
Total Capital Assets, Being Depreciated, Net	6,573,536	(141,981)	59,482	6,491,037
Governmental Activities Capital Assets, Net	<u>\$ 6,845,884</u>	<u>\$ 6,499</u>	<u>\$ -</u>	<u>\$ 6,852,383</u>

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 4: CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2022	Additions	Adjustments/ Retirements	Balance June 30, 2023
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 5,860,839	\$ -	\$ -	\$ 5,860,839
Construction in progress	3,767,868	664,697	(3,850,533)	582,032
Total Capital Assets, Not Being Depreciated	9,628,707	664,697	(3,850,533)	6,442,871
Capital Assets, Being Depreciated				
Infrastructure	4,276,182	-	-	4,276,182
Improvements	35,585,721	-	3,662,444	39,248,165
Structures	66,880	-	-	66,880
Equipment	1,780,767	201,849	(262,154)	1,720,462
Vehicles	1,125,569	-	(184,299)	941,270
Software	3,342	-	-	3,342
Total Capital Assets, Being Depreciated	42,838,461	201,849	3,215,991	46,256,301
Less Accumulated Depreciation For:				
Infrastructure	(4,169,558)	(5,376)	-	(4,174,934)
Improvements	(17,273,065)	(1,859,447)	170,418	(18,962,094)
Structures	(44,351)	(2,230)	-	(46,581)
Equipment	(1,227,059)	(74,524)	184,299	(1,117,284)
Vehicles	(1,047,421)	(146,985)	258,702	(935,704)
Software	(3,342)	-	-	(3,342)
Total Accumulated Depreciation	(23,764,796)	(2,088,562)	613,419	(25,239,939)
Total Capital Assets, Being Depreciated, Net	19,073,665	(1,886,713)	3,829,410	21,016,362
Business-Type Activities Capital Assets, Net	\$ 28,702,372	(\$ 1,222,016)	(\$ 21,123)	\$ 27,459,233

Depreciation

Depreciation expense was charged to governmental activities as follows:

General government	\$ 20,856
Public safety	147,595
Public works	410,064
Culture and recreation	68,820
Total Depreciation Expense – Governmental Activities	<u>\$ 647,335</u>

Depreciation expense was charged to business-type activities as follows:

Water Operations	\$ 200,033
Sewer Operations	1,888,529
Total Depreciation Expense – Business-Type Activities	<u>\$ 2,088,562</u>

Construction in Progress

Construct in progress for governmental activities relates primarily to the Pirelli Building project, software upgrades, and park improvements.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 4: CAPITAL ASSETS (CONTINUED)

Construction in Progress (Continued)

Construction in progress for business-type activities related primarily to the wastewater recycling project and the Walnut Grant project.

NOTE 5: INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds.

The following are due to and due from balances as of June 30, 2023:

	Due From Other Funds	Due To Other Funds
General fund	\$ 128,599	\$ -
Nonmajor governmental funds	-	128,599
Total	<u>\$ 128,599</u>	<u>\$ 128,599</u>

NOTE 6: UNEARNED REVENUES

At June 30, 2023, the components of unearned revenue were as follows:

	Unearned
General Fund	
Coronavirus State and Local Fiscal Relief Funds received in advance	\$ 1,010,514
Total	<u>\$ 1,010,514</u>

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023:

Type of Indebtedness	Balance July 1, 2022	Adjustments/ Additions	Retirements	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities					
Compensated absences	\$ 167,928	\$ 100,605	(\$ 101,164)	\$ 167,369	\$ 91,707
Capital leases	18,147	-	(18,147)	-	-
Total Governmental Activities	<u>\$ 186,075</u>	<u>\$ 100,605</u>	<u>(\$ 119,311)</u>	<u>\$ 167,369</u>	<u>\$ 91,707</u>
Business-Type Activities					
Compensated absences	\$ 76,050	\$ 30,889	(\$ 40,654)	\$ 66,285	\$ 32,606
Direct borrowing loans payable	19,627,020	91,390	(644,030)	19,074,380	777,835
Total Business-Type Activities	<u>\$ 19,703,070</u>	<u>\$ 122,279</u>	<u>(\$ 684,684)</u>	<u>\$ 19,140,665</u>	<u>\$ 810,441</u>

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Compensated absences are generally liquidated by the fund where the accrued liability occurred. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment.

Individual issues of debt payable outstanding at June 30, 2023, are as follows:

Business-Type Activities

Loans from Direct Borrowings:

United States Department of Agriculture Loan, dated December 18, 2013, in the amount of \$1,367,000, payable in annual principal installments of \$20,000 to \$54,000, with an interest rate of 2.75%, and maturity on December 1, 2053. The loan proceeds were used to finance certain improvements to the City's wastewater treatment system. \$ 1,172,000

State of California, State Water Resources Control Board Loan, dated November 16, 2007, in the amount of \$15,500,000, payable in annual installments of \$715,815, with an interest rate of 2.4% and maturity on January 15, 2039. The loan proceeds were used to finance the expansion of the wastewater treatment plant. 9,418,110

State of California, State Water Resource Control Board Loan, dated August 24, 2016, in the amount of \$4,700,000, payable in annual installments of \$183,574, with an interest rate of 1% and maturity of December 1, 2047. The loan proceeds were used to finance the Wastewater Treatment Plan Upgrade project. 4,042,880

State of California, State Water Resources Control Board Loan, dated October 15, 2020, in the amount of \$4,350,000, payable in annual installments of \$175,861 with an interest rate of 1.3% and maturity of December 1, 2051. The loan was used to finance the Wastewater Treatment Plan Upgrade project. 4,441,390

Total Loans from Direct Borrowings 19,074,380

Total Business-Type Activities \$ 19,074,380

The City has pledged sewer operations revenues, net of specified operating expenses, to repay loans from direct borrowings in the amount of \$19,627,020 issued in November 2007, December 2013 and August 2016.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Following is a schedule of debt payment requirements to maturity for long-term debt, excluding compensated absences that have indefinite maturities and capital leases which are reported in Note 8.

