

# **CITY OF COLUSA, CALIFORNIA**



**FINANCIAL STATEMENTS  
TOGETHER WITH  
INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED  
JUNE 30, 2021**

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**CITY OF COLUSA**  
**Annual Financial Report**  
**For the Year Ended June 30, 2021**

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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, 2021**

**City Officials**

Joshua Hill	Mayor
Thomas Reische	Mayor Pro-Tem
Greg Ponciano	Member
Denise Conrado	Member
Daniel Vaca	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 Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Colusa, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Colusa, California as of June 30, 2021, 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.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, City Pension Plan information, City OPEB Plan information and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

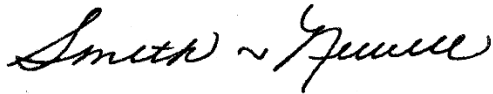
The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the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

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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 December 6, 2021, 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  
December 6, 2021

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**Management's Discussion and Analysis**  
**(Unaudited)**

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**CITY OF COLUSA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2021**

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 ended June 30, 2021. 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 \$24.1 million. Of this amount, \$3.7 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 \$7.7 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 \$949,000 in net Other Postemployment 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 \$6.8 million. Of this balance, (\$3.5) million is unrestricted and available and again includes recognition of net pension liability of \$6.7 million; and \$668,000 in net OPEB liability consistent with GASB 75.

The City's General fund ended the year with a fund balance of \$3.1 million.

The City's business-type activities ended the year with a total net position of \$17.3 million. Of this balance, \$1.3 million is unrestricted and available for spending in each of the component business-type activities: \$3.1 million in Water Operations, (\$1.9) million in Sewer Operations, and \$138,000 in other enterprise funds. Completed major capital projects and acquisitions include new technology and equipment for the police and fire departments; a new Caterpillar; new trucks for water, sewer, and police departments; funds applied towards city-wide roadway and overlay projects; a tractor and water pump for the water department; rehabilitation of two wells 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.

**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.

**CITY OF COLUSA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2021**

**GOVERNMENT-WIDE FINANCIAL 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 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 12-14 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.

**CITY OF COLUSA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2021**

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 15-18 of this report.

**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 19-23 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 financial statements. The notes to the financial statements can be found on pages 24-53 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, 2021.

City of Colusa Net Position							
	Governmental Activities		Business-Type Activities		Total Activities		Total Percentage Change
	2020	2021	2020	2021	2020	2021	
Current and other assets	\$ 7,826,675	\$ 9,254,493	\$ 5,753,411	\$ 9,119,819	\$ 13,580,086	\$ 18,374,312	35.3%
Capital assets	7,495,159	7,112,273	29,054,998	30,315,054	36,550,157	37,427,327	2.4%
<b>Total Assets</b>	<u>15,321,834</u>	<u>16,366,766</u>	<u>34,808,409</u>	<u>39,434,873</u>	<u>50,130,243</u>	<u>55,801,639</u>	11.3%
Employer pension contributions	1,275,808	1,372,676	141,077	198,332	1,416,885	1,571,008	10.9%
Employer OPEB contributions	267,145	247,310	104,710	98,973	371,855	346,283	-6.9%
<b>Total Deferred Outflows of Resources</b>	<u>1,542,953</u>	<u>1,619,986</u>	<u>245,787</u>	<u>297,305</u>	<u>1,788,740</u>	<u>1,917,291</u>	7.2%
Current liabilities	109,828	290,702	183,253	651,899	293,081	942,601	221.6%
Long-term liabilities	7,326,857	7,544,858	17,610,518	21,563,401	24,937,375	29,108,259	16.7%
<b>Total Liabilities</b>	<u>7,436,685</u>	<u>7,835,560</u>	<u>17,793,771</u>	<u>22,215,300</u>	<u>25,230,456</u>	<u>30,050,860</u>	19.1%
Deferred pension adjustments	356,564	276,239	39,429	39,913	395,993	316,152	-20.2%
Deferred OPEB adjustments	575,764	462,615	219,687	186,962	795,451	649,577	-18.3%
Deferred housing loan payments	2,613,194	2,597,417	-	-	2,613,194	2,597,417	-0.6%
<b>Total Deferred Inflows of Resources</b>	<u>3,545,522</u>	<u>3,336,271</u>	<u>259,116</u>	<u>226,875</u>	<u>3,804,638</u>	<u>3,563,146</u>	-6.3%
Net position							
Invested in capital assets net of related debt	7,445,862	7,078,182	12,529,483	10,057,618	19,975,345	17,135,800	-14.2%
Restricted	2,192,814	3,247,807	-	5,872,951	2,192,814	9,120,758	315.9%
Unrestricted	(3,756,096)	(3,511,068)	4,471,826	1,359,434	715,730	(2,151,634)	-400.6%
<b>Total Net Position</b>	<u>\$ 5,882,580</u>	<u>\$ 6,814,921</u>	<u>\$ 17,001,309</u>	<u>\$ 17,290,003</u>	<u>\$ 22,883,889</u>	<u>\$ 24,104,924</u>	5.3%

**CITY OF COLUSA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2021**

As of June 30, 2021, the City's government-wide total assets exceeded liabilities (net position) by \$24.1 million. Governmental activities finished the year with a positive net position balance of \$6.8 million.

Business-type activities finished the year with a positive balance of \$17.3 million. Again, as previously discussed, net position continues to include recognition of \$7.7 million in net pension liability (\$6.7 million in governmental activities and \$1 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 \$948,724 in net OPEB liability (\$667,895 in governmental activities and \$280,829 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.

Of the total net position, \$17.1 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 2020-21, the City acquired new technology and equipment for the police and fire departments; a new rescue pumper for the fire department; funds were applied towards city-wide roadway and overlay projects; a Caterpillar tractor and water pump were purchased for the water department; 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 6, 7, 10, and 11 of the notes to basic financial statements.

Restricted net position amounts to \$9.1 million, or 37.84 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 (\$2.2) million or 8.9 percent of total net position. Governmental activities account for a deficit position of (\$3.5) million of total unrestricted net position. Business-type activities account for \$1.4 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 \$245,000 primarily because of reductions in liabilities and deferred inflows of resources including certain payables and deferred payments on HOME/CDBG loans.

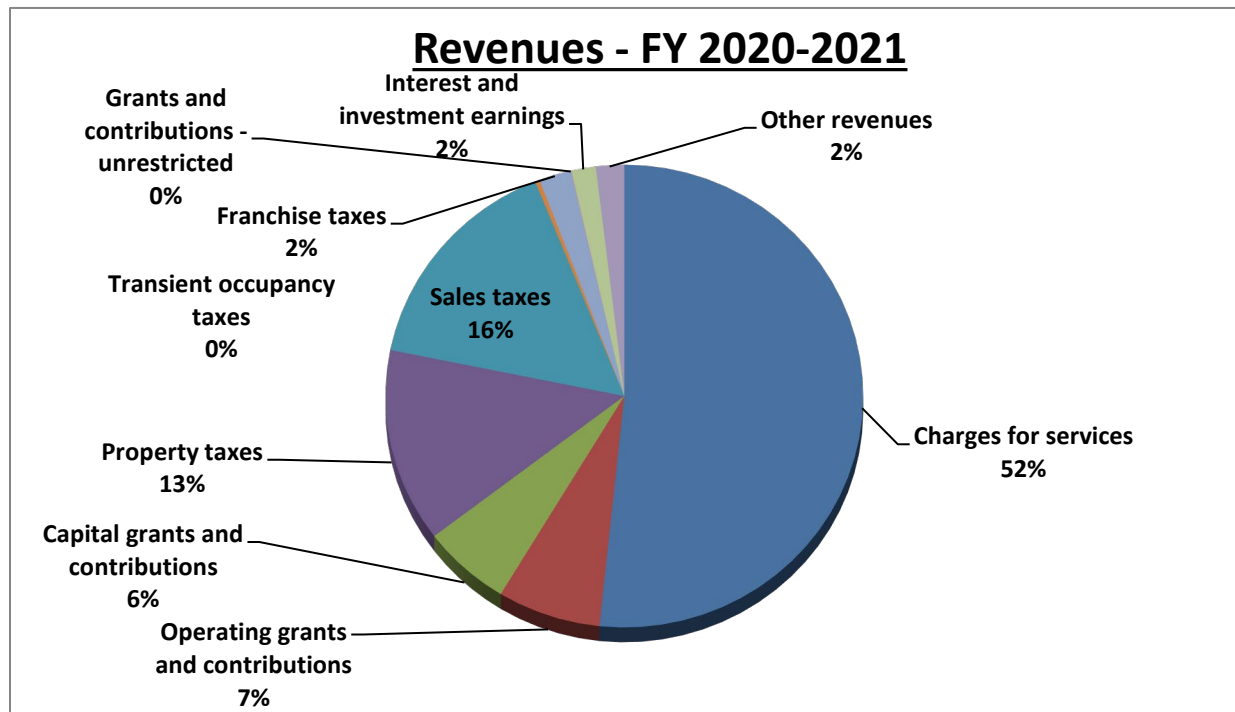
**CITY OF COLUSA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2021**

**NET POSITION**

Governmental activities account for \$6.8 million or 28.3 percent of total government-wide net position. Business-type activities account for \$17.3 million or 71.7 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 2019-20 and fiscal year 2020-21 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
	2020	2021	2020	2021	2020	2021	
Revenues							
<i>Program Revenues</i>							
Charges for services	\$ 895,969	\$ 1,568,278	\$ 4,343,647	\$ 4,446,848	\$ 5,239,616	\$ 6,015,126	14.8%
Operating grants and contributions	606,300	814,336	-	-	606,300	814,336	34.3%
Capital grants and contributions	970,421	91,662	-	606,112	970,421	697,774	-28.1%
<i>General Revenues</i>							
Property taxes	1,507,409	1,577,193	-	-	1,507,409	1,577,193	4.6%
Sales taxes	1,656,672	1,830,066	-	-	1,656,672	1,830,066	10.5%
Transient occupancy taxes	25,943	35,391	-	-	25,943	35,391	36.4%
Franchise taxes	241,254	254,714	-	-	241,254	254,714	5.6%
Grants and contributions - unrestricted	4,951	4,529	-	-	4,951	4,529	-8.5%
Interest and investment earnings	55,384	20,742	197,080	171,031	252,464	191,773	-24.0%
Other revenues	255,452	222,736	-	-	255,452	222,736	-12.8%
<b>Total Revenues</b>	<b>\$ 6,219,755</b>	<b>\$ 6,419,647</b>	<b>\$ 4,540,727</b>	<b>\$ 5,223,991</b>	<b>\$ 10,760,482</b>	<b>\$ 11,643,638</b>	<b>8.2%</b>

