

Gridley City Council – Regular Meeting Agenda

Monday, May 6, 2024; 6:00 pm

Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

“Our purpose is to continuously enhance our community’s vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives.”

The Public is encouraged to attend and participate in person. Comments from the public on agenda items will be accepted until 4 pm on May 6th, 2024, via email to csantana@gridley.ca.us or via the payment/document drop box at Gridley City Hall and will be conveyed to the Council for consideration.

You may view using the following link, ID, and passcode:

[https://us06web.zoom.us/j/82865644588?pwd=g96f-CDeMO27rf -
mQ_GhXUUEZfueg.0HWBKDwaU6qmvb2S](https://us06web.zoom.us/j/82865644588?pwd=g96f-CDeMO27rf-mQ_GhXUUEZfueg.0HWBKDwaU6qmvb2S)

Webinar ID: 828 6564 4588

Passcode: 456408

Or Telephone:

+1 669 444 9171 US

+1 346 248 7799 US

+1 719 359 4580 US

CALL TO ORDER - Mayor Farr

ROLL CALL

PLEDGE OF ALLEGIANCE – Vice Mayor Johnson

PROCLAMATION – None

INTRODUCTION OF NEW OR PROMOTED EMPLOYEES

- Kourtney Nunes – Public Safety Dispatcher

COMMUNITY PARTICIPATION FORUM - *Members of the public may address the City Council on matters not listed on the agenda. The City Council may not discuss nor take action on any community participation item brought forward by a member of the community. Comments are requested to be limited to three (3) minutes.*

CONSENT AGENDA

1. City Council Minutes Dated April 15, 2024

2. Resolution 2024-R-010: A Resolution of The City of Gridley Authorizing the Amendment of Eide Bailly’s Contract for FY 2023/2024 – *amendment approved at April 15th regular meeting*
3. Resolution 2024-R-011: A Resolution of the City of Gridley Authorizing the amendment of RSG’s Contract for FY 2023/2024 – *amendment approved at April 15th regular meeting*
4. February and March 2024 Expenditure Reports

ITEMS FOR CONSIDERATION

5. FY 2021/2022 Audit Report
6. Temporary Property Lease Request from Pacific Gas and Electric Company for Lot 7 at the Industrial Park
7. Resolution 2024-R-012: A Resolution of the City Council of the City of Gridley Authorizing the Finance Director to Write Off \$34,484.82 in Delinquent Utility Accounts from Calendar 2019 to 2023
8. Resolution 2024-R-013: A Resolution to Enter into an Agreement with the State of California Department of Transportation for the Maintenance of Frontage Improvements, Lights, Landscaping, Irrigation, and any other Components withing the SR 99 Right-Of-Way Corridor: 03-BUT-099, PM 3.10-5.00

CITY STAFF AND COUNCIL COMMITTEE REPORTS - *Brief updates from City staff and brief reports on conferences, seminars, and meetings attended by the Mayor and City Council members, if any.*

CITY ADMINISTRATOR REPORTS - *Brief updates and reports on conferences, seminars, and meetings attended by the City Administrator, if any.*

POTENTIAL FUTURE CITY COUNCIL ITEMS - *(Appearing on the Agenda within 30 days):*

Gridley Unified School District Land Dedication (Laurel Street)	5/20/2024
Travel Policy	5/20/2024
Procurement Policy	5/20/2024
Accounting Services RFP	5/20/2024
FY 2022/2023 Financials	5/20/2024
Caltrans SHOPP Presentation	5/20/2024
Housing Element	5/20/2024
Budget Study Session #1	5/20/2024

CLOSED SESSION

9. Closed Session Conference with Labor Negotiators Pursuant to Government Code 54957.6 Concerning Management MOU Contract and Benefits

10. Closed Session Conference with Labor Negotiators Pursuant to Government Code 54957.6 to Meet and Confer with IBEW1245
11. Closed Session Discussion with Legal Counsel Pursuant to Government Code 54956.95 to Discuss Liability Claims Presented to the City by Claimant Michael Alvarez

ADJOURNMENT – adjourning to a Regular meeting on May 20th, 2024.

NOTE 1: POSTING OF AGENDA- This agenda was posted on the public bulletin board at City Hall at or before 6:00 p.m., May 3rd, 2024. This agenda along with all attachments is available for public viewing online at www.gridley.ca.us and at the Administration Counter in City Hall, 685 Kentucky Street, Gridley, CA.