Business-Type Activities

Year Ended June 30	Loans from Direct Borrowings		
	Principal	Interest	Totals
2024	\$ 779,835	\$ 356,180	\$ 1,136,015
2025	794,698	340,629	1,135,327
2026	810,787	324,839	1,135,626
2027	827,201	308,697	1,135,898
2028	842,946	292,209	1,135,155
2029-2033	4,477,046	1,200,848	5,677,894
2034-2038	4,945,946	731,071	5,677,017
2039-2043	2,501,670	310,726	2,812,396
2044-2048	1,924,569	172,623	2,097,192
2049-2053	1,119,682	58,804	1,178,486
2054	50,000	688	50,688
Total	<u>\$ 19,074,380</u>	<u>\$ 4,097,314</u>	<u>\$ 23,171,694</u>

NOTE 8: NET POSITION

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- **Unrestricted net position** - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Net Position Restricted by Enabling Legislation

The government-wide Statement of Net Position reports \$10,625,846 of restricted net position, of which \$3,081,105 is restricted by enabling legislation.

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 9: FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances for governmental funds can be made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the City’s highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the City’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the City’s General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The fund balances for all major and nonmajor governmental funds as of June 30, 2023, were distributed as follows:

	General Fund	CDBG Program Income	Other Governmental Funds	Totals
Nonspendable:				
Prepaid costs	\$ 152,963	\$ -	\$ -	\$ 152,963
Subtotal	152,963	-	-	152,963
Restricted for:				
Community Development	-	257,802	196,417	454,219
SLESF	-	-	305,865	305,865
Strike Team	-	-	238,614	238,614
Gas Tax	-	-	299,233	299,233
County Transportation	-	-	587,097	587,097
Park Donations	-	-	664	664
Improvement District	-	-	45,232	45,232
Development Impact Fees	-	-	1,317,853	1,317,853
State Recycling Grant	-	-	11,335	11,335
Boat Launch	-	-	63,208	63,208

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 9: FUND BALANCES (CONTINUED)

	General Fund	CDBG Program Income	Other Governmental Funds	Totals
Restricted for (Continued):				
Historical Preservation	-	-	2,120	2,120
Lighting Districts	-	-	60,271	60,271
Cannabis Revenue	-	-	1,401,374	1,401,374
Developer Deposits	-	-	17,860	17,860
Subtotal	-	257,802	4,547,143	4,804,945
Unassigned	4,065,826	-	(66,653)	3,999,173
Total	\$ 4,218,789	\$ 257,802	\$ 4,456,535	\$ 8,957,081

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policy

The City Council has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications. The policy also provides for a measure of financial protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54.

NOTE 10: PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City's separate Safety police, Safety fire, and Miscellaneous (all other) Employee Pension Plan, a cost-sharing multiple employer-defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Effective January 1, 2013, the City added retirement tiers for the Miscellaneous and Safety Rate Tiers for new employees as required under the Public Employee Pension Reform Act (PEPRA). New employees hired on or after January 1, 2013 will be subject to new, lower pension formulas, caps on pensionable income levels and new definitions of pensionable income. In addition, new employees will be required to contribute half of the total normal cost of the pension benefit unless impaired by an existing Memorandum of Understanding. The cumulative effect of these PEPRA changes will ultimately reduce the City's retirement costs.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 10: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Summary of Rate Tiers and Eligible Participants

Open for New Enrollment	
Miscellaneous PEPRA	Miscellaneous members hired on or after January 1, 2013
Safety Police PEPRA	Safety police members hired on or after January 1, 2013
Safety Fire PEPRA	Safety fire members hired on or after January 1, 2013
Closed to New Enrollment	
Miscellaneous First Tier	Miscellaneous members hired before January 1, 2010
Miscellaneous Second Tier	Miscellaneous hired after July 1, 2010 and before December 31, 2012
Safety Police	Safety police members hired before January 1, 2013
Safety Fire	Safety fire members hired before January 1, 2013

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 (age 52 for Miscellaneous Plan members if membership date is on or after January 1, 2013) with statutorily reduced benefits. Retirement benefits are paid monthly for life. 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.

Each Rate Tier's specific provisions and benefits in effect at June 30, 2023, are summarized as follows:

	<u>Benefit Formula</u>	<u>Retirement Age</u>	<u>Monthly Benefits as a % of Eligible Compensation</u>
Miscellaneous First Tier	2.0% @ 55	50 - 63	1.426% to 2.418%
Miscellaneous Second Tier	2.0% @ 60	50 - 63	1.092% to 2.418%
Miscellaneous PEPRA	2.0% @ 62	52 - 67	1.000% to 2.500%
Safety Police	2.0% @ 50	50-55	2.000% to 2.700%
Safety Police PEPRA	2.7% @ 57	50 - 57	2.000% to 2.700%
Safety Fire	2.0% @ 50	50-55	2.000% to 2.700%
Safety Fire PEPRA	2.7% @ 57	50 - 57	2.000% to 2.700%

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 10: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

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 all 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.

	<u>Employer Contribution Rates</u>	<u>Employee Contribution Rates</u>	<u>Employer Paid Member Contribution Rates</u>
Miscellaneous First Tier	10.880%	7.000%	0.000%
Miscellaneous Second Tier	8.650%	7.000%	0.000%
Miscellaneous PEPRA	7.590%	6.750%	0.000%
Safety Police	19.250%	9.000%	0.000%
Safety Police PEPRA	13.130%	13.000%	0.000%
Safety Fire	19.250%	9.000%	0.000%
Safety Fire PEPRA	13.130%	13.000%	0.000%

For the year ended June 30, 2023, the contributions recognized as part of pension expense for the Plan was as follows:

	<u>Contributions-Employer</u>	<u>Contributions-Employee (Paid by Employer)</u>
Miscellaneous	\$ 416,854	\$ -
Safety	460,842	-

B. Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022 and the total pension liability for the Plan used to calculate the net pension liability was determined by an 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 was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability for the Plan as of June 30, 2022 and 2023 was as follows:

	<u>Proportion June 30, 2022</u>	<u>Proportion June 30, 2023</u>	<u>Change- Increase (Decrease)</u>
Miscellaneous	.13595%	.09907%	(.03688%)
Safety	.07266%	.05978%	(.01288%)

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

As of June 30, 2023, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ 4,635,784
Safety	<u>4,107,667</u>
Total Net Pension Liability	<u>\$ 8,743,451</u>

For the year ended June 30, 2023, the City recognized a pension credit of (\$674,310). At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 946,324	\$ -
Changes of assumptions	889,210	-
Difference between expected and actual experience	263,097	(106,957)
Difference between projected and actual earnings on pension plan investments	1,497,810	-
Differences between City contributions and proportionate share of contributions	-	(302,806)
Amortization due to differences in proportions	<u>22,251</u>	<u>(401,805)</u>
Total	<u>\$ 3,618,692</u>	<u>(\$ 811,568)</u>

\$946,324 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 ended 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:

<u>Year Ended June 30</u>	
2024	\$ 423,694
2025	341,440
2026	180,605
2027	915,061
Thereafter	<u>-</u>
Total	<u>\$ 1,860,800</u>

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Investment Rate of Return	6.90%
Inflation	2.30%
Salary Increases	Varies by entry-age and service
Mortality Rate Table	Derived using CalPERS' membership data for all funds
Post-Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80 percent of Scale MP-2020 published by the Society of Actuaries. For more details, please refer to the CalPERS 2021 experience study that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability for PERFC was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return

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.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

Long-Term Expected Rate of Return (Continued)

The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10 (1, 2)</u>
Global Equity – Cap-Weighted	30.0%	4.54%
Global Equity – Non-Cap-Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	(5.0%)	(0.59%)
Total	<u>100.0%</u>	

(1) An expected price inflation of 2.30% used for this period

(2) Figures are based on the 2021 Asset Liability Management Study

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability for each Rate Tier as of the measurement date, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the 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:

	<u>1% Decrease 5.90%</u>	<u>Discount Rate 6.90%</u>	<u>1% Increase 7.90%</u>
Miscellaneous	\$ 6,714,169	\$ 4,635,784	\$ 2,925,784
Safety	5,898,962	4,107,667	2,643,688

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. General Information about the OPEB Plan

Plan Description

The City's defined benefit OPEB plan (the Plan) provides OPEB for all permanent full-time general and public safety employees of the City. The Plan is an agent multiple-employer defined benefit plan administered by the California Public Employees' Retirement System (CalPERS). The City Council reserves the authority to review and amend the funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the City.

Benefits Provided

The City reported that medical, dental and vision coverage is available to retirees.

If dental and/or vision coverage is selected, the retiree must pay 100 percent of the premiums. Since no OPEB liability is expected with respect to dental or vision coverage for retirees, neither is considered in the valuation of the net OPEB liability.

Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). Access to this coverage requires the employee to satisfy the requirements for retirement under CalPERS, i.e., (a) attainment of age 50 (age 52 for miscellaneous PEPRAs employees) with 5 years of State or public agency service or (b) an approved disability retirement.

The employee must begin his or her retirement (pension) benefit within 120 days of terminating employment with the City to be eligible to continue medical coverage through the City and be entitled to the benefits described below. Once eligible, coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage. If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement, during any future open enrollment period or with a qualifying life event.

Under PEMHCA, the City is required to contribute toward retiree premiums for the retiree's lifetime or until coverage is discontinued. In accordance with a resolution executed in 2010, the City contributes the PEMHCA minimum employer contribution (MEC) for any City retiree who satisfies the requirements for access to coverage. For certain retirees, the City provides a medical premium stipend, which in combination with the PEMHCA minimum (MEC), provides an additional subsidy toward retiree (single coverage) medical premiums.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

A. General Information about the OPEB Plan (Continued)

Benefits Provided (Continued)

The chart below summarizes the details about eligibility for and the amount of these benefits.

Date Hired	Date of Retirement	Group	Eligibility Requirements	Pre-Medicare Retiree Benefit	Medicare Retiree Benefit	Maximum Monthly Benefit for 2022
Any	Any	All Groups	At least age 50 with 5 years of PERS service	Required PEMHCA minimum Employer Contribution (MEC)		\$149
Any	Before 1/1/2011	All Groups	At least age 50 with 5 years of City service	100% Employee (Retiree) Only Premium		Not Applicable
Before 7/1/2010	On or After 1/1/2011	All except Police	At least age 50 with 5 years of City Service	100% Employee Only premium up to Blue Shield EPO Basic premium	100% Employee Only premium up to United Healthcare Supplemental Medicare Premium	Pre-Medicare \$1,116.01 Post-Medicare \$353.01
		Police		100% Employee Only premium up to PORAC Basic Premium		Pre-Medicare \$799.00 Post-Medicare \$353.01
On or After 7/1/2010	Any	All Groups	No additional benefits payable; PEMHCA MEC only; see above.			

City Council members are eligible to continue coverage in retirement, but, if they opt to do so, must pay 100 percent of the monthly premiums. The City does not contribute towards the monthly premiums for retired Council members.

Employees Covered by Benefit Terms

At June 30, 2023 the following plan members were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	27
Active plan members	<u>32</u>
Total	<u><u>59</u></u>

B. Net OPEB Liability

The City's net OPEB liability of \$983,556, was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

B. Net OPEB Liability (Continued)

Actuarial Assumptions and Other Inputs

The net OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2021
Measurement Date	Last day of the prior fiscal year (June 30, 2022)
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets
Long Term Return on Assets	6.10% as of June 30, 2022 and 6.10% as of June 30, 2021 net of plan investment expenses and including inflation
Discount Rate	6.10% as of June 30, 2022 and 6.10% as of June 30, 2021
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in the valuation.
Salary Increase	3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years
General Inflation Rate	2.5% per year
Healthcare cost trend rates	5.8% for 2023, to an ultimate rate of 3.9% for 2076 and later years
Mortality rates	MacLeod Watts Scale 2018 applied generationally from 2015

Demographic actuarial assumptions used in the June 30, 2021 valuation are based on the 2017 experience study of the California Public Employees Retirement System using data from 1997 to 2015, except for a different basis used to project future mortality improvements.

C. Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position (i.e. Fair value of the Plan assets), and the net OPEB liability during the measurement period ending on June 30, 2022 for the City's proportionate share.

	Increases (Decreases)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at fiscal year ending June 30, 2022	\$ 3,035,515	\$ 2,451,156	\$ 584,359
Changes during the period:			
Service cost	80,875	-	80,875
Interest cost	185,155	-	185,155
Contributions – employer	-	205,047	(205,047)
Net investment income	-	(337,565)	337,565
Benefit payments	(162,115)	(162,115)	-
Administrative expenses	-	(649)	649
Net Changes	103,915	(295,282)	399,197
Balances at fiscal year ending June 30, 2023	\$ 3,139,430	\$ 2,155,874	\$ 983,556

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB 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 discount rate:

	1% Decrease <u>(5.10%)</u>	Discount Rate <u>(6.10%)</u>	1% Increase <u>(7.10%)</u>
Net OPEB liability	\$ 1,380,925	\$ 983,556	\$ 652,642

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	Current Trend <u>-1%</u>	Current Trend	Current Trend <u>+1%</u>
Net OPEB Liability	\$ 627,675	\$ 983,556	\$ 1,416,252

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized OPEB expense of \$43,644. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 138,818	\$ -
Differences between expected and actual experience	14,635	(384,968)
Net difference between projected and actual earnings on investments	166,109	-
Contributions made subsequent to the measurement date	<u>205,473</u>	<u>-</u>
Total	<u>\$ 525,035</u>	<u>(\$ 384,968)</u>

The \$205,473 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 next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended <u>June 30</u>	
2024	(\$ 69,799)
2025	(59,489)
2026	(33,252)
2027	60,459
2028	13,998
Thereafter	<u>22,677</u>
	<u>(\$ 65,406)</u>

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 12: 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.

The City is 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 \$50,000 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. The City pays an annual premium to NCCSIF for its insurance coverage.

NCCSIF is a joint powers agency organized in accordance with Article 1, Chapter 5, Division 7, Title 1 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 from each city. The City of Colusa 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.

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.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 12: RISK MANAGEMENT (CONTINUED)

The participants as of June 30, 2023 were as follows:

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

NOTE 13: OTHER INFORMATION

A. Commitments and Contingencies

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

B. Subsequent Events

Management has evaluated events subsequent to June 30, 2023 through January 2, 2024, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

**Required Supplementary Information
(Unaudited)**

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CITY OF COLUSA
Required Supplementary Information
City Pension Plan
Schedule of Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2023
Last 10 Years*

Measurement Date	2013/2014	2014/2015	2015/2016	2016/2017
Miscellaneous				
Proportion of the net pension liability	0.03535%	0.08470%	0.08663%	0.08805%
Proportionate share of the net pension liability	\$ 2,199,333	\$ 2,323,706	\$ 3,009,400	\$ 3,470,828
Covered payroll	830,647	857,971	905,553	944,509
Proportionate share of the net pension liability as a percentage of covered payroll	264.77%	270.84%	332.33%	367.47%
Plan fiduciary net position as a percentage of the total pension liability	81.65%	80.61%	74.53%	72.90%
Safety				
Proportion of the net pension liability	0.03574%	0.05668%	0.05477%	0.05335%
Proportionate share of the net pension liability	\$ 2,223,462	\$ 2,335,364	\$ 2,836,914	\$ 3,187,952
Covered payroll	796,973	785,947	801,110	818,934
Proportionate share of the net pension liability as a percentage of covered payroll	278.99%	297.14%	354.12%	389.28%
Plan fiduciary net position as a percentage of the total pension liability	73.46%	72.30%	68.61%	68.10%

* The City implemented GASB 68 for the fiscal year June 30, 2015, therefore only nine years are shown.

<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>
0.09091%	0.09281%	0.09484%	0.13595%	0.00000%
\$ 3,426,135	\$ 3,716,710	\$ 4,000,471	\$ 2,581,414	\$ 4,635,784
1,084,340	1,125,429	1,045,094	1,247,936	1,296,101
315.97%	330.25%	382.79%	206.85%	357.67%
73.79%	73.04%	71.65%	82.30%	69.59%
0.05448%	0.05450%	0.05490%	0.07266%	0.00000%
\$ 3,196,476	\$ 3,402,053	\$ 3,657,910	\$ 2,549,964	\$ 4,107,667
850,207	845,600	771,122	976,385	986,427
375.96%	402.32%	474.36%	261.16%	416.42%
69.90%	69.59%	68.72%	77.79%	68.33%

CITY OF COLUSA
Required Supplementary Information
City Pension Plan
Schedule of Contributions
For the Year Ended June 30, 2023
Last 10 Years*

Fiscal Year	2014/2015	2015/2016	2016/2017	2017/2018
Miscellaneous				
Contractually required contributions (actuarially determined)	\$ 113,374	\$ 176,639	\$ 76,063	\$ 87,037
Contributions in relation to the actuarially determined contributions	<u>(113,374)</u>	<u>(282,591)</u>	<u>(201,241)</u>	<u>(233,858)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (105,952)</u>	<u>\$ (125,178)</u>	<u>\$ (146,821)</u>
Covered payroll	\$ 857,971	\$ 905,553	\$ 944,509	\$ 1,084,340
Contributions as a percentage of covered payroll	13.21%	31.21%	21.31%	21.57%
Safety				
Contractually required contributions (actuarially determined)	\$ 214,713	\$ 243,449	\$ 121,078	\$ 126,342
Contributions in relation to the actuarially determined contributions	<u>(214,713)</u>	<u>(377,175)</u>	<u>(271,279)</u>	<u>(292,800)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (133,726)</u>	<u>\$ (150,201)</u>	<u>\$ (166,458)</u>
Covered payroll	\$ 785,947	\$ 801,110	\$ 818,934	\$ 850,207
Contributions as a percentage of covered payroll	27.32%	47.08%	33.13%	34.44%

* The City implemented GASB 68 for the fiscal year June 30, 2015, therefore only nine years are shown.