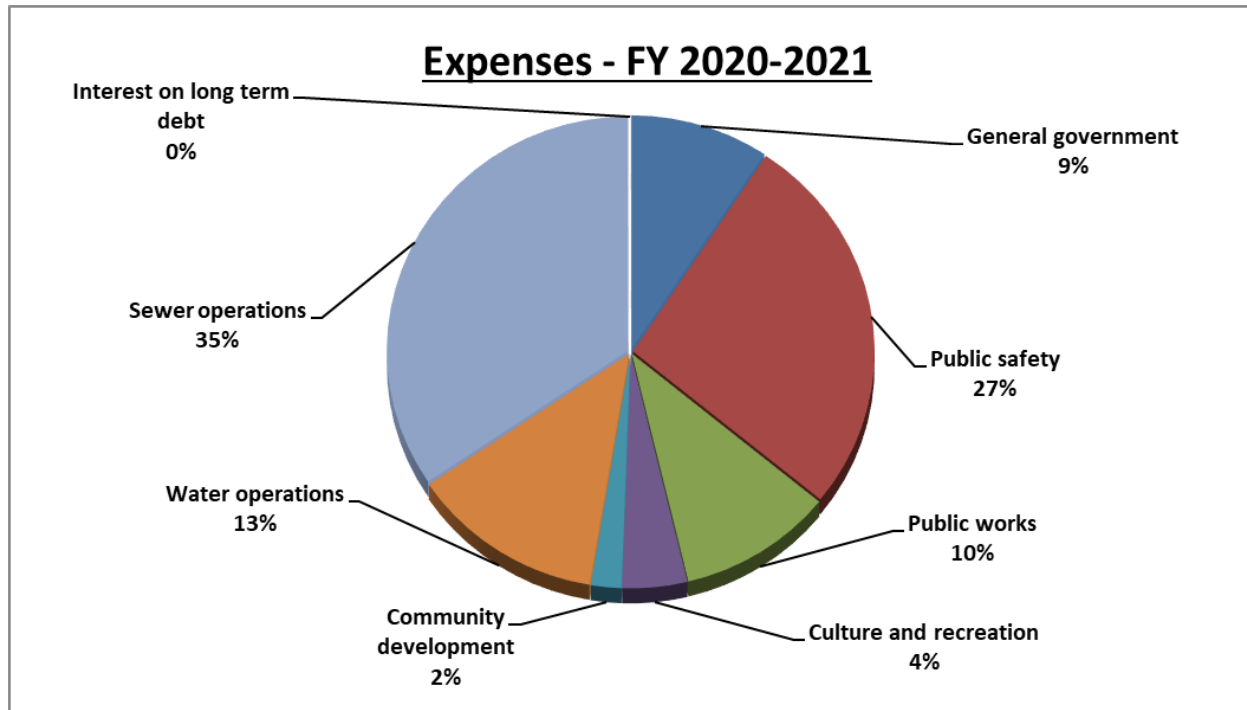


Total governmental activities revenues for fiscal year 2020-21 were \$6.4 million, an increase of \$200,000 or 3.2 percent when compared to fiscal year 2019-20. The net increase in governmental revenues can be attributed to increased collections in charges for services related to development and capital grants and contributions, and increases in sales tax revenue.

**CITY OF COLUSA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2021**

Total business-type revenues for fiscal year 2020-21 were \$5.2 million, an increase of \$683,000 when compared to fiscal year 2019-20. The net increase can be primarily attributed to capital grants and contributions for water and sewer projects received in FY 2020-21.

City of Colusa Changes in Net Position							
	Governmental Activities		Business-Type Activities		Total Activities		Total Percentage Change
	2020	2021	2020	2021	2020	2021	
Expenses							
General government	\$ 703,560	\$ 967,027	\$ -	\$ -	\$ 703,560	\$ 967,027	37.4%
Public safety	2,759,424	2,772,607	-	-	2,759,424	2,772,607	0.5%
Public works	1,163,488	1,079,826	-	-	1,163,488	1,079,826	-7.2%
Culture and recreation	392,533	452,359	-	-	392,533	452,359	15.2%
Community development	625,941	213,474	-	-	625,941	213,474	-65.9%
Water operations	-	-	1,103,890	1,348,225	1,103,890	1,348,225	22.1%
Sewer operations	-	-	3,299,949	3,587,072	3,299,949	3,587,072	8.7%
Solid waste operations	-	-	-	-	-	-	0.0%
Interest on long term debt	5,707	2,013	-	-	5,707	2,013	-64.7%
<b>Total Expenses</b>	<b>5,650,653</b>	<b>5,487,306</b>	<b>4,403,839</b>	<b>4,935,297</b>	<b>10,054,492</b>	<b>10,422,603</b>	<b>3.7%</b>
Change in net position	569,102	932,341	136,888	288,694	705,990	1,221,035	73.0%
Net Position - Beginning of year	5,313,478	5,882,580	16,864,421	17,001,309	22,177,899	22,883,889	3.2%
Net Position - End of year	<u>\$ 5,882,580</u>	<u>\$ 6,814,921</u>	<u>\$ 17,001,309</u>	<u>\$ 17,290,003</u>	<u>\$ 22,883,889</u>	<u>\$ 24,104,924</u>	<b>5.3%</b>



Total governmental expenses for fiscal year 2020-21 were \$5.5 million, a decrease of \$163,000, or 2.3 percent, when compared to fiscal year 2019-20. The primary factor for the decrease in expenses is related to a city-wide conservative expenditure approach.

Total business-type activity expenses for fiscal year 2020-21 were \$4.9 million, an increase of \$531,000, or 12.1 percent, when compared to fiscal year 2019-20. Higher operational costs related to both water and sewer operations account for the increase.

**CITY OF COLUSA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2021**

Total government-wide net position increased by \$1.2 million from fiscal year 2019-20 to fiscal year 2020-21. Of this amount, governmental activities net position increased by \$932,000 while business-type net position increased by \$289,000.

**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 (STIP Projects and State Park fund) ended the year with positive fund balances. The ending fund balance for all governmental funds is \$6.4 million. Of the total fund balance, \$3.1 million is unassigned, which is available for spending at the City's discretion. See the notes to basic 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, 2021, the total fund balance of the General fund was \$3.2 million.

Total governmental revenues exceeded total expenditures by \$1.3 million.

**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 60 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 \$780,000 in fund balance during fiscal year 2020-21 was actually realized at (\$333,000), a net change in fund balance of \$557,000 (surplus) primarily due to the realization of increased revenue sources.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

City of Colusa  
Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total Activities	
	2020	2021	2020	2021	2020	2021
Land	\$ 168,613	\$ 168,613	\$ 5,860,839	\$ 9,268,367	\$ 6,029,452	\$ 9,436,980
Construction in progress	-	137,840	1,799,677	-	1,799,677	137,840
Infrastructure	1,310,171	1,207,216	138,868	112,000	1,449,039	1,319,216
Structures and improvements	5,206,537	4,897,781	20,504,324	20,080,172	25,710,861	24,977,953
Equipment and vehicles	809,836	700,821	751,290	854,515	1,561,126	1,555,336
Software	2	2	-	-	2	2
<b>Totals</b>	<b>\$ 7,495,159</b>	<b>\$ 7,112,273</b>	<b>\$ 29,054,998</b>	<b>\$ 30,315,054</b>	<b>\$ 36,550,157</b>	<b>\$ 37,427,327</b>

**CITY OF COLUSA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended June 30, 2021**

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; a tractor and water pump for the water department; 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 36-38 of this report.

**Long-Term Debt.** The City's long-term debt as of June 30, 2021, was \$24.96 million, and includes \$20.3 million in loans related to improvements made to the City's wastewater treatment facility, \$34,000 in capital lease payments related to the City's purchase of a mower, \$7.3 million in the net pension liability, and \$950,000 in net OPEB liability. Additional information on the City's long-term debt can be found in Note 6 of the notes to basic financial statements on pages 38-40 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The City anticipates a slight increase of \$177,000 and an increase of \$70,000 in General fund revenues and expenditures, respectively, in fiscal year 2021-22 (adopted budget) when compared to revised budgeted amounts for fiscal year 2020-21. The General fund budget anticipates activity levels similar to those experienced in fiscal year 2020-21 with particular attention being placed on expected continued increases in personnel costs – primarily due to rising CalPERS retirement costs. 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 the implementation of future memoranda of understanding and contracts related to the City's labor force. It is anticipated that the City will use approximately \$70,000 in fund balance to balance the fiscal year 2021-22 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.