NOTE 2: REGARDING UNSCHEDULED MATTERS – In accordance with state law, it shall be the policy of this Council that no action shall be taken on any item presented during the public forum or on unscheduled matters unless the Council, by majority vote, determines that an emergency situation exists, or, unless the Council by a two-thirds vote finds that the need to take action arose subsequent to the posting of this agenda.

Gridley City Council – Regular Meeting Minutes

Monday, April 15, 2024; 6:00 pm
Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

“Our purpose is to continuously enhance our community’s vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives.”

CALL TO ORDER

Mayor Farr called the meeting to order at 6:00 pm.

ROLL CALL

Councilmembers

Present: Farr, Roberts, Calderon, Johnson
Absent: Sanchez
Arriving after roll call: None

Staff Present: Elisa Arteaga, City Administrator
Todd Farr, Police Lieutenant
Tony Galyean, City Attorney
Martin Pineda, Finance Director
Donna Decker, City Planner

PLEDGE OF ALLEGIANCE

Councilmember Roberts led the Pledge of Allegiance.

PROCLAMATION – None

INTRODUCTION OF NEW OR PROMOTED EMPLOYEES - None

COMMUNITY PARTICIPATION FORUM

Christian Garcia of Waste Management updated Council on the timeline of notices to be mailed out of possible lien to past due Waste Management customers. He also explained there would be clarification as to what amount is lien-able on the upcoming round of notices.

CONSENT AGENDA

1. City Council Minutes Dated March 4, 2024 (*amended*), March 18 (*special meeting*) and March 18 (*regular meeting*), 2024
2. Ordinance No. 849-2024: Second Reading and Adoption by Title Only of Ordinance 849-2024 to add the Agricultural Overlay District Zoning Designation Allowing Commercial

Agricultural Production Until the Residentially Zoned Property is Developed. The Site Has a General Plan Land Use Designation of Residential and an Underlying Zoning Designation of Single-Family Residential District (R-1). The Property Is Located on the East Side of West Biggs Gridley Road, North and Contiguous to the Heron Landing Subdivision (APN 022-210-092)

3. Resolution No. 2024-R-009: A Resolution of the City of Gridley Authorizing the Purchase of 3-Phase Transformers and Appropriating Supplemental Funds (*Purchase Approved at the March 18, 2024, Regular Council Meeting*)
4. RSG Contract Amendment FY 23/24

Motion: to approve consent agenda as presented.

MOTION: Roberts

SECOND: Johnson

ROLL CALL VOTE: 4-0

Ayes: Roberts, Johnson, Calderon, Farr

ITEMS FOR CONSIDERATION

5. Butte Subbasin Groundwater Sustainability Agency Second Amendment to Cooperation Agreement

City Administrator Arteaga presented the second amendment of the cooperation agreement originally entered into by the City in 2019. Administrator Arteaga explained that the Butte Advisory Board agreed to equally distribute the anticipated 5-year costs between the 11 Ground Sustainability Agencies.

Motion: to approve the second amendment of the Butte Subbasin Groundwater Sustainability Agency Cooperation Agreement.

MOTION: Roberts

SECOND: Calderon

ROLL CALL VOTE: 4-0

Ayes: Roberts, Johnson, Calderon, Farr

6. Amendment of Eide Bailly's FY 23/24 Contract and Approval for FY 24/25 and FY 25/26 Contract

Finance Director Matin Pineda presented the amendment to the Eide Bailly contract for FY 23/24 and explained the one time \$15,000 supplemental appropriation was to cover the needed costs for Eide Bailly to continue assisting the City with completing the past two City-wide audits as well at the TDA Audits. Finance Director Pineda informed Council that the associated costs may be less than the \$15,000 but he wanted to ensure there would be enough funds appropriated.

Finance Director also requested the approval of the Eide Bailly contract for FY 24/25 and FY 25/26.

Motion: to approve the amendment for FY 23/24 and approve the FY 24/25, 25/26 contracts.