<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>	<u>2022/2023</u>
\$ 91,911	\$ 91,254	\$ 113,608	\$ 113,788	\$ 165,322
<u>(255,698)</u>	<u>(276,291)</u>	<u>(328,437)</u>	<u>(416,854)</u>	<u>(449,655)</u>
<u>\$ (163,787)</u>	<u>\$ (185,037)</u>	<u>\$ (214,829)</u>	<u>\$ (303,066)</u>	<u>\$ (284,333)</u>
\$ 1,125,429 22.72%	\$ 1,045,094 26.44%	\$ 1,247,936 26.32%	\$ 1,296,101 32.16%	\$ 1,253,113 35.88%
\$ 132,612	\$ 125,401	\$ 163,878	\$ 163,273	\$ 106,009
<u>(353,918)</u>	<u>(385,227)</u>	<u>(440,198)</u>	<u>(460,842)</u>	<u>(496,669)</u>
<u>\$ (221,306)</u>	<u>\$ (259,826)</u>	<u>\$ (276,320)</u>	<u>\$ (297,569)</u>	<u>\$ (390,660)</u>
\$ 845,600 41.85%	\$ 771,122 49.96%	\$ 976,385 45.08%	\$ 986,427 46.72%	\$ 1,004,214 49.46%

CITY OF COLUSA
Required Supplementary Information
City Pension Plan
Notes to City Pension Plan
For the Year Ended June 30, 2023

NOTE 1: SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Summary of Changes of Benefits or Assumptions

Benefit Changes: None

Changes of Assumption: None

NOTE 2: SCHEDULE OF CONTRIBUTIONS

Methods and assumptions used to determine the contribution rates were as follows:

Valuation Date	June 30, 2021
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level Percentage of Payroll (Pre-2019 basis). Level Dollar
Remaining Amortization Period	Differs by employer rate plan but no more than 30 years
Asset valuation method	Fair value
Discount Rate	7.00%
Payroll Growth	2.75%
Inflation	2.50%
Salary increases	Varies based on entry age and service
Investment rate of return	7.00%

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CITY OF COLUSA
Required Supplementary Information
City OPEB Plan
Schedule of Changes in the Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2023
Last 10 Years*

Measurement Date	2016/2017	2017/2018	2018/2019	2019/2020
Total OPEB Liability				
Service Cost	\$ 95,414	\$ 86,611	\$ 89,424	\$ 69,867
Interest	239,103	217,975	225,075	183,599
Difference between expected and actual experience	(445,430)	-	(584,005)	-
Changes of assumption	62,950	-	95,599	-
Benefit payments	(236,494)	(230,403)	(189,351)	(167,131)
Net Change in Total OPEB Liability	(284,457)	74,183	(363,258)	86,335
Total OPEB Liability - Beginning	3,307,213	3,022,756	3,096,939	2,733,681
Total OPEB Liability - Ending (a)	<u>\$ 3,022,756</u>	<u>\$ 3,096,939</u>	<u>\$ 2,733,681</u>	<u>\$ 2,820,016</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 277,549	\$ 287,818	\$ 265,353	\$ 249,964
Net investment income	135,032	114,256	99,930	69,432
Benefit payments	(236,494)	(230,403)	(189,351)	(167,131)
Administrative expenses	(702)	(776)	(359)	(906)
Other expenses	-	(1,819)	-	-
Net Change in Plan Fiduciary Net Position	175,385	169,076	175,573	151,359
Plan Fiduciary Net Position - Beginning	1,199,899	1,375,284	1,544,360	1,719,933
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,375,284</u>	<u>\$ 1,544,360</u>	<u>\$ 1,719,933</u>	<u>\$ 1,871,292</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 1,647,472</u>	<u>\$ 1,552,579</u>	<u>\$ 1,013,748</u>	<u>\$ 948,724</u>
Plan fiduciary net position as a percentage of the total OPEB liability	83.48%	99.47%	169.66%	197.24%
Covered-employee payroll	\$ 1,763,442	\$ 1,763,442	\$ 2,166,393	\$ 2,231,354
Net OPEB liability as a percentage of covered-employee payroll	93.42%	88.04%	46.79%	42.52%

* The City implemented GASB 75 for the fiscal year June 30, 2018, therefore only six years are shown.

<u>2020/2021</u>	<u>2021/2022</u>
\$ 71,965	\$ 80,875
189,582	185,155
19,057	-
101,606	-
<u>(166,711)</u>	<u>(162,115)</u>
215,499	103,915
<u>2,820,016</u>	<u>3,035,515</u>
<u>\$ 3,035,515</u>	<u>\$ 3,139,430</u>
\$ 207,309	\$ 205,047
540,010	(337,565)
(166,711)	(162,115)
(744)	(649)
<u>-</u>	<u>-</u>
579,864	(295,282)
<u>1,871,292</u>	<u>2,451,156</u>
<u>\$ 2,451,156</u>	<u>\$ 2,155,874</u>
<u>\$ 584,359</u>	<u>\$ 983,556</u>
419.46%	219.19%
\$ 2,518,237	\$ 2,659,380
23.21%	36.98%

CITY OF COLUSA
Required Supplementary Information
City OPEB Plan
Schedule of Contributions
For the Year Ended June 30, 2023
Last 10 Years*

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>
Actuarially determined contributions	\$ 246,173	\$ 206,622	\$ 212,271	\$ 141,579
Contributions in relation to the actuarially determined contribution	<u>(287,817)</u>	<u>(265,353)</u>	<u>(249,964)</u>	<u>(210,166)</u>
Contribution deficiency (excess)	<u>\$ (41,644)</u>	<u>\$ (58,731)</u>	<u>\$ (37,693)</u>	<u>\$ (68,587)</u>
Covered-employee payroll	\$ 1,763,442	\$ 2,166,363	\$ 2,231,354	\$ 2,518,237
Contributions as a percentage of covered-employee payroll	16.32%	12.25%	11.20%	8.35%

* The City implemented GASB 75 for the fiscal year June 30, 2018, therefore only six years are shown.