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## **Basic Financial Statements**

- **Government-Wide Financial Statements**

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**CITY OF COLUSA**  
**Statement of Net Position**  
**June 30, 2021**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Totals</b>
<b>ASSETS</b>			
Cash and investments	\$ 5,819,074	\$ 9,016,282	\$ 14,835,356
Receivables:			
Accounts	195,524	98,089	293,613
Interest	3,239	5,448	8,687
Taxes	463,154	-	463,154
Intergovernmental	112,305	-	112,305
Prepaid costs	1,256	-	1,256
Prepaid insurance	62,524	-	62,524
Loans receivable	2,597,417	-	2,597,417
Capital assets:			
Non-depreciable	306,453	9,268,367	9,574,820
Depreciable, net	6,805,820	21,046,687	27,852,507
Total capital assets	<u>7,112,273</u>	<u>30,315,054</u>	<u>37,427,327</u>
<b>Total Assets</b>	<u>16,366,766</u>	<u>39,434,873</u>	<u>55,801,639</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred pension adjustments	1,372,676	198,332	1,571,008
Deferred OPEB adjustments	247,310	98,973	346,283
<b>Total Deferred Outflows of Resources</b>	<u>1,619,986</u>	<u>297,305</u>	<u>1,917,291</u>
<b>LIABILITIES</b>			
Accounts payable	266,894	432,096	698,990
Retention payable	-	92,647	92,647
Salaries and benefits payable	23,808	-	23,808
Interest payable	-	127,156	127,156
Long-term liabilities:			
Due within one year	99,783	662,238	762,021
Due in more than one year	85,632	19,653,501	19,739,133
Net pension liability	6,691,548	966,833	7,658,381
Net OPEB liability	667,895	280,829	948,724
<b>Total Liabilities</b>	<u>7,835,560</u>	<u>22,215,300</u>	<u>30,050,860</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred housing loan payments	2,597,417	-	2,597,417
Deferred pension adjustments	276,239	39,913	316,152
Deferred OPEB adjustments	462,615	186,962	649,577
<b>Total Deferred Inflows of Resources</b>	<u>3,336,271</u>	<u>226,875</u>	<u>3,563,146</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, 2021**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Totals</b>
<b>NET POSITION</b>			
Net investment in capital assets	7,078,182	10,057,618	17,135,800
Restricted for:			
General government	154,191	-	154,191
Public safety	1,438,068	-	1,438,068
Public works	1,253,393	-	1,253,393
Culture and recreation	172,303	-	172,303
Community development	229,852	-	229,852
Capital improvement	-	5,661,494	5,661,494
Debt service	-	211,457	211,457
Unrestricted	(3,511,068)	1,359,434	(2,151,634)
<b>Total Net Position</b>	<b>\$ 6,814,921</b>	<b>\$ 17,290,003</b>	<b>\$ 24,104,924</b>

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

Continued (Page 2 of 2)

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**CITY OF COLUSA**  
**Statement of Activities**  
**For the Year Ended June 30, 2021**

<b><u>Functions/Programs:</u></b>	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
Governmental activities:				
General government	\$ 967,027	\$ 93,712	\$ 81,244	\$ -
Public safety	2,772,607	1,146,091	156,727	-
Public works	1,079,826	42,913	527,598	91,662
Culture and recreation	452,359	154,851	-	-
Community development	213,474	130,711	48,767	-
Interest on long-term debt	2,013	-	-	-
<b>Total Governmental Activities</b>	<b>5,487,306</b>	<b>1,568,278</b>	<b>814,336</b>	<b>91,662</b>
Business-type activities:				
Water operations	1,348,225	1,555,131	-	-
Sewer operations	3,587,072	2,891,717	-	606,112
<b>Total Business-Type Activities</b>	<b>4,935,297</b>	<b>4,446,848</b>	<b>-</b>	<b>606,112</b>
<b>Total</b>	<b>\$ 10,422,603</b>	<b>\$ 6,015,126</b>	<b>\$ 814,336</b>	<b>\$ 697,774</b>

**General Revenues:**

Taxes:

Property taxes

Sales and use taxes

Transient occupancy taxes

Franchise taxes

Grants and contributions - unrestricted

Interest and investment earnings

Miscellaneous

**Total General Revenues**

**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**

<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Totals</b>
\$ (792,071)	\$ -	\$ (792,071)
(1,469,789)	-	(1,469,789)
(417,653)	-	(417,653)
(297,508)	-	(297,508)
(33,996)	-	(33,996)
(2,013)	-	(2,013)
(3,013,030)	-	(3,013,030)
-	206,906	206,906
-	(89,243)	(89,243)
-	117,663	117,663
(3,013,030)	117,663	(2,895,367)
1,577,193	-	1,577,193
1,830,066	-	1,830,066
35,391	-	35,391
254,714	-	254,714
4,529	-	4,529
20,742	171,031	191,773
222,736	-	222,736
3,945,371	171,031	4,116,402
932,341	288,694	1,221,035
5,882,580	17,001,309	22,883,889
<u>\$ 6,814,921</u>	<u>\$ 17,290,003</u>	<u>\$ 24,104,924</u>

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## **Basic Financial Statements**

- **Fund Financial Statements**

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**CITY OF COLUSA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2021**

	<b>General Fund</b>	<b>CDBG Program Income</b>	<b>Other Governmental Funds</b>	<b>Totals</b>
<b>ASSETS</b>				
Cash and investments	\$ 2,634,038	\$ 230,068	\$ 2,954,968	\$ 5,819,074
Receivables:				
Accounts	88,750	-	106,774	195,524
Interest	1,374	140	1,725	3,239
Taxes	453,083	-	10,071	463,154
Intergovernmental	63,538	-	48,767	112,305
Due from other funds	110,416	-	-	110,416
Prepaid costs	646	-	610	1,256
Prepaid insurance	62,524	-	-	62,524
Loans receivable	-	1,564,424	1,032,993	2,597,417
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Assets</b>	<u><u>\$ 3,414,369</u></u>	<u><u>\$ 1,794,632</u></u>	<u><u>\$ 4,155,908</u></u>	<u><u>\$ 9,364,909</u></u>
<b>LIABILITIES</b>				
Accounts payable	\$ 212,379	\$ 398	\$ 54,117	\$ 266,894
Salaries and benefits payable	23,808	-	-	23,808
Due to other funds	-	-	110,416	110,416
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Liabilities</b>	<u>236,187</u>	<u>398</u>	<u>164,533</u>	<u>401,118</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred housing loan payments	-	1,564,424	1,032,993	2,597,417
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>1,564,424</u>	<u>1,032,993</u>	<u>2,597,417</u>
<b>FUND BALANCES</b>				
Nonspendable	63,170	-	610	63,780
Restricted	-	229,810	3,017,530	3,247,340
Unassigned	3,115,012	-	(59,758)	3,055,254
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Fund Balances</b>	<u>3,178,182</u>	<u>229,810</u>	<u>2,958,382</u>	<u>6,366,374</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Liabilities, Deferred Inflows of Resources,         and Fund Balances</b>	<u><u>\$ 3,414,369</u></u>	<u><u>\$ 1,794,632</u></u>	<u><u>\$ 4,155,908</u></u>	<u><u>\$ 9,364,909</u></u>

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

**CITY OF COLUSA**  
**Reconciliation of the Governmental Fund Balance**  
**Sheet to the Government-Wide Statement of**  
**Net Position - Governmental Activities**  
**June 30, 2021**

<b>Total Fund Balances - Total Governmental Funds</b>	\$ 6,366,374
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.	7,112,273
Deferred outflows of resources related to pension and OPEB are not reported in the governmental funds.	1,619,986
Deferred inflows of resources related to pension and OPEB are not reported in the governmental funds.	(738,854)
Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Compensated absences	(151,324)
Capital leases	(34,091)
Net pension liability	(6,691,548)
Net OPEB liability	<u>(667,895)</u>
<b>Net Position of Governmental Activities</b>	<u><u>\$ 6,814,921</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, 2021**

	<b>General Fund</b>	<b>CDBG Program Income</b>	<b>Other Governmental Funds</b>	<b>Totals</b>
<b>REVENUES</b>				
Taxes and assessments	\$ 3,753,502	\$ -	\$ 273,041	\$ 4,026,543
Licenses and permits	204,418	-	437,100	641,518
Fines and forfeitures	8,827	-	8,989	17,816
Use of money	11,007	860	8,875	20,742
Intergovernmental	208,673	-	726,070	934,743
Charges for services	164,184	-	391,365	555,549
Other revenues	86,259	72,418	68,898	227,575
<b>Total Revenues</b>	<u>4,436,870</u>	<u>73,278</u>	<u>1,914,338</u>	<u>6,424,486</u>
<b>EXPENDITURES</b>				
Current:				
General government	939,990	-	131,212	1,071,202
Public safety	2,252,105	-	343,777	2,595,882
Public works	463,926	-	161,388	625,314
Culture and recreation	245,596	-	178,651	424,247
Community development	175,750	10,950	26,774	213,474
Debt service:				
Principal	7,099	-	8,107	15,206
Interest and other charges	649	-	1,364	2,013
Capital outlay	128,279	-	86,148	214,427
<b>Total Expenditures</b>	<u>4,213,394</u>	<u>10,950</u>	<u>937,421</u>	<u>5,161,765</u>
<b>Net Change in Fund Balances</b>	223,476	62,328	976,917	1,262,721
<b>Fund Balances - Beginning</b>	<u>2,954,706</u>	<u>167,482</u>	<u>1,981,465</u>	<u>5,103,653</u>
<b>Fund Balances - Ending</b>	<u>\$ 3,178,182</u>	<u>\$ 229,810</u>	<u>\$ 2,958,382</u>	<u>\$ 6,366,374</u>

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, 2021**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 1,262,721</b>
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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	214,427
Less current year depreciation	(592,474)
Various adjustments affecting capital assets	(4,839)

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	15,206
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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	96,868
Changes in deferred outflows of resources related to OPEB	(19,835)
Changes in deferred inflows of resources related to pension	80,325
Changes in deferred inflows of resources related to OPEB	113,149

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	(2,057)
Change in net pension liability	(281,587)
Change in net OPEB liability	50,437

<b>Change in Net Position of Governmental Activities</b>	<b>\$ 932,341</b>
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The notes to the basic financial statements are an integral part of this statement.