MOTION: Calderon

SECOND: Roberts

ROLL CALL VOTE: 4-0

Ayes: Roberts, Johnson, Calderon, Farr

7. Code Enforcement and Abatement of Nuisance Property

City Administrator Arteaga addressed Council regarding the urgent need to attempt entering a Health and Safety Receivership for 110 and 390 Virginia St to abate each property. Administrator Arteaga presented a PowerPoint showing the current conditions and informed Council of the numerous attempts made by our Code Enforcement Officer to contact property owners. City Attorney Tony Galyean explained the steps the City would need to take in order to find a Health and Safety Receiver that could assist with abatement and possible demolition. Fire Chief Chip Fowler explained the conditions of the buildings from the Fire Departments perspective and explained the difficulties the Fire Department would face if there were another structural fire.

Mayor Farr felt strongly that the abatement of the properties should be high priority and acted on by City staff as soon as possible.

Motion: to instruct City Administrator Arteaga and City Attorney Galyean to investigate obtaining the properties via Health and Safety Receivership.

MOTION: Johnson

SECOND: Roberts

ROLL CALL VOTE: 4-0

Ayes: Roberts, Johnson, Calderon, Farr

CITY STAFF AND COUNCIL COMMITTEE REPORTS

Councilmember Calderon reported on his attendance at the Butte County Behavioral Health meeting, the Butte County Association of Governments meeting, and the Butte County Air Quality Management meeting.

Vice Mayor Johnson reported his attendance at the Yuba Sutter Mosquito and Vector Control District meeting as well as the Sutter Butte Flood Control Agency meeting.

CITY ADMINISTRATOR REPORTS

City Administrator Arteaga informed Council of her attendance at the NCPA Facilities meeting.

POTENTIAL FUTURE CITY COUNCIL ITEMS - (Appearing on the Agenda within 30 days):

Gridley Unified School District Land Dedication (Laurel Street)	5/6/2024
Utility Write Offs	5/6/2024
Procurement Policy	5/6/2024
Accounting Services RFP	5/6/2024
Utility Write Offs	5/6/2024
Caltrans SHOPP Presentation	5/6/2024

CLOSED SESSION

8. Closed Session Conference with Labor Negotiators Pursuant to Government Code 54957.6 Concerning Management MOU Contract and Benefits

Council went into closed session at 6:50 pm and came out at 7:34 pm with no reportable action.

ADJOURNMENT

With no other items left to discuss, Mayor Farr adjourned to the next Regular meeting on May 6th, 2024.

Elisa Arteaga, City Administrator

City Council Agenda Item #2
Staff Report

x	Regular
	Special
	Closed
	Emergency

Date: May 06, 2024
To: Mayor and City Council
From: Martin Pineda, Finance Director
Subject: Amendment of Eide Bailly's contract for FY 2023/2024

Recommendation

Staff respectfully requests that the Mayor and City Council review the supplemental appropriation and approve.

Background

On April 15, 2024, the council approved to amend Eide Bailly's contract for FY 2023-2024 by \$15,000. This increase is to continue to assist the city with audits and training finance staff.

Fiscal Impact

An \$15,000 dollar increase for the amendment of the contract.

Attachments

Resolution No. 2024-R-010: Supplemental Appropriation - EB Amendment

**A RESOLUTION OF THE CITY OF GRIDLEY AUTHORIZING THE AMENDMENT OF EIDE BAILLY'S
CONTRACT FOR FY 2023/2024**

WHEREAS, the City of Gridley has utilized Eide Bailly ("EB") Accounting consulting services; and

WHEREAS, the City of Gridley desires to utilize EB's services for assistance with all of the citywide audits, and training Finance Staff on procedures; and

NOW, THEREFORE, BE IT RESOLVED BY THE GRIDLEY CITY COUNCIL to approve the supplemental appropriation from the Finance account 010-4180-53600 for a total not to exceed \$15,000.

I HEREBY CERTIFY that the foregoing resolution was duly introduced and passed at a regular meeting of the City Council of the City of Gridley held on the 6th of May, 2024, by the following vote:

AYES:	COUNCILMEMBERS	_____
NOES:	COUNCILMEMBERS	_____
ABSTAIN:	COUNCILMEMBERS	_____
ABSENT:	COUNCILMEMBERS	_____

ATTEST:

APPROVE:

Elisa Arteaga, City Clerk

Michael W. Farr, Mayor

City Council Agenda Item #3
Staff Report

x	Regular
	Special
	Closed
	Emergency

Date: May 06, 2024
To: Mayor and City Council
From: Martin Pineda, Finance Director
Subject: Amendment of RSG’s contract for FY 2023/2024

Recommendation

Staff respectfully requests that the Mayor and City Council review the supplemental appropriation and approve.