<u>2021/2022</u>	<u>2022/2023</u>
\$ 145,476 (205,047)	\$ 154,022 (205,473)
<u>\$ (59,571)</u>	<u>\$ (51,451)</u>
\$ 2,659,380 7.71%	\$ 2,560,668 8.02%

CITY OF COLUSA
Required Supplementary Information
City OPEB Plan
Notes to City OPEB Plan
For the Year Ended June 30, 2023

NOTE 1: SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

None.

NOTE 2: SCHEDULE OF CONTRIBUTIONS

The actuarially determined contribution (ADC) developed for the City's fiscal year ending June 30, 2022 was determined and presented in the June 30, 2021 Actuarial Valuation report.

Methods and Assumptions Used to Determine Contributions:

Actuarial cost method	Entry Age Normal, Level Percent of Pay
Amortization method	Level percent of pay, closed 30 years
Amortization period	19 years remain
Asset valuation method	Market value
Inflation	2.50%
Healthcare cost trend rates	5.80% in 2023, fluctuating down to 3.90% by 2076
Salary increases	3.00%
Investment rate of return	6.10%
Retirement age	From 50 to 75
Mortality	2017 CalPERS' Experience Study; improvement using MacLeod Watts Scale 2022

CITY OF COLUSA
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 3,797,719	\$ 3,895,719	\$ 4,424,730	\$ 529,011
Licenses and permits	225,600	277,800	399,842	122,042
Fines and forfeitures	8,500	8,500	31,577	23,077
Use of money	17,000	37,000	90,510	53,510
Intergovernmental	794,339	794,339	111,606	(682,733)
Charges for services	257,775	294,275	248,034	(46,241)
Other revenues	183,500	140,935	39,010	(101,925)
Total Revenues	<u>5,284,433</u>	<u>5,448,568</u>	<u>5,345,309</u>	<u>(103,259)</u>
EXPENDITURES				
Current:				
General government	783,941	851,955	1,593,050	(741,095)
Public safety	2,535,343	2,583,363	2,455,969	127,394
Public works	491,996	503,564	681,233	(177,669)
Culture and recreation	364,545	399,392	343,978	55,414
Community development	641,891	524,102	122,541	401,561
Total Expenditures	<u>4,817,716</u>	<u>4,862,376</u>	<u>5,196,771</u>	<u>(334,395)</u>
Excess of Revenues Over (Under) Expenditures	<u>466,717</u>	<u>586,192</u>	<u>148,538</u>	<u>(437,654)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	640,185	640,185
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>640,185</u>	<u>640,185</u>
Net Change in Fund Balances	<u>466,717</u>	<u>586,192</u>	<u>788,723</u>	<u>202,531</u>
Fund Balances - Beginning	<u>3,430,066</u>	<u>3,430,066</u>	<u>3,430,066</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 3,896,783</u>	<u>\$ 4,016,258</u>	<u>\$ 4,218,789</u>	<u>\$ 202,531</u>
Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:				
Total Expenditures - Budgetary Basis				\$ 5,196,771
Debt service and capital outlay expenditures are included as functional expenditures for budgetary purposes, but are included as debt service principal and interest and capital outlay expenditures for financial reporting purposes.				
General government				(107,898)
Public works				(1,095)
Culture and recreation				(8,395)
Debt service - principal expenditures				8,164
Debt service - interest and other charges expenditures				231
Capital outlay expenditures				108,993
Total Expenditures - Statement of Revenues, Expenditures and Changes in Fund Balances				<u>\$ 5,196,771</u>

CITY OF COLUSA
Required Supplementary Information
Budgetary Comparison Schedule
CDBG Program Income - Major Special Revenue Fund
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ 500	\$ 750	\$ 3,609	\$ 2,859
Other revenues	30,000	10,000	6,176	(3,824)
Total Revenues	<u>30,500</u>	<u>10,750</u>	<u>9,785</u>	<u>(965)</u>
EXPENDITURES				
Current:				
Community development	<u>9,600</u>	<u>9,600</u>	<u>-</u>	<u>9,600</u>
Total Expenditures	<u>9,600</u>	<u>9,600</u>	<u>-</u>	<u>9,600</u>
Excess of Revenues Over (Under) Expenditures	<u>20,900</u>	<u>1,150</u>	<u>9,785</u>	<u>8,635</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>(2,468)</u>	<u>(2,468)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(2,468)</u>	<u>(2,468)</u>
Net Change in Fund Balances	<u>20,900</u>	<u>1,150</u>	<u>7,317</u>	<u>6,167</u>
Fund Balances - Beginning	<u>250,485</u>	<u>250,485</u>	<u>250,485</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 271,385</u>	<u>\$ 251,635</u>	<u>\$ 257,802</u>	<u>\$ 6,167</u>

CITY OF COLUSA
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Year Ended June 30, 2023

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

Formal budgetary integration is employed as a management control device during the year. The City presents a comparison of annual budget to actual results for the General fund and major special revenue funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

The City follows these procedures annually in establishing the budgetary data reflected in the financial statements:

- (1) The City Manager submits to the City Council a recommended draft budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.
- (2) The City Council reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Council also conducts a public hearing on the recommended budget to obtain comments from interested persons.
- (3) Prior to July 1, the budget is adopted through the passage of a resolution.
- (4) From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as recommended expenditures become appropriations to the various City departments. The City Council may amend the budget by motion during the fiscal year. The City Manager may authorize transfers from one object or purpose to another within the same department.

From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as recommended expenditures become appropriations to the various City departments. The City Council may amend the budget by motion during the fiscal year. The City Manager may authorize transfers from one object or purpose to another within the same department.