**CITY OF COLUSA**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Major Funds</b>		<b>Nonmajor</b>	<b>Totals</b>
	<b>Water Operations</b>	<b>Sewer Operations</b>	<b>Solid Waste Operations</b>	
<b>ASSETS</b>				
Current Assets:				
Cash and investments	\$ 3,626,884	\$ 5,250,996	\$ 138,402	\$ 9,016,282
Receivables:				
Accounts	38,212	59,675	202	98,089
Interest	2,169	3,197	82	5,448
<b>Total Current Assets</b>	<b>3,667,265</b>	<b>5,313,868</b>	<b>138,686</b>	<b>9,119,819</b>
Noncurrent Assets:				
Capital assets:				
Non-depreciable	163,839	9,104,528	-	9,268,367
Depreciable, net	2,548,661	18,498,026	-	21,046,687
Total capital assets	2,712,500	27,602,554	-	30,315,054
<b>Total Noncurrent Assets</b>	<b>2,712,500</b>	<b>27,602,554</b>	<b>-</b>	<b>30,315,054</b>
<b>Total Assets</b>	<b>6,379,765</b>	<b>32,916,422</b>	<b>138,686</b>	<b>39,434,873</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred pension adjustments	88,217	110,115	-	198,332
Deferred OPEB adjustments	42,657	56,316	-	98,973
<b>Total Deferred Outflows of Resources</b>	<b>130,874</b>	<b>166,431</b>	<b>-</b>	<b>297,305</b>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	13,933	418,163	-	432,096
Retention payable	-	92,647	-	92,647
Interest payable	-	127,156	-	127,156
Compensated absences	14,790	17,032	-	31,822
Loans payable	-	630,416	-	630,416
<b>Total Current Liabilities</b>	<b>28,723</b>	<b>1,285,414</b>	<b>-</b>	<b>1,314,137</b>

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, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Major Funds</b>		<b>Nonmajor</b>	<b>Totals</b>
	<b>Water Operations</b>	<b>Sewer Operations</b>	<b>Solid Waste Operations</b>	
Noncurrent Liabilities:				
Compensated absences	12,989	13,492	-	26,481
Loans payable	-	19,627,020	-	19,627,020
Net pension liability	430,042	536,791	-	966,833
Net OPEB liability	118,009	162,820	-	280,829
<b>Total Noncurrent Liabilities</b>	<b>561,040</b>	<b>20,340,123</b>	<b>-</b>	<b>20,901,163</b>
<b>Total Liabilities</b>	<b>589,763</b>	<b>21,625,537</b>	<b>-</b>	<b>22,215,300</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred pension adjustments	17,753	22,160	-	39,913
Deferred OPEB adjustments	79,698	107,264	-	186,962
<b>Total Deferred Inflows of Resources</b>	<b>97,451</b>	<b>129,424</b>	<b>-</b>	<b>226,875</b>
<b>NET POSITION</b>				
Net investment in capital assets	2,712,500	7,345,118	-	10,057,618
Restricted for capital improvement	-	5,661,494	-	5,661,494
Restricted for debt service	-	211,457	-	211,457
Unrestricted	3,110,925	(1,890,177)	138,686	1,359,434
<b>Total Net Position</b>	<b>\$ 5,823,425</b>	<b>\$ 11,327,892</b>	<b>\$ 138,686</b>	<b>\$ 17,290,003</b>

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, 2021**

	Business-Type Activities - Enterprise Funds			
	Major Funds		Nonmajor	Totals
	Water Operations	Sewer Operations	Solid Waste Operations	
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,485,979	\$ 2,891,167	\$ -	\$ 4,377,146
Other revenue	62,370	550	6,782	69,702
<b>Total Operating Revenues</b>	<u>1,548,349</u>	<u>2,891,717</u>	<u>6,782</u>	<u>4,446,848</u>
<b>OPERATING EXPENSES</b>				
Salaries and benefits	653,387	676,971	-	1,330,358
Office expense	62,266	149,009	-	211,275
Insurance	80,813	80,813	-	161,626
Utilities	138,227	241,934	-	380,161
Supplies and tools	36,902	54,950	-	91,852
Maintenance and repair	50,656	62,090	-	112,746
Professional services	110,140	224,476	-	334,616
Miscellaneous	-	254	-	254
Depreciation	215,834	1,763,339	-	1,979,173
<b>Total Operating Expenses</b>	<u>1,348,225</u>	<u>3,253,836</u>	<u>-</u>	<u>4,602,061</u>
<b>Operating Income (Loss)</b>	<u>200,124</u>	<u>(362,119)</u>	<u>6,782</u>	<u>(155,213)</u>
<b>NON-OPERATING REVENUE (EXPENSES)</b>				
Interest income	14,304	156,188	539	171,031
Interest expense	-	(333,236)	-	(333,236)
<b>Total Non-Operating Revenue (Expenses)</b>	<u>14,304</u>	<u>(177,048)</u>	<u>539</u>	<u>(162,205)</u>
<b>Income (Loss) Before Capital Contributions</b>	<u>214,428</u>	<u>(539,167)</u>	<u>7,321</u>	<u>(317,418)</u>
Capital contributions	-	606,112	-	606,112
<b>Change in Net Position</b>	<u>214,428</u>	<u>66,945</u>	<u>7,321</u>	<u>288,694</u>
<b>Total Net Position - Beginning</b>	<u>5,608,997</u>	<u>11,260,947</u>	<u>131,365</u>	<u>17,001,309</u>
<b>Total Net Position - Ending</b>	<u>\$ 5,823,425</u>	<u>\$ 11,327,892</u>	<u>\$ 138,686</u>	<u>\$ 17,290,003</u>

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

**CITY OF COLUSA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Major Funds</b>		<b>Nonmajor</b>	<b>Totals</b>
	<b>Water Operations</b>	<b>Sewer Operations</b>	<b>Solid Waste Operations</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 1,516,724	\$ 2,880,634	\$ 6,782	\$ 4,404,140
Payments to suppliers	(481,155)	(430,463)	-	(911,618)
Payments to employees	(548,995)	(644,160)	-	(1,193,155)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>486,574</b>	<b>1,806,011</b>	<b>6,782</b>	<b>2,299,367</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	(160,724)	(2,985,858)	-	(3,146,582)
Intergovernmental revenues received	-	606,112	-	606,112
Proceeds from issuance of debt	-	4,350,000	-	4,350,000
Principal paid on debt	-	(618,079)	-	(618,079)
Interest paid on debt	-	(338,149)	-	(338,149)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(160,724)</b>	<b>1,014,026</b>	<b>-</b>	<b>853,302</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on investments	19,326	157,891	742	177,959
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>19,326</b>	<b>157,891</b>	<b>742</b>	<b>177,959</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>345,176</b>	<b>2,977,928</b>	<b>7,524</b>	<b>3,330,628</b>
<b>Balances - Beginning</b>	<b>3,281,708</b>	<b>2,273,068</b>	<b>130,878</b>	<b>5,685,654</b>
<b>Balances - Ending</b>	<b>\$ 3,626,884</b>	<b>\$ 5,250,996</b>	<b>\$ 138,402</b>	<b>\$ 9,016,282</b>

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, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Major Funds</b>		<b>Nonmajor</b>	<b>Totals</b>
	<b>Water Operations</b>	<b>Sewer Operations</b>	<b>Solid Waste Operations</b>	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 200,124	\$ (362,119)	\$ 6,782	\$ (155,213)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	215,834	1,763,339	-	1,979,173
Decrease (increase) in:				
Accounts receivable	(31,625)	(11,083)	-	(42,708)
Deferred outflows - pension adjustments	(36,827)	(20,428)	-	(57,255)
Deferred outflows - OPEB adjustments	3,094	2,643	-	5,737
Increase (decrease) in:				
Accounts payable	(2,151)	383,063	-	380,912
Compensated absences	(11,599)	(10,884)	-	(22,483)
Net pension liability	171,847	86,185	-	258,032
Net OPEB liability	(7,866)	(6,721)	-	(14,587)
Deferred inflows - pension adjustments	3,390	(2,906)	-	484
Deferred inflows - OPEB adjustments	(17,647)	(15,078)	-	(32,725)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 486,574</u>	<u>\$ 1,806,011</u>	<u>\$ 6,782</u>	<u>\$ 2,299,367</u>

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

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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, 2021**

**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, 2021**

**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 fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. 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, 2021**

**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, 2021**

**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, 2021**

**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, 2021, 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 \$2,597,417 was recorded as loans receivable at June 30, 2021. 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 \$2,597,417 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, 2021**

**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, 2021**

**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, 2019
Measurement Date	June 30, 2020
Measurement Period	June 30, 2019 to June 30, 2020

**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, 2019
Measurement Date	June 30, 2020
Measurement Period	June 30, 2019 to June 30, 2020

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**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. 84, “Fiduciary Activities.”** The requirements of this statement are effective for periods beginning after December 15, 2019. The City does not have any fiduciary activities to report for the year ended June 30, 2021.

**Statement No. 90, “Majority Equity Interest.”** In September 2018, the GASB issued Statement No. 90, an amendment of GASB Statements No. 14 and No. 61. The requirements of this statement will take effect for financial statement starting with the fiscal year that ends June 30, 2021. The City does not have any majority equity interests to report for the year ended June 30, 2021.

**S. Future Accounting Pronouncements**

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

Statement No. 87 “Leases” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

Statement No. 89 “Accounting for Interest Cost Incurred Before the End of a Construction Period”. The requirements of this statement are effective for periods beginning after December 15, 2020. (FY 21/22)

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**S. Future Accounting Pronouncements (Continued)**

- Statement No. 91 “Conduit Debt Obligations” The requirements of this statement are effective for periods beginning after December 15, 2021. (FY 22/23)
- Statement No. 92 “Omnibus 2020” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)
- Statement No. 93 “Replacement of Interbank Offered Rates” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)
- Statement No. 94 “Public-Private and Public-Public Partnerships and Availability Payment Arrangements” The requirements of this statement are effective for periods beginning after June 15, 2022. (FY 22/23)
- Statement No. 96 “Subscription-Based Information Technology Arrangements” The requirements of this statement are effective for periods beginning after June 15, 2022. (FY 22/23)
- Statement No. 97 “Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

**NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Deficit Fund Balance**

The following non-major governmental funds had deficit fund balances at June 30, 2021:

STIP Projects	\$ 208
State Park	59,407

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, 2021, the City’s cash and investments are reported in the financial statements as follows:

Governmental activities	\$ 5,819,074
Business-type activities	<u>9,016,282</u>
Total Cash and Investments	<u>\$ 14,835,356</u>

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**A. Financial Statement Presentation (Continued)**

As of June 30, 2021, the City's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 500
Deposits (less outstanding checks)	<u>4,196,259</u>
Total Cash	<u>4,196,759</u>
Investments:	
Local Agency Investment Fund (LAIF)	<u>10,638,597</u>
Total Investments	<u>10,638,597</u>
Total Cash and Investments	<u>\$ 14,835,356</u>

**B. Cash**

At year end, the carrying amount of the City's cash deposits (including amounts in a checking account) was \$4,196,259 and the bank balance was \$4,505,327. 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.