Background

On April 15, 2024, the council approved to amend RSG’s contract for \$8,000. This is to assist the city with the sale of parcels at the industrial park and using the LRPMP as guidance.

Fiscal Impact

An \$8,000 dollar increase for the amendment of the contract.

Attachments

Resolution No. 2024-R-011: Supplemental Appropriation - RSG Amendment

**A RESOLUTION OF THE CITY OF GRIDLEY AUTHORIZING THE AMENDMENT OF RSG'S
CONTRACT FOR FY 2023/2024**

WHEREAS, the City of Gridley has utilized RSG consulting services; and

WHEREAS, the City of Gridley desires to utilize RSG's services for assistance with the sale of parcels at the industrial park; and

WHEREAS, the City of Gridley, with the assistance, will utilize the LRMPM as a guidance; and

NOW, THEREFORE, BE IT RESOLVED BY THE GRIDLEY CITY COUNCIL to approve the supplemental appropriation from the Successor Agency account 215-4250-53600 for a total not to exceed \$8,000.00.

I HEREBY CERTIFY that the foregoing resolution was duly introduced and passed at a regular meeting of the City Council of the City of Gridley held on the 6th of May, 2024, by the following vote:

AYES:	COUNCILMEMBERS	_____
NOES:	COUNCILMEMBERS	_____
ABSTAIN:	COUNCILMEMBERS	_____
ABSENT:	COUNCILMEMBERS	_____

ATTEST:

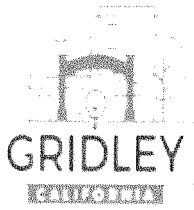
APPROVE:

Elisa Arteaga, City Clerk

Michael W. Farr, Mayor



February 2024 Expenditure Report



Gridley, CA

Check Report

By Check Number

Date Range: 02/01/2024 - 02/29/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: General Checking-General Checking						
99501	99 SMOG AND TUNE UP	02/01/2024	Regular	0.00	112.00	976049
ARK01	AARON KULLAR	02/01/2024	Regular	0.00	81.75	976050
AME31	AMERICAN RIVER COLLEGE	02/01/2024	Regular	0.00	129.00	976051
AND12	ANDES POOL SUPPLY	02/01/2024	Regular	0.00	166.11	976052
ANI01	ANIXTER	02/01/2024	Regular	0.00	1,769.63	976053
ARA01	ARAMARK UNIFORM SERVICES	02/01/2024	Regular	0.00	16.99	976054
ASC02	ASCAP	02/01/2024	Regular	0.00	500.00	976055
GAL05	ASHLEY AYALA	02/01/2024	Regular	0.00	275.00	976056
AC01	ASHLEY CARSON	02/01/2024	Regular	0.00	85.00	976057
ATT0001	AT&T	02/01/2024	Regular	0.00	226.18	976058
AUT03	AUTO ZONE INC.	02/01/2024	Regular	0.00	32.48	976059
BAI04	BAILEY'S INC.	02/01/2024	Regular	0.00	970.58	976060
STE15	BECK STEWART	02/01/2024	Regular	0.00	90.00	976061
BEC02	BECK'S SHOES, INC.	02/01/2024	Regular	0.00	400.00	976062
BUT01	BUTTE AUTO PARTS	02/01/2024	Regular	0.00	868.80	976063
ACE02	CANDELARIO ACE HARDWARE	02/01/2024	Regular	0.00	1,126.79	976064
	Void	02/01/2024	Regular	0.00	0.00	976065
NAK02	CARSON NAKO	02/01/2024	Regular	0.00	77.25	976066
CAS11	CASEY'S AUTO REPAIR	02/01/2024	Regular	0.00	256.08	976067
CIT17	CITY OF OROVILLE	02/01/2024	Regular	0.00	8,796.35	976068
CLO01	CLOSE LUMBER INC	02/01/2024	Regular	0.00	154.42	976069
COM17	COMCAST	02/01/2024	Regular	0.00	401.10	976070
JOH0001	CONNER JOHNS	02/01/2024	Regular	0.00	81.75	976071
COR01	CORBIN WILLITS SYSTEM, IN	02/01/2024	Regular	0.00	2,433.89	976072
DAN03	DAN-GER INC	02/01/2024	Regular	0.00	452.24	976073
BIR02	DANNY BIRKHOLTZ	02/01/2024	Regular	0.00	92.16	976074
DATA01	DATAMARS INC.	02/01/2024	Regular	0.00	389.75	976075
BAR13	DAVIAN BARAJAS	02/01/2024	Regular	0.00	82.50	976076
DEC02	DECKER ENGINEERING SERVICES, LLC	02/01/2024	Regular	0.00	11,715.00	976077
DEL06	DELL MARKETING L.P.	02/01/2024	Regular	0.00	4,771.33	976078
DEP20	DEPT OF INDUSTRIAL RELATI	02/01/2024	Regular	0.00	225.00	976079
R&D01	DOMENICO F BELLOCCI	02/01/2024	Regular	0.00	3,842.07	976080
DUR01	DURHAM PENTZ TRUCK CENTER	02/01/2024	Regular	0.00	585.00	976081
EMB03	EMBLEM ENTERPRISES	02/01/2024	Regular	0.00	436.52	976082
EVE03	EVERBANK	02/01/2024	Regular	0.00	96.56	976083
FED01	FEDERAL EXPRESS CORP	02/01/2024	Regular	0.00	50.30	976084
FGL01	FGL ENVIRONMENTAL, INC.	02/01/2024	Regular	0.00	606.00	976085
GLO05	GLOBAL OFFICE INC	02/01/2024	Regular	0.00	1,023.16	976086
GRI01	GRIDLEY COUNTRY FORD	02/01/2024	Regular	0.00	1,156.68	976087
GRI18	GRIDLEY VETERINARY HOSP	02/01/2024	Regular	0.00	259.00	976088
HUS01	HUST BROTHERS	02/01/2024	Regular	0.00	154.74	976089
IND08	INDEPENDENT UTILITY SUPPL	02/01/2024	Regular	0.00	435.16	976090
NEL01	J C NELSON SUPPLY CO	02/01/2024	Regular	0.00	152.33	976091
NAK01	JAXON NAKO	02/01/2024	Regular	0.00	77.25	976092
JNA01	JOSELYN NAVARRO	02/01/2024	Regular	0.00	82.50	976093
JAS01	JUSTINE ANN SPEEGLE	02/01/2024	Regular	0.00	166.50	976094
KIM03	KIMBALL MIDWEST	02/01/2024	Regular	0.00	197.13	976095
LEA03	LEAGUE OF CA CITIES-SAC. VALLEY DIV.	02/01/2024	Regular	0.00	100.00	976096
LIG03	LIGHTBEAM POWER COMPANY	02/01/2024	Regular	0.00	2,520.50	976097
LM01	LUIS MURILLO	02/01/2024	Regular	0.00	81.75	976098
MAC0002	MACQUARIE EQUIPMENT CAPITAL INC.	02/01/2024	Regular	0.00	281.00	976099
MAC01	MAC'S HARDWARE & RENTAL	02/01/2024	Regular	0.00	440.00	976100
MES02	MESSENGER PUBLISHING GROU	02/01/2024	Regular	0.00	808.00	976101
CLA10	Michael J. Clayton	02/01/2024	Regular	0.00	810.00	976102