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Combining Nonmajor Fund Financial Statements

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Nonmajor Governmental Funds

- **Special Revenue Funds**

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CITY OF COLUSA
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2023

	Traffic Safety	Supplemental Law Enforcement (SLESF)	Strike Team	Gas Tax
ASSETS				
Cash and investments	\$ -	\$ 307,278	\$ 237,568	\$ 279,653
Receivables:				
Accounts	179	-	-	26,851
Interest	(22)	1,359	1,046	1,217
Loans receivable	-	-	-	-
Total Assets	<u>\$ 157</u>	<u>\$ 308,637</u>	<u>\$ 238,614</u>	<u>\$ 307,721</u>
LIABILITIES				
Accounts payable	\$ -	\$ 2,772	\$ -	\$ 8,488
Due to other funds	4,053	-	-	-
Total Liabilities	<u>4,053</u>	<u>2,772</u>	<u>-</u>	<u>8,488</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred housing loan payments	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	-	305,865	238,614	299,233
Unassigned	(3,896)	-	-	-
Total Fund Balances	<u>(3,896)</u>	<u>305,865</u>	<u>238,614</u>	<u>299,233</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 157</u>	<u>\$ 308,637</u>	<u>\$ 238,614</u>	<u>\$ 307,721</u>

Park Donations	Improvement District	County Transportation	HOME Program	Street Development Impact Fees	Law Enforcement Development Impact Fees	Fire Development Impact Fees	Drainage Development Impact Fees
\$ 661	\$ 44,206	\$ 584,863	\$ 186,821	\$ 446,173	\$ 217,551	\$ 240,313	\$ 151,437
-	8,597	-	5,368	-	-	-	-
3	-	2,234	816	1,949	934	1,047	662
-	-	-	952,037	-	-	-	-
<u>\$ 664</u>	<u>\$ 52,803</u>	<u>\$ 587,097</u>	<u>\$ 1,145,042</u>	<u>\$ 448,122</u>	<u>\$ 218,485</u>	<u>\$ 241,360</u>	<u>\$ 152,099</u>
\$ -	\$ 7,571	\$ -	4,089	\$ -	\$ -	\$ -	\$ -
-	-	-	42,278	-	-	-	-
-	7,571	-	46,367	-	-	-	-
-	-	-	902,258	-	-	-	-
-	-	-	902,258	-	-	-	-
664	45,232	587,097	196,417	448,122	218,485	241,360	152,099
-	-	-	-	-	-	-	-
664	45,232	587,097	196,417	448,122	218,485	241,360	152,099
<u>\$ 664</u>	<u>\$ 52,803</u>	<u>\$ 587,097</u>	<u>\$ 1,145,042</u>	<u>\$ 448,122</u>	<u>\$ 218,485</u>	<u>\$ 241,360</u>	<u>\$ 152,099</u>

CITY OF COLUSA
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2023

	Park/Rec Development Impact Fees	City Hall Development Impact Fees	Community Center Development Impact Fees	State Recycling Grant
ASSETS				
Cash and investments	\$ 96,730	\$ 111,757	\$ 48,181	\$ 11,285
Receivables:				
Accounts	-	-	-	-
Interest	421	488	210	50
Loans receivable	-	-	-	-
Total Assets	<u>\$ 97,151</u>	<u>\$ 112,245</u>	<u>\$ 48,391</u>	<u>\$ 11,335</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred housing loan payments	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	97,151	112,245	48,391	11,335
Unassigned	-	-	-	-
Total Fund Balances	<u>97,151</u>	<u>112,245</u>	<u>48,391</u>	<u>11,335</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 97,151</u>	<u>\$ 112,245</u>	<u>\$ 48,391</u>	<u>\$ 11,335</u>

Historical Preservation Committee	State Park	Boat Launch	C. Meadows West Lighting	Hoblit Lighting	Colusa FD2	Walnut Ranch	Cannabis Revenue
\$ 2,111	\$ -	\$ 63,759	\$ 3,633	\$ 638	\$ 28,468	\$ 25,097	\$ 1,350,460
-	-	-	884	650	4,897	1,792	45,006
9	-	262	41	21	160	125	5,908
-	-	-	-	-	-	-	-
<u>\$ 2,120</u>	<u>\$ -</u>	<u>\$ 64,021</u>	<u>\$ 4,558</u>	<u>\$ 1,309</u>	<u>\$ 33,525</u>	<u>\$ 27,014</u>	<u>\$ 1,401,374</u>
\$ -	\$ 1,062	\$ 813	\$ 35	\$ 1,734	\$ 3,182	\$ 1,609	\$ -
-	61,270	-	-	-	-	-	-
-	62,332	813	35	1,734	3,182	1,609	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,120	-	63,208	4,523	-	30,343	25,405	1,401,374
-	(62,332)	-	-	(425)	-	-	-
<u>2,120</u>	<u>(62,332)</u>	<u>63,208</u>	<u>4,523</u>	<u>(425)</u>	<u>30,343</u>	<u>25,405</u>	<u>1,401,374</u>
<u>\$ 2,120</u>	<u>\$ -</u>	<u>\$ 64,021</u>	<u>\$ 4,558</u>	<u>\$ 1,309</u>	<u>\$ 33,525</u>	<u>\$ 27,014</u>	<u>\$ 1,401,374</u>

CITY OF COLUSA
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2023

	Developer Deposits	Totals
ASSETS		
Cash and investments	\$ 41,659	\$ 4,480,302
Receivables:		
Accounts	-	94,224
Interest	94	19,034
Loans receivable	-	952,037
Total Assets	<u>\$ 41,753</u>	<u>\$ 5,545,597</u>
LIABILITIES		
Accounts payable	\$ 2,895	\$ 34,250
Due to other funds	20,998	128,599
Total Liabilities	<u>23,893</u>	<u>162,849</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred housing loan payments	-	902,258
Total Deferred Inflows of Resources	<u>-</u>	<u>902,258</u>
FUND BALANCES		
Restricted	17,860	4,547,143
Unassigned	-	(66,653)
Total Fund Balances	<u>17,860</u>	<u>4,480,490</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 41,753</u>	<u>\$ 5,545,597</u>

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CITY OF COLUSA
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2023