**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**C. Investments (Continued)**

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

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, 2021, 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	\$ -	\$ -	\$ -	\$ -
Total Investments Measured at Fair Value	-	<u>-</u>	<u>-</u>	<u>-</u>
Investments in External Investment Pool				
LAIF	<u>10,638,597</u>			
Total Investments	<u>\$10,638,597</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.

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**C. Investments (Continued)**

As of June 30, 2021, the City had the following investments, all of which had a maturity of 5 years or less:

Investment Type	Interest Rates	Maturities		Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years		
LAIF	Variable	\$ 10,638,597	\$ -	\$ 10,638,597	-
Total Investments		\$ 10,638,597	\$ -	\$ 10,638,597	-

**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, 2021, 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.

**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, 2021, the City's investment in LAIF valued at amortized cost was \$10,638,597 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 \$193.3 billion. Of that amount, 97.69 percent is invested in non-derivative financial products and 2.31 percent in structured notes and asset-backed securities.

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 4: CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions	Adjustments	Balance June 30, 2021
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated				
Land	\$ 168,613	\$ -	\$ -	\$ 168,613
Construction in progress	-	137,840	-	137,840
Total Capital Assets, Not Being Depreciated	168,613	137,840	-	306,453
Capital Assets, Being Depreciated				
Infrastructure	2,304,217	-	-	2,304,217
Improvements	6,477,560	-	-	6,477,560
Structures	2,464,363	-	-	2,464,363
Equipment	1,625,774	76,587	( 4,839)	1,697,522
Vehicles	3,271,229	-	-	3,271,229
Software	53,959	-	-	53,959
Total Capital Assets, Being Depreciated	16,197,102	76,587	( 4,839)	16,268,850
Less Accumulated Depreciation For:				
Infrastructure	( 994,046)	( 102,955)	-	( 1,097,001)
Improvements	( 1,271,023)	( 308,756)	-	( 1,579,779)
Structures	( 2,464,363)	-	-	( 2,464,363)
Equipment	( 1,375,954)	( 71,042)	-	( 1,446,996)
Vehicles	( 2,711,213)	( 109,721)	-	( 2,820,934)
Software	( 53,957)	-	-	( 53,957)
Total Accumulated Depreciation	( 8,870,556)	( 592,474)	-	( 9,463,030)
Total Capital Assets, Being Depreciated, Net	7,326,546	( 515,887)	( 4,839)	6,805,820
Governmental Activities Capital Assets, Net	<u>\$ 7,495,159</u>	<u>(\$ 378,047)</u>	<u>(\$ 4,839)</u>	<u>\$ 7,112,273</u>

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

	Balance July 1, 2020	Additions	Transfers/ Adjustments	Balance June 30, 2021
<b>Business-Type Activities</b>				
Capital Assets, Not Being Depreciated				
Land	\$ 5,860,839	\$ -	\$ -	\$ 5,860,839
Construction in progress	1,799,677	2,860,545	( 1,252,694)	3,407,528
Total Capital Assets, Not Being Depreciated	7,660,516	2,860,545	( 1,252,694)	9,268,367
Capital Assets, Being Depreciated				
Infrastructure	4,276,182	-	-	4,276,182
Improvements	34,265,777	67,250	1,252,694	35,585,721
Structures	66,880	-	-	66,880
Equipment	1,469,333	311,434	-	1,780,767
Vehicles	1,114,040	-	-	1,114,040
Software	3,342	-	-	3,342
Total Capital Assets, Being Depreciated	41,195,554	378,684	1,252,694	42,826,932
Less Accumulated Depreciation For:				
Infrastructure	( 4,137,314)	( 26,868)	-	( 4,164,182)
Improvements	( 13,788,442)	( 1,741,866)	-	( 15,530,308)
Structures	( 39,891)	( 2,230)	-	( 42,121)
Equipment	( 1,010,345)	( 131,958)	-	( 1,142,303)
Vehicles	( 821,738)	( 76,251)	-	( 897,989)
Software	( 3,342)	-	-	( 3,342)
Total Accumulated Depreciation	( 19,801,072)	( 1,979,173)	-	( 21,780,245)
Total Capital Assets, Being Depreciated, Net	21,394,482	( 1,600,489)	1,252,694	21,046,687
Business-Type Activities Capital Assets, Net	<u>\$ 29,054,998</u>	<u>\$ 1,260,056</u>	<u>\$ -</u>	<u>\$ 30,315,054</u>

**Depreciation**

Depreciation expense was charged to governmental activities as follows:

General government	\$ 22,843
Public safety	110,022
Public works	434,263
Culture and recreation	<u>25,346</u>
Total Depreciation Expense – Governmental Activities	<u>\$ 592,474</u>

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

Water Operations	\$ 215,834
Sewer Operations	<u>1,763,339</u>
Total Depreciation Expense – Business-Type Activities	<u>\$ 1,979,173</u>

**Construction in Progress**

Construct in progress for governmental activities related primarily to the Pirelli Building project.

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

**Construction in Progress (Continued)**

Construction in progress for business-type activities related primarily to wastewater plant upgrades and wastewater lift station upgrades.

**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, 2021:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General fund	\$ 110,416	\$ -
Nonmajor governmental funds	<u>-</u>	<u>110,416</u>
Total	<u>\$ 110,416</u>	<u>\$ 110,416</u>

**NOTE 6: LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2021:

<u>Type of Indebtedness</u>	<u>Balance July 1, 2020</u>	<u>Adjustments/ Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>					
Compensated absences	\$ 149,267	\$ 103,435	(\$ 101,378)	\$ 151,324	\$ 83,839
Capital leases	<u>49,297</u>	<u>-</u>	<u>( 15,206)</u>	<u>34,091</u>	<u>15,944</u>
Total Governmental Activities	<u>\$ 198,564</u>	<u>\$ 103,435</u>	<u>(\$ 116,584)</u>	<u>\$ 185,415</u>	<u>\$ 99,783</u>
<b>Business-Type Activities</b>					
Compensated absences	\$ 80,786	\$ 31,945	(\$ 54,428)	\$ 58,303	\$ 31,822
Direct borrowing loans payable	<u>16,525,515</u>	<u>4,350,000</u>	<u>( 618,079)</u>	<u>20,257,436</u>	<u>630,416</u>
Total Business-Type Activities	<u>\$ 16,606,301</u>	<u>\$ 4,381,945</u>	<u>(\$ 672,507)</u>	<u>\$ 20,315,739</u>	<u>\$ 662,238</u>

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.

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

Individual issues of debt payable outstanding at June 30, 2021, 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 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. \$ 1,219,000

State of California, State Water Resources Control Board Loan, dated November 16, 2007, payable in annual installments of \$1,001,385, 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. 10,363,503

State of California, State Water Resource Control Board Loan, dated August 24, 2016, 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. 4,324,933

State of California, State Water Resources Control Board Loan, dated October 15, 2020, 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. 4,350,000

Total Loans from Direct Borrowings 20,257,436

Total Business-Type Activities \$ 20,257,436

The City has pledged sewer operations revenues, net of specified operating expenses, to repay loans from direct borrowings in the amount of \$20,257,436 issued in November 2007, December 2013 and August 2016.

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 7.

**Business-Type Activities**

Year Ended June 30	Loans from Direct Borrowings		
	Principle	Interest	Totals
2022	\$ 630,416	\$ 325,180	\$ 955,596
2023	767,754	364,057	1,131,811
2024	778,845	353,291	1,132,136
2025	793,603	337,846	1,131,449
2026	809,678	322,069	1,131,747
2027-2031	4,297,119	1,361,358	5,658,477
2032-2036	4,745,855	911,860	5,657,715
2037-2041	3,798,338	426,748	4,225,086
2042-2046	1,867,344	210,390	2,077,734
2047-2051	1,438,880	88,016	1,526,896
2052-2054	<u>329,604</u>	<u>8,637</u>	<u>338,241</u>
Total	<u>\$ 20,257,436</u>	<u>\$ 4,709,452</u>	<u>\$ 24,966,888</u>

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 7: LEASES**

**Operating Leases**

Rental expenses incurred under operating leases are not considered material.

**Capital Leases**

The City has entered into certain capital lease agreements under which the related equipment will become the property of the City when all terms of the lease agreements are met.

	<u>Stated Interest Rate</u>	<u>Present Value of Remaining Payments at June 30, 2021</u>
Governmental activities	4.75%	\$ 34,091
Total		<u>\$ 34,091</u>

Equipment and related accumulated depreciation under capital lease are as follows:

	<u>Governmental Activities</u>
Equipment	\$ 76,803
Less: accumulated depreciation	( 23,041)
Net Value	<u>\$ 53,762</u>

As of June 30, 2021, capital lease annual amortization was as follows:

<u>Year Ended June 30</u>	<u>Governmental Activities</u>
2022	\$ 17,219
2023	17,219
2024	<u>1,436</u>
Total Requirements	35,874
Less Interest	( 1,783)
Present Value of Remaining Payments	<u>\$ 34,091</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.

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 8: NET POSITION (CONTINUED)**

- **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 \$3,247,807 of restricted net position, of which \$2,167,022 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.

**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. As of June 30, 2021, fund balance for governmental funds is 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.