Check Report

Date Range: 02/01/2024 - 02/29/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
NOR11	Northern California Joint Pole Assoc.	02/01/2024	Regular	0.00	845.84	976103
NOR02	NORTHERN CALIFORNIA POWER AGENCY	02/01/2024	Regular	0.00	126,404.00	976104
OFF02	OFFICE DEPOT	02/01/2024	Regular	0.00	594.53	976105
BIG02	ORCHARD HOSPITAL	02/01/2024	Regular	0.00	370.00	976106
PGE01	P G & E CO	02/01/2024	Regular	0.00	4,247.21	976107
PIT01	PITNEY BOWES	02/01/2024	Regular	0.00	475.93	976108
PLA01	PLATT ELECTRIC SUPPLY (RE	02/01/2024	Regular	0.00	19.15	976109
TRIO5	PREMIER PRINT & MAIL	02/01/2024	Regular	0.00	1,468.36	976110
RCH01	RACHEL CHAND	02/01/2024	Regular	0.00	182.50	976111
STE13	REGAN STEWART	02/01/2024	Regular	0.00	90.00	976112
RIC01	Rich, Fuidge, Bordsen & Gaylean, Inc.	02/01/2024	Regular	0.00	5,742.25	976113
STA01	STANDARD INSURANCE CO	02/01/2024	Regular	0.00	8,649.05	976114
SYA01	CALMAT CO.	02/01/2024	Regular	0.00	3,693.38	976115
TER01	TEREX UTILITIES WEST	02/01/2024	Regular	0.00	1,016.51	976116
UPS05	THE UPS STORE	02/01/2024	Regular	0.00	32.04	976117
YCO1	THE YETI COMPANY	02/01/2024	Regular	0.00	6,384.46	976118
USB05	US BANK	02/01/2024	Regular	0.00	676.08	976119
USB05	US BANK	02/01/2024	Regular	0.00	60.31	976120
USB05	US BANK	02/01/2024	Regular	0.00	47.77	976121
USB05	US BANK	02/01/2024	Regular	0.00	150.83	976122
USB05	US BANK	02/01/2024	Regular	0.00	60.33	976123
SCH12	VALORIE SCHNEIDER	02/01/2024	Regular	0.00	21.61	976124
VER02	VERIZON WIRELESS	02/01/2024	Regular	0.00	1,906.32	976125
	Void	02/01/2024	Regular	0.00	0.00	976126
VISO4	VISION SERVICE PLAN - (CA	02/01/2024	Regular	0.00	612.09	976127
WHE02	WHEELER RANCH & FEED	02/01/2024	Regular	0.00	25.71	976128
WRE02	WREGIS	02/01/2024	Regular	0.00	54.35	976129
YBA01	YBA SHIRTS, INC	02/01/2024	Regular	0.00	535.50	976130
STA02	CA DEPT OF TAX & FEE ADMI	02/05/2024	Regular	0.00	3,270.00	976136
CSAN01	CARMEN SANTANA	02/05/2024	Regular	0.00	294.25	976137
COL0001	COLANTUONO, HIGHSMITH & WHATLEY, PC	02/05/2024	Regular	0.00	6,099.64	976138
ART50	ELISA L. ARTEAGA	02/05/2024	Regular	0.00	535.66	976139
IMPO1	U.S. BANK CORPORATE PAYMENT SYSTEMS	02/05/2024	Regular	0.00	12,197.03	976140
	Void	02/05/2024	Regular	0.00	0.00	976141
	Void	02/05/2024	Regular	0.00	0.00	976142
	Void	02/05/2024	Regular	0.00	0.00	976143
	Void	02/05/2024	Regular	0.00	0.00	976144
	Void	02/05/2024	Regular	0.00	0.00	976145
ASI01	ADMINISTRATIVE SOLUTIONS	02/06/2024	Regular	0.00	1,365.00	976146
STA02	CA DEPT OF TAX & FEE ADMI	02/06/2024	Regular	0.00	8,207.13	976147
	Void	02/06/2024	Regular	0.00	0.00	976148
ACE02	CANDELARIO ACE HARDWARE	02/06/2024	Regular	0.00	27.98	976149
CHA05	CHAMBER OF COMMERCE	02/06/2024	Regular	0.00	100.00	976150
COM17	COMCAST	02/06/2024	Regular	0.00	158.57	976151
EFF01	EFFICIENCY SERVICES GROUP, LLC	02/06/2024	Regular	0.00	3,580.00	976152
KIM03	KIMBALL MIDWEST	02/06/2024	Regular	0.00	366.69	976153
MAX01	MAX WALTERS	02/06/2024	Regular	0.00	1,290.00	976154
TRIO5	PREMIER PRINT & MAIL	02/06/2024	Regular	0.00	968.88	976155
RIC01	Rich, Fuidge, Bordsen & Gaylean, Inc.	02/06/2024	Regular	0.00	4,920.25	976156
STB01	STB ELECTRICAL TEST	02/06/2024	Regular	0.00	169.02	976157
ADV05	SUPERIOR CALIFORNIA OFFICE EQUIPMENT, INC	02/06/2024	Regular	0.00	1,926.80	976158
UPS05	THE UPS STORE	02/06/2024	Regular	0.00	692.04	976159
TJK01	TJKM TRANSPORTATION CONSULTANTS	02/06/2024	Regular	0.00	259.84	976160
ARK01	AARON KULLAR	02/15/2024	Regular	0.00	164.25	976167
ACC08	ACCESS INFORMATION MANAGEMENT	02/15/2024	Regular	0.00	150.69	976168
ALW01	ALYSSA WALTON	02/15/2024	Regular	0.00	149.25	976169
AME17	AMERICAN LEGAL	02/15/2024	Regular	0.00	495.00	976170
APA01	AP AIR INC.	02/15/2024	Regular	0.00	59.57	976171
ARA01	ARAMARK UNIFORM SERVICES	02/15/2024	Regular	0.00	16.99	976172
ARCO01	ARCHIVESOCIAL, INC	02/15/2024	Regular	0.00	4,188.00	976173
ATT08	AT&T	02/15/2024	Regular	0.00	64.10	976174