	Traffic Safety	Supplemental Law Enforcement (SLESF)	Strike Team	Gas Tax
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	1,613	-	-	-
Use of money	(63)	3,862	2,716	3,983
Intergovernmental	-	165,271	-	291,800
Charges for services	-	-	211,846	-
Other revenues	-	129	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	1,550	169,262	214,562	295,783
	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	1,234	64,377	199,272	-
Public works	-	-	-	93,674
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	3,583	-	285,769
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Total Expenditures	1,234	67,960	199,272	379,443
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Excess of Revenues Over (Under Expenditures	316	101,302	15,290	(83,660)
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OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	(40,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	-	-	-	(40,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Net Change in Fund Balances	316	101,302	15,290	(123,660)
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances - Beginning	(4,212)	204,563	223,324	422,893
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances - Ending	\$ (3,896)	\$ 305,865	\$ 238,614	\$ 299,233
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<u>Park Donations</u>	<u>Improvement District</u>	<u>County Transportation</u>	<u>HOME Program</u>	<u>Street Development Impact Fees</u>	<u>Law Enforcement Development Impact Fees</u>	<u>Fire Development Impact Fees</u>	<u>Drainage Development Impact Fees</u>
\$ -	\$ 83,901	\$ -	\$ -	\$ 22,587	\$ 37,398	\$ 37,364	\$ 2,095
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8	2	7,748	2,348	6,162	2,827	3,214	2,108
-	115,554	277,027	-	-	-	-	-
-	19,641	-	-	-	-	-	-
-	100	-	115,206	-	-	-	-
8	219,198	284,775	117,554	28,749	40,225	40,578	4,203
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	116,870	-	-	-	-	-
-	47,005	-	-	-	-	-	-
-	-	-	2,871	-	-	-	-
-	8,164	-	-	-	-	-	-
-	231	-	-	-	-	-	-
-	82,366	158,623	-	-	-	-	-
-	137,766	275,493	2,871	-	-	-	-
8	81,432	9,282	114,683	28,749	40,225	40,578	4,203
-	(5,000)	-	-	-	-	-	-
-	(5,000)	-	-	-	-	-	-
8	76,432	9,282	114,683	28,749	40,225	40,578	4,203
656	(31,200)	577,815	81,734	419,373	178,260	200,782	147,896
\$ 664	\$ 45,232	\$ 587,097	\$ 196,417	\$ 448,122	\$ 218,485	\$ 241,360	\$ 152,099

CITY OF COLUSA
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2023

	Park/Rec Development Impact Fees	City Hall Development Impact Fees	Community Center Development Impact Fees	State Recycling Grant
REVENUES				
Taxes and assessments	\$ 10,945	\$ 13,060	\$ 4,060	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money	1,291	1,550	684	171
Intergovernmental	-	-	-	5,000
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	12,236	14,610	4,744	5,171
EXPENDITURES				
Current:				
General government	-	9,500	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	1,207
Community development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	14,500	-
Total Expenditures	-	9,500	14,500	1,207
Excess of Revenues Over (Under Expenditures	12,236	5,110	(9,756)	3,964
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	(8,902)
Total Other Financing Sources (Uses)	-	-	-	(8,902)
Net Change in Fund Balances	12,236	5,110	(9,756)	(4,938)
Fund Balances - Beginning	84,915	107,135	58,147	16,273
Fund Balances - Ending	\$ 97,151	\$ 112,245	\$ 48,391	\$ 11,335

Historical Preservation Committee	State Park	Boat Launch	C. Meadows West Lighting	Hoblit Lighting	Colusa FD2	Walnut Ranch	Cannabis Revenue
\$ -	\$ -	\$ -	\$ 8,824	\$ 6,488	\$ 35,758	\$ 30,657	\$ -
-	-	-	-	-	-	-	227,306
-	-	-	-	-	-	-	-
34	1	735	79	30	317	168	17,942
-	-	-	-	-	-	-	-
-	-	17,692	-	-	-	-	-
11,500	22,423	-	-	-	-	-	-
11,534	22,424	18,427	8,903	6,518	36,075	30,825	245,248
11,542	-	-	1,240	2,756	6,388	2,820	-
-	-	-	-	-	-	-	7,707
-	-	-	-	-	-	-	-
-	20,987	1,178	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,819	-	-	-	-	-	-
-	46	-	-	-	-	-	-
-	-	-	-	-	-	-	-
11,542	22,852	1,178	1,240	2,756	6,388	2,820	7,707
(8)	(428)	17,249	7,663	3,762	29,687	28,005	237,541
-	(5,000)	-	(6,900)	(5,000)	(13,000)	(8,000)	-
-	(5,000)	-	(6,900)	(5,000)	(13,000)	(8,000)	-
(8)	(5,428)	17,249	763	(1,238)	16,687	20,005	237,541
2,128	(56,904)	45,959	3,760	813	13,656	5,400	1,163,833
\$ 2,120	\$ (62,332)	\$ 63,208	\$ 4,523	\$ (425)	\$ 30,343	\$ 25,405	\$ 1,401,374

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CITY OF COLUSA
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2023

	Developer Deposits	Totals
REVENUES		
Taxes and assessments	\$ -	\$ 293,137
Licenses and permits	-	227,306
Fines and forfeitures	-	1,613
Use of money	446	58,363
Intergovernmental	-	854,652
Charges for services	-	249,179
Other revenues	-	149,358
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Total Revenues	446	1,833,608
	<hr/>	<hr/>
EXPENDITURES		
Current:		
General government	39,925	74,171
Public safety	-	272,590
Public works	-	210,544
Culture and recreation	-	70,377
Community development	-	2,871
Debt service:		
Principal	-	9,983
Interest and other charges	-	277
Capital outlay	-	544,841
	<hr/>	<hr/>
Total Expenditures	39,925	1,185,654
	<hr/>	<hr/>
Excess of Revenues Over (Under Expenditures	(39,479)	647,954
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Transfers out	-	(91,802)
	<hr/>	<hr/>
Total Other Financing Sources (Uses)	-	(91,802)
	<hr/>	<hr/>
Net Change in Fund Balances	(39,479)	556,152
	<hr/>	<hr/>
Fund Balances - Beginning	57,339	3,924,338
	<hr/>	<hr/>
Fund Balances - Ending	\$ 17,860	\$ 4,480,490
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