**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 9: FUND BALANCES (CONTINUED)**

- **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, 2021, were distributed as follows:

	General Fund	CDBG Program Income	Other Governmental Funds	Totals
<b>Nonspendable:</b>				
Prepaid costs	\$ 63,170	\$ -	\$ 610	\$ 63,780
Subtotal	63,170	-	610	63,780
<b>Restricted for:</b>				
Community Development	-	229,810	42	229,852
Traffic Safety	-	-	5,424	5,424
SLESF	-	-	122,926	122,926
Strike Team	-	-	146,919	146,919
Gas Tax	-	-	281,507	281,507
County Transportation	-	-	329,339	329,339
Park Donations	-	-	654	654
Improvement District	-	-	40,857	40,857
Development Impact Fees	-	-	1,130,374	1,130,374
State Recycling Grant	-	-	11,209	11,209
Boat Launch	-	-	3,955	3,955
Historical Preservation	-	-	33,396	33,396
Lighting Districts	-	-	15,067	15,067
Cannabis Revenue	-	-	869,628	869,628
Developer Deposits	-	-	26,233	26,233
Subtotal	-	229,810	3,017,530	3,247,340
<b>Unassigned</b>	3,115,012	-	( 59,758)	3,055,254
<b>Total</b>	\$ 3,178,182	\$ 229,810	\$ 2,958,382	\$ 6,366,374

**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.

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**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.

**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.

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 10: PENSION PLAN (CONTINUED)**

**A. General Information about the Pension Plan (Continued)**

**Benefits Provided (Continued)**

Each Rate Tier's specific provisions and benefits in effect at June 30, 2021, 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 - 55	1.426% to 2.418%
Miscellaneous Second Tier	2.0% @ 60	50 - 60	1.092% to 2.418%
Miscellaneous PEPR	2.0% @ 62	52 - 62	1.000% to 2.500%
Safety Police	2.0% @ 50	50	2.000% to 2.700%
Safety Police PEPR	2.7% @ 57	50 - 57	2.000% to 2.700%
Safety Fire	2.0% @ 50	50	2.000% to 2.700%
Safety Fire PEPR	2.7% @ 57	50 - 57	2.000% to 2.700%

**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	11.031%	7.000%	0.000%
Miscellaneous Second Tier	8.794%	7.000%	0.000%
Miscellaneous PEPR	7.732%	6.750%	0.000%
Safety Police	19.214%	9.000%	0.000%
Safety Police PEPR	13.044%	13.000%	0.000%
Safety Fire	19.214%	9.000%	0.000%
Safety Fire PEPR	13.044%	13.000%	0.000%

For the year ended June 30, 2021, 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	\$ 276,291	\$ -
Safety	385,227	-

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 10: PENSION PLAN (CONTINUED)**

**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, 2020 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, 2019 rolled forward to June 30, 2020 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, 2020 and 2021 was as follows:

	<u>Proportion June 30, 2020</u>	<u>Proportion June 30, 2021</u>	<u>Change- Increase (Decrease)</u>
Miscellaneous	.09281%	.09484%	.00203%
Safety	.05450%	.05490%	.00040%

As of June 30, 2021, 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	\$ 4,000,471
Safety	<u>3,657,910</u>
Total Net Pension Liability	<u>\$ 7,658,381</u>

For the year ended June 30, 2021, the City recognized pension expense of \$1,074,289. At June 30, 2021, 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	\$ 768,635	\$ -
Change of assumptions	-	( 40,718)
Difference between expected and actual experience	489,809	-
Difference between projected and actual earnings on pension plan investments	198,342	-
Differences between City contributions and proportionate share of contributions.	6,328	( 261,233)
Amortization due to differences in proportions	<u>107,894</u>	<u>( 14,201)</u>
Total	<u>\$ 1,571,008</u>	<u>(\$ 316,152)</u>

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 10: PENSION PLAN (CONTINUED)**

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

\$768,635 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended <u>June 30</u>	
2022	\$ 35,455
2023	196,761
2024	157,171
2025	96,834
Thereafter	<u>-</u>
Total	<u>\$ 486,221</u>

**Actuarial Assumptions**

The total pension liability in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Investment Rate of Return	7.15%
Inflation	2.50%
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 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90 percent of scale MP 2016. For more details on this table, please refer to the December 2017 Experience Study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.15 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.

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**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**

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

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

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	<u>1.0%</u>	0.00%	-0.92%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.00% used for this period

(b) An expected inflation of 2.92% used for this period

**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 6.15%</u>	<u>Discount Rate 7.15%</u>	<u>1% Increase 8.15%</u>
Miscellaneous	\$ 5,878,534	\$ 4,000,471	\$ 2,448,686
Safety	5,245,779	3,657,910	2,354,914

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 10: PENSION PLAN (CONTINUED)**

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

**Pension Plan Fiduciary Net Position**

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

**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, 2021**

**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 2020
Any	Any	All Groups	At least age 50 with 5 years of PERS service	Required PEMHCA minimum Employer Contribution (MEC)		\$139
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 \$1,127.77 Post-Medicare \$327.03
		Police		100% Employee Only premium up to PORAC Basic Premium		Pre-Medicare \$774.00 Post-Medicare \$327.03
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, 2021 the following plan members were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	26
Active plan members	<u>30</u>
Total	<u><u>56</u></u>

**B. Net OPEB Liability**

The City's net OPEB liability of \$948,724, was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019.



**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**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, 2019 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, 2019
Measurement Date	Last day of the prior fiscal year (June 30, 2020)
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets
Long Term Return on Assets	6.75% as of June 30, 2020 and June 30, 2019 net of plan investment expenses and including inflation
Discount Rate	6.75% as of June 30, 2020 and June 30, 2019
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	5.4% for 2021, to an ultimate rate of 4.0% for 2076 and later years
Mortality rates	MacLeod Watts Scale 2018 applied generationally from 2015

Demographic actuarial assumptions used in the June 30, 2019 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, 2020 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, 2020	<u>\$ 2,733,681</u>	<u>\$ 1,719,933</u>	<u>\$ 1,013,748</u>
Changes during the period:			
Service cost	69,867	-	69,867
Interest cost	183,599	-	183,599
Contributions – employer	-	249,964	( 249,964)
Net investment income	-	69,432	( 69,432)
Benefit payments	( 167,131)	( 167,131)	-
Administrative expenses	-	( 906)	906
Net Changes	<u>86,335</u>	<u>151,359</u>	<u>( 65,024)</u>
Balances at fiscal year ending June 30, 2021	<u>\$ 2,820,016</u>	<u>\$ 1,871,292</u>	<u>\$ 948,724</u>

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**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>(5.75%)</u>	Discount Rate <u>(6.75%)</u>	1% Increase <u>(7.75%)</u>
Net OPEB liability	\$ 1,314,304	\$ 948,724	\$ 643,366

**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	\$ 612,258	\$ 948,724	\$ 1,361,128

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

For the year ended June 30, 2021, the City recognized OPEB expense of \$24,842. At June 30, 2021, 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	\$ 101,523	\$ -
Differences between expected and actual experience	-	( 649,577)
Net difference between projected and actual earnings on investments	34,594	-
Contributions made subsequent to the measurement date	<u>210,166</u>	<u>-</u>
Total	<u>\$ 346,283</u>	<u>(\$ 649,577)</u>

The \$210,166 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>	
2022	(\$ 110,671)
2023	( 101,427)
2024	( 99,001)
2025	( 88,691)
2026	( 62,456)
Thereafter	<u>( 51,214)</u>
	<u>(\$ 513,460)</u>

**CITY OF COLUSA**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**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, 2021**

**NOTE 12: RISK MANAGEMENT (CONTINUED)**

The participants as of June 30, 2021 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, 2021 through December 6, 2021, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

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**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, 2021**  
**Last 10 Years\***

<b>Measurement Date</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
<b>Miscellaneous</b>				
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%
<b>Safety</b>				
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 seven years are shown.



<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>
0.09091%	0.09281%	0.09484%
\$ 3,426,135	\$ 3,716,710	\$ 4,000,471
1,084,340	1,125,429	1,045,094
315.97%	330.25%	382.79%
73.79%	73.04%	71.65%
0.05448%	0.05450%	0.05490%
\$ 3,196,476	\$ 3,402,053	\$ 3,657,910
850,207	845,600	771,122
375.96%	402.32%	474.36%
69.90%	69.59%	68.72%

**CITY OF COLUSA**  
**Required Supplementary Information**  
**City Pension Plan**  
**Schedule of Contributions**  
**For the Year Ended June 30, 2021**  
**Last 10 Years\***

<b>Fiscal Year</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>
<b>Miscellaneous</b>				
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%
<b>Safety</b>				
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 seven years are shown.

<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>
\$ 91,911	\$ 91,254	\$ 113,608
<u>(255,698)</u>	<u>(276,291)</u>	<u>(328,437)</u>
<u>\$ (163,787)</u>	<u>\$ (185,037)</u>	<u>\$ (214,829)</u>
\$ 1,125,429 22.72%	\$ 1,045,094 26.44%	\$ 1,247,936 26.32%
\$ 132,612	\$ 125,401	\$ 163,878
<u>(353,918)</u>	<u>(385,227)</u>	<u>(440,198)</u>
<u>\$ (221,306)</u>	<u>\$ (259,826)</u>	<u>\$ (276,320)</u>
\$ 845,600 41.85%	\$ 771,122 49.96%	\$ 976,385 45.08%

**CITY OF COLUSA**  
**Required Supplementary Information**  
**City Pension Plan**  
**Notes to City Pension Plan**  
**For the Year Ended June 30, 2021**

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

**Summary of Changes of Benefits or Assumptions**

Benefit Changes: None

Changes of Assumptions: None

**NOTE 2: SCHEDULE OF CONTRIBUTIONS**

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

Valuation Date	June 30, 2018
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level Percentage of Payroll and Direct Rate Smoothing
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%

**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, 2021**  
**Last 10 Years\***

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>
<b>Total OPEB Liability</b>				
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	<u>(236,494)</u>	<u>(230,403)</u>	<u>(189,351)</u>	<u>(167,131)</u>
<b>Net Change in Total OPEB Liability</b>	(284,457)	74,183	(363,258)	86,335
<b>Total OPEB Liability - Beginning</b>	<u>3,307,213</u>	<u>3,022,756</u>	<u>3,096,939</u>	<u>2,733,681</u>
<b>Total OPEB Liability - Ending (a)</b>	<u>\$ 3,022,756</u>	<u>\$ 3,096,939</u>	<u>\$ 2,733,681</u>	<u>\$ 2,820,016</u>
<b>Plan Fiduciary Net Position</b>				
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	<u>-</u>	<u>(1,819)</u>	<u>-</u>	<u>-</u>
<b>Net Change in Plan Fiduciary Net Position</b>	175,385	169,076	175,573	151,359
<b>Plan Fiduciary Net Position - Beginning</b>	<u>1,199,899</u>	<u>1,375,284</u>	<u>1,544,360</u>	<u>1,719,933</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 1,375,284</u>	<u>\$ 1,544,360</u>	<u>\$ 1,719,933</u>	<u>\$ 1,871,292</u>
<b>Net OPEB Liability - Ending (a) - (b)</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 four years are shown.