Check Report

Date Range: 02/01/2024 - 02/29/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
ATT14	AT&T	02/15/2024	Regular	0.00	27.87	976175
ATT08	AT&T	02/15/2024	Regular	0.00	64.10	976176
ATT14	AT&T	02/15/2024	Regular	0.00	240.72	976177
ATT08	AT&T	02/15/2024	Regular	0.00	31.57	976178
ATT14	AT&T	02/15/2024	Regular	0.00	29.37	976179
ATT14	AT&T	02/15/2024	Regular	0.00	984.29	976180
ATT08	AT&T	02/15/2024	Regular	0.00	31.57	976181
ATT08	AT&T	02/15/2024	Regular	0.00	31.57	976182
AUT03	AUTO ZONE INC.	02/15/2024	Regular	0.00	184.80	976183
STE15	BECK STEWART	02/15/2024	Regular	0.00	150.00	976184
JAM0001	BEVERLY A. JAMISON	02/15/2024	Regular	0.00	75.00	976185
BUT01	BUTTE AUTO PARTS	02/15/2024	Regular	0.00	106.81	976186
ACE02	CANDELARIO ACE HARDWARE	02/15/2024	Regular	0.00	446.94	976187
NAK02	CARSON NAKO	02/15/2024	Regular	0.00	142.50	976188
CHA05	CHAMBER OF COMMERCE	02/15/2024	Regular	0.00	100.00	976189
CM001	COLLIN MOREY	02/15/2024	Regular	0.00	90.00	976190
COM17	COMCAST	02/15/2024	Regular	0.00	169.11	976191
JOH0001	CONNER JOHNS	02/15/2024	Regular	0.00	165.00	976192
BAR13	DAVIAN BARAJAS	02/15/2024	Regular	0.00	165.00	976193
DEC02	DECKER ENGINEERING SERVICES, LLC	02/15/2024	Regular	0.00	8,992.50	976194
DEP02	DEPARTMENT OF FORESTRY AND FIRE PROTECT	02/15/2024	Regular	0.00	293,766.52	976195
DEP13	DEPARTMENT OF JUSTICE	02/15/2024	Regular	0.00	343.00	976196
DOCU01	DOCUSIGN, INC.	02/15/2024	Regular	0.00	2,818.40	976197
FGL01	FGL ENVIRONMENTAL, INC.	02/15/2024	Regular	0.00	181.00	976198
FOO02	FOOTHILL FIRE PROTECTION,	02/15/2024	Regular	0.00	575.00	976199
GEN06	GENERAL PACIFIC, INC.	02/15/2024	Regular	0.00	69,385.88	976200
GM01	GLORIA MUNIZ	02/15/2024	Regular	0.00	23.50	976201
HAR12	HARTFORD INSURANCE CO OF THE MIDWEST	02/15/2024	Regular	0.00	2,036.00	976202
HOU03	HOUSING TOOLS LLC	02/15/2024	Regular	0.00	120.00	976203
NAK01	JAXON NAKO	02/15/2024	Regular	0.00	144.75	976204
JEF05	JEFFREY ADAMS	02/15/2024	Regular	0.00	75.00	976205
WEI03	JENNIFER WEISS	02/15/2024	Regular	0.00	125.00	976206
JNA01	JOSELYN NAVARRO	02/15/2024	Regular	0.00	165.00	976207
JAS01	JUSTINE ANN SPEEGLE	02/15/2024	Regular	0.00	276.40	976208
WOL30	KEN WOLFE	02/15/2024	Regular	0.00	75.00	976209
CUR02	L.N. CURTIS AND SONS	02/15/2024	Regular	0.00	11,856.53	976210
LAK01	LAKEVIEW PETROLEUM CO	02/15/2024	Regular	0.00	17,241.24	976211
SCH01	LES SCHWAB TIRE CENTER	02/15/2024	Regular	0.00	1,006.44	976212
LM01	LUIS MURILLO	02/15/2024	Regular	0.00	164.25	976213
MAC01	MAC'S HARDWARE & RENTAL	02/15/2024	Regular	0.00	404.33	976214
ESP30	MARY ESPINO	02/15/2024	Regular	0.00	50.00	976215
MES02	MESSENGER PUBLISHING GROU	02/15/2024	Regular	0.00	630.50	976216
MIN07	MINASIAN, MEITH, SOARES, SEXTON & COOPER	02/15/2024	Regular	0.00	149.85	976217
CAL76	NATHANIEL CALLAWAY	02/15/2024	Regular	0.00	247.96	976218
NOR11	Northern California Joint Pole Assoc.	02/15/2024	Regular	0.00	13.63	976219
ONE02	ONESOURCE SUPPLY SOLUTIONS	02/15/2024	Regular	0.00	1,569.06	976220
ORE01	O'REILLY AUTOMOTIVE, INC.	02/15/2024	Regular	0.00	1.91	976221
PGE01	P G & E CO	02/15/2024	Regular	0.00	761.26	976222
PCA01	POLICY CONSULTING ASSOCIATES, LLC	02/15/2024	Regular	0.00	6,940.00	976223
PRE03	PREMIER ACCESS INSURANCE	02/15/2024	Regular	0.00	7,529.23	976224
TRIO5	PREMIER PRINT & MAIL	02/15/2024	Regular	0.00	1,589.00	976225
PAH01	PURITY AUTO HYGIENICS	02/15/2024	Regular	0.00	427.49	976226
RCH01	RACHEL CHAND	02/15/2024	Regular	0.00	250.00	976227
STE13	REGAN STEWART	02/15/2024	Regular	0.00	142.50	976228
HOL09	Richard Anthony Holland	02/15/2024	Regular	0.00	75.00	976229
RSG01	RSG INC.	02/15/2024	Regular	0.00	4,900.00	976230
SYL02	SILVIA ELENA CORDERO	02/15/2024	Regular	0.00	2,620.00	976231
SWT01	STEALTH WINDOW TINT	02/15/2024	Regular	0.00	609.00	976232
SWA02	SWANSON TIMBER COMPANY	02/15/2024	Regular	0.00	1,677.12	976233
UPS05	THE UPS STORE	02/15/2024	Regular	0.00	75.30	976234
VER02	VERIZON WIRELESS	02/15/2024	Regular	0.00	1,885.32	976235

Check Report

Date Range: 02/01/2024 - 02/29/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
	Void	02/15/2024	Regular	0.00	0.00	976236
WHE02	WHEELER RANCH & FEED	02/15/2024	Regular	0.00	39.98	976237
ARK01	AARON KULLAR	02/28/2024	Regular	0.00	86.25	976238
ALW01	ALYSSA WALTON	02/28/2024	Regular	0.00	180.00	976239
AME31	AMERICAN RIVER COLLEGE	02/28/2024	Regular	0.00	134.00	976240
AME31	AMERICAN RIVER COLLEGE	02/28/2024	Regular	0.00	134.00	976241
ATT0001	AT&T	02/28/2024	Regular	0.00	120.60	976242
STE15	BECK STEWART	02/28/2024	Regular	0.00	157.50	976243
KOP0001	BRANDY KOPP	02/28/2024	Regular	0.00	45.00	976244
BUT01	BUTTE AUTO PARTS	02/28/2024	Regular	0.00	77.99	976245
BIN01	BUTTE INTERAGENCY NARCOTI	02/28/2024	Regular	0.00	12,500.00	976246
SCO07	CALIFORNIA STATE CONTROLLER	02/28/2024	Regular	0.00	2,659.80	976247
SYA01	CALMAT CO.	02/28/2024	Regular	0.00	2,662.25	976248
ACE02	CANDELARIO ACE HARDWARE	02/28/2024	Regular	0.00	350.67	976249
NAK02	CARSON NAKO	02/28/2024	Regular	0.00	165.00	976250
CAS11	CASEY'S AUTO REPAIR	02/28/2024	Regular	0.00	257.91	976251
CIT17