**CITY OF COLUSA**  
**Required Supplementary Information**  
**City OPEB Plan**  
**Schedule of Contributions**  
**For the Year Ended June 30, 2021**  
**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	\$ 2,300,000
Contributions as a percentage of covered-employee payroll	-16.32%	-12.25%	-11.20%	-9.14%

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

**CITY OF COLUSA**  
**Required Supplementary Information**  
**City OPEB Plan**  
**Notes to City OPEB Plan**  
**For the Year Ended June 30, 2021**

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

General Inflation Rate	Decreased from 2.75% to 2.5%
Salary Increase	Decreased from 3.25% to 3.0% per year
Spouse Coverage	The percentage of retirees assumed to cover a spouse in retirement decreased from 46.75% to 40.%, based on review of recent retiree elections.
Medical Trend	Updated to use the Getzen healthcare trend model sponsored by the Society of Actuaries.
PEMHCA MEC Increases	The assumed trend on the PEMHCA minimum benefit decreased from 4.5% to 4.0% per year based on recent historical and expected future increased in CPI-medical.
Excise Tax on High-Cost Coverage	The excise tax was excluded from the results given the December 2019 repeal of this provision of the Affordable Care Act.

**NOTE 2: SCHEDULE OF CONTRIBUTIONS**

The actuarially determined contribution (ADC) developed for the City's fiscal year ending June 30, 2021 was determined and presented in the June 30, 2019 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	21 years remain
Asset valuation method	Market value
Inflation	2.50%
Healthcare cost trend rates	5.4% in 2021, fluctuating down to 4.0% by 2076
Salary increases	3.00%
Investment rate of return	6.75%
Retirement age	From 50 to 75
Mortality	2017 CalPERS' Experience Study; improvement using MacLeod Watts Scale 2018

**CITY OF COLUSA**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2021**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Taxes and assessments	\$ 3,255,108	\$ 3,468,952	\$ 3,753,502	\$ 284,550
Licenses and permits	165,900	165,900	204,418	38,518
Fines and forfeitures	11,000	11,000	8,827	(2,173)
Use of money	18,700	26,583	11,007	(15,576)
Intergovernmental	48,000	48,000	208,673	160,673
Charges for services	116,800	116,800	164,184	47,384
Other revenues	213,000	211,000	86,259	(124,741)
<b>Total Revenues</b>	<b>3,828,508</b>	<b>4,048,235</b>	<b>4,436,870</b>	<b>388,635</b>
<b>EXPENDITURES</b>				
Current:				
General government	788,149	877,815	955,114	(77,299)
Public safety	2,291,412	2,339,730	2,252,105	87,625
Public works	514,524	623,176	577,081	46,095
Culture and recreation	250,774	247,474	253,344	(5,870)
Community development	293,058	293,348	175,750	117,598
<b>Total Expenditures</b>	<b>4,137,917</b>	<b>4,381,543</b>	<b>4,213,394</b>	<b>168,149</b>
<b>Net Change in Fund Balances</b>	<b>(309,409)</b>	<b>(333,308)</b>	<b>223,476</b>	<b>556,784</b>
<b>Fund Balances - Beginning</b>	<b>2,954,706</b>	<b>2,954,706</b>	<b>2,954,706</b>	<b>-</b>
<b>Fund Balances - Ending</b>	<b>\$ 2,645,297</b>	<b>\$ 2,621,398</b>	<b>\$ 3,178,182</b>	<b>\$ 556,784</b>

**Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:**

<b>Total Expenditures - Budgetary Basis</b>	<b>\$ 4,213,394</b>
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	(15,124)
Public works	(113,155)
Culture and recreation	(7,748)
Debt service - principal expenditures	7,099
Debt service - interest and other charges expenditures	649
Capital outlay expenditures	128,279
<b>Total Expenditures - Statement of Revenues, Expenditures and Changes in Fund Balances</b>	<b>\$ 4,213,394</b>



**CITY OF COLUSA**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**CDBG Program Income - Major Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Use of money	\$ 500	\$ 500	\$ 860	\$ 360
Intergovernmental	71,000	71,000	-	(71,000)
Other revenues	150,000	150,000	72,418	(77,582)
<b>Total Revenues</b>	<u>221,500</u>	<u>221,500</u>	<u>73,278</u>	<u>(148,222)</u>
<b>EXPENDITURES</b>				
Current:				
Community development	<u>290,000</u>	<u>290,000</u>	<u>10,950</u>	<u>279,050</u>
<b>Total Expenditures</b>	<u>290,000</u>	<u>290,000</u>	<u>10,950</u>	<u>279,050</u>
<b>Net Change in Fund Balances</b>	(68,500)	(68,500)	62,328	130,828
<b>Fund Balances - Beginning</b>	<u>167,482</u>	<u>167,482</u>	<u>167,482</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 98,982</u>	<u>\$ 98,982</u>	<u>\$ 229,810</u>	<u>\$ 130,828</u>

**CITY OF COLUSA**  
**Required Supplementary Information**  
**Note to Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2021**

**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, 2021**

	<b>Traffic Safety</b>	<b>Supplemental Law Enforcement (SLESF)</b>	<b>Strike Team</b>
<b>ASSETS</b>			
Cash and investments	\$ 8,531	\$ 151,828	\$ 146,829
Receivables:			
Accounts	1,885	-	-
Interest	8	86	90
Taxes	-	-	-
Intergovernmental	-	-	-
Prepaid costs	-	-	-
Loans receivable	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<u><u>\$ 10,424</u></u>	<u><u>\$ 151,914</u></u>	<u><u>\$ 146,919</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 5,000	\$ 28,988	\$ -
Due to other funds	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<u>5,000</u>	<u>28,988</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred housing loan payments	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	5,424	122,926	146,919
Unassigned	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Fund Balances</b>	<u>5,424</u>	<u>122,926</u>	<u>146,919</u>
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u><u>\$ 10,424</u></u>	<u><u>\$ 151,914</u></u>	<u><u>\$ 146,919</u></u>



<b>Gas Tax</b>	<b>STIP Projects</b>	<b>Park Donations</b>	<b>Improvement District</b>	<b>County Transportation</b>	<b>HOME Program</b>	<b>Street Development Impact Fees</b>	<b>Law Enforcement Development Impact Fees</b>
\$ 260,487	\$ -	\$ 654	\$ 34,219	\$ 329,140	\$ 15,254	\$ 457,465	\$ 141,748
20,861	-	-	-	-	-	-	-
159	-	-	15	199	9	268	81
-	-	-	8,546	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	467	-	-	-	-
-	-	-	-	-	1,032,993	-	-
<u>\$ 281,507</u>	<u>\$ -</u>	<u>\$ 654</u>	<u>\$ 43,247</u>	<u>\$ 329,339</u>	<u>\$ 1,048,256</u>	<u>\$ 457,733</u>	<u>\$ 141,829</u>
\$ -	\$ -	\$ -	\$ 1,923	\$ -	\$ 15,221	\$ -	\$ -
-	208	-	-	-	-	-	-
-	208	-	1,923	-	15,221	-	-
-	-	-	-	-	1,032,993	-	-
-	-	-	-	-	1,032,993	-	-
-	-	-	467	-	-	-	-
281,507	-	654	40,857	329,339	42	457,733	141,829
-	(208)	-	-	-	-	-	-
281,507	(208)	654	41,324	329,339	42	457,733	141,829
<u>\$ 281,507</u>	<u>\$ -</u>	<u>\$ 654</u>	<u>\$ 43,247</u>	<u>\$ 329,339</u>	<u>\$ 1,048,256</u>	<u>\$ 457,733</u>	<u>\$ 141,829</u>

**CITY OF COLUSA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**Special Revenue Funds**  
**June 30, 2021**

	<b>Fire Development Impact Fees</b>	<b>Drainage Development Impact Fees</b>	<b>Park/Rec Development Impact Fees</b>
<b>ASSETS</b>			
Cash and investments	\$ 152,897	\$ 147,376	\$ 76,472
Receivables:			
Accounts	-	-	-
Interest	86	87	44
Taxes	-	-	-
Intergovernmental	-	-	-
Prepaid costs	-	-	-
Loans receivable	-	-	-
<b>Total Assets</b>	<b><u>\$ 152,983</u></b>	<b><u>\$ 147,463</u></b>	<b><u>\$ 76,516</u></b>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,641	\$ -	\$ -
Due to other funds	-	-	-
<b>Total Liabilities</b>	<b><u>1,641</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred housing loan payments	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	151,342	147,463	76,516
Unassigned	-	-	-
<b>Total Fund Balances</b>	<b><u>151,342</u></b>	<b><u>147,463</u></b>	<b><u>76,516</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 152,983</u></b>	<b><u>\$ 147,463</u></b>	<b><u>\$ 76,516</u></b>

<b>City Hall Development Impact Fees</b>	<b>Community Center Development Impact Fees</b>	<b>State Recycling Grant</b>	<b>Historical Preservation Committee</b>	<b>State Park</b>	<b>Boat Launch</b>	<b>C. Meadows West Lighting</b>	<b>Hoblit Lighting</b>
\$ 101,622	\$ 53,778	\$ 11,204	\$ 3,953	\$ -	\$ 33,387	\$ 2,521	\$ 2,287
-	-	-	-	-	-	-	-
60	31	5	2	-	9	5	4
-	-	-	-	-	-	850	625
-	-	-	-	-	-	-	-
-	-	-	-	143	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 101,682</u>	<u>\$ 53,809</u>	<u>\$ 11,209</u>	<u>\$ 3,955</u>	<u>\$ 143</u>	<u>\$ 33,396</u>	<u>\$ 3,376</u>	<u>\$ 2,916</u>
\$ -	\$ -	\$ -	\$ -	\$ 342	\$ -	\$ 211	\$ 211
-	-	-	-	59,208	-	-	-
-	-	-	-	59,550	-	211	211
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	143	-	-	-
101,682	53,809	11,209	3,955	-	33,396	3,165	2,705
-	-	-	-	(59,550)	-	-	-
<u>101,682</u>	<u>53,809</u>	<u>11,209</u>	<u>3,955</u>	<u>(59,407)</u>	<u>33,396</u>	<u>3,165</u>	<u>2,705</u>
<u>\$ 101,682</u>	<u>\$ 53,809</u>	<u>\$ 11,209</u>	<u>\$ 3,955</u>	<u>\$ 143</u>	<u>\$ 33,396</u>	<u>\$ 3,376</u>	<u>\$ 2,916</u>

**CITY OF COLUSA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**Special Revenue Funds**  
**June 30, 2021**

	<b>Walnut Ranch</b>	<b>Cannabis Revenue</b>	<b>RDBG Grant</b>
<b>ASSETS</b>			
Cash and investments	\$ 9,347	\$ 785,345	\$ -
Receivables:			
Accounts	-	84,028	-
Interest	11	466	-
Taxes	50	-	-
Intergovernmental	-	-	48,767
Prepaid costs	-	-	-
Loans receivable	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<u><u>\$ 9,408</u></u>	<u><u>\$ 869,839</u></u>	<u><u>\$ 48,767</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 211	\$ 211	\$ -
Due to other funds	-	-	48,767
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<u>211</u>	<u>211</u>	<u>48,767</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred housing loan payments	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	9,197	869,628	-
Unassigned	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Fund Balances</b>	<u>9,197</u>	<u>869,628</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u><u>\$ 9,408</u></u>	<u><u>\$ 869,839</u></u>	<u><u>\$ 48,767</u></u>

<b>Developer Deposits</b>	<b>Totals</b>
\$ 28,624	\$ 2,954,968
-	106,774
-	1,725
-	10,071
-	48,767
-	610
-	1,032,993
<u>\$ 28,624</u>	<u>\$ 4,155,908</u>
\$ 158	\$ 54,117
2,233	110,416
<u>2,391</u>	<u>164,533</u>
-	1,032,993
<u>-</u>	<u>1,032,993</u>
-	610
26,233	3,017,530
-	(59,758)
<u>26,233</u>	<u>2,958,382</u>
<u>\$ 28,624</u>	<u>\$ 4,155,908</u>

**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, 2021**

	<b>Traffic Safety</b>	<b>Supplemental Law Enforcement (SLESF)</b>	<b>Strike Team</b>
<b>REVENUES</b>			
Taxes and assessments	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Fines and forfeitures	8,989	-	-
Use of money	56	560	(117)
Intergovernmental	-	156,727	-
Charges for services	-	-	366,181
Other revenues	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Revenues</b>	9,045	157,287	366,064
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Public safety	16,637	70,502	225,231
Public works	-	-	-
Culture and recreation	-	-	-
Community development	-	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay	-	80,278	-
	<hr/>	<hr/>	<hr/>
<b>Total Expenditures</b>	16,637	150,780	225,231
	<hr/>	<hr/>	<hr/>
<b>Net Change in Fund Balances</b>	(7,592)	6,507	140,833
	<hr/>	<hr/>	<hr/>
<b>Fund Balances - Beginning</b>	13,016	116,419	6,086
	<hr/>	<hr/>	<hr/>
<b>Fund Balances - Ending</b>	\$ 5,424	\$ 122,926	\$ 146,919
	<hr/>	<hr/>	<hr/>

<b>Gas Tax</b>	<b>STIP Projects</b>	<b>Park Donations</b>	<b>Improvement District</b>	<b>County Transportation</b>	<b>HOME Program</b>	<b>Street Development Impact Fees</b>	<b>Law Enforcement Development Impact Fees</b>
\$ -	\$ -	\$ -	\$ 83,396	\$ -	\$ -	\$ 33,250	\$ 38,051
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
800	-	3	40	781	69	1,749	485
250,193	-	-	-	215,383	-	-	-
-	-	-	10,580	-	-	-	-
-	-	-	-	-	10,413	-	-
250,993	-	3	94,016	216,164	10,482	34,999	38,536
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	11,751
124,145	-	-	-	37,243	-	-	-
-	-	-	74,846	-	-	-	-
-	-	-	-	-	26,774	-	-
-	-	-	6,529	-	-	-	-
-	-	-	1,220	-	-	-	-
-	-	-	5,870	-	-	-	-
124,145	-	-	88,465	37,243	26,774	-	11,751
126,848	-	3	5,551	178,921	(16,292)	34,999	26,785
154,659	(208)	651	35,773	150,418	16,334	422,734	115,044
\$ 281,507	\$ (208)	\$ 654	\$ 41,324	\$ 329,339	\$ 42	\$ 457,733	\$ 141,829

**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, 2021**

	<u>Fire Development Impact Fees</u>	<u>Drainage Development Impact Fees</u>	<u>Park/Rec Development Impact Fees</u>
<b>REVENUES</b>			
Taxes and assessments	\$ 51,854	\$ 7,163	\$ 14,536
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Use of money	466	573	267
Intergovernmental	-	-	-
Charges for services	-	-	-
Other revenues	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Revenues</b>	52,320	7,736	14,803
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Public safety	1,641	-	-
Public works	-	-	-
Culture and recreation	-	-	-
Community development	-	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Expenditures</b>	1,641	-	-
	<hr/>	<hr/>	<hr/>
<b>Net Change in Fund Balances</b>	50,679	7,736	14,803
	<hr/>	<hr/>	<hr/>
<b>Fund Balances - Beginning</b>	100,663	139,727	61,713
	<hr/>	<hr/>	<hr/>
<b>Fund Balances - Ending</b>	<u>\$ 151,342</u>	<u>\$ 147,463</u>	<u>\$ 76,516</u>



<b>City Hall Development Impact Fees</b>	<b>Community Center Development Impact Fees</b>	<b>State Recycling Grant</b>	<b>Historical Preservation Committee</b>	<b>State Park</b>	<b>Boat Launch</b>	<b>C. Meadows West Lighting</b>	<b>Hoblit Lighting</b>
\$ 23,541	\$ 6,687	\$ -	\$ -	\$ -	\$ -	\$ 8,484	\$ 6,238
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
371	196	26	16	-	82	13	13
-	-	5,000	-	-	50,000	-	-
-	-	-	-	-	14,604	-	-
-	-	-	-	36,824	13,911	-	-
<u>23,912</u>	<u>6,883</u>	<u>5,026</u>	<u>16</u>	<u>36,824</u>	<u>78,597</u>	<u>8,497</u>	<u>6,251</u>
7,483	-	156	573	-	-	7,684	5,603
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	42,684	61,121	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,578	-	-	-
-	-	-	-	144	-	-	-
-	-	-	-	-	-	-	-
<u>7,483</u>	<u>-</u>	<u>156</u>	<u>573</u>	<u>44,406</u>	<u>61,121</u>	<u>7,684</u>	<u>5,603</u>
16,429	6,883	4,870	(557)	(7,582)	17,476	813	648
<u>85,253</u>	<u>46,926</u>	<u>6,339</u>	<u>4,512</u>	<u>(51,825)</u>	<u>15,920</u>	<u>2,352</u>	<u>2,057</u>
<u>\$ 101,682</u>	<u>\$ 53,809</u>	<u>\$ 11,209</u>	<u>\$ 3,955</u>	<u>\$ (59,407)</u>	<u>\$ 33,396</u>	<u>\$ 3,165</u>	<u>\$ 2,705</u>

**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, 2021**

	<b>Walnut Ranch</b>	<b>Cannabis Revenue</b>	<b>RDBG Grant</b>
<b>REVENUES</b>			
Taxes and assessments	\$ (159)	\$ -	\$ -
Licenses and permits	-	437,100	-
Fines and forfeitures	-	-	-
Use of money	150	2,276	-
Intergovernmental	-	-	48,767
Charges for services	-	-	-
Other revenues	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Revenues</b>	(9)	439,376	48,767
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Current:			
General government	48,183	-	48,767
Public safety	-	18,015	-
Public works	-	-	-
Culture and recreation	-	-	-
Community development	-	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Expenditures</b>	48,183	18,015	48,767
	<hr/>	<hr/>	<hr/>
<b>Net Change in Fund Balances</b>	(48,192)	421,361	-
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<b>Fund Balances - Beginning</b>	57,389	448,267	-
	<hr/>	<hr/>	<hr/>
<b>Fund Balances - Ending</b>	\$ 9,197	\$ 869,628	\$ -
	<hr/>	<hr/>	<hr/>

<b>Developer Deposits</b>	<b>Totals</b>
\$ -	\$ 273,041
-	437,100
-	8,989
-	8,875
-	726,070
-	391,365
7,750	68,898
<hr/>	<hr/>
7,750	1,914,338
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12,763	131,212
-	343,777
-	161,388
-	178,651
-	26,774
-	8,107
-	1,364
-	86,148
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12,763	937,421
<hr/>	<hr/>
(5,013)	976,917
31,246	1,981,465
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\$ 26,233	\$ 2,958,382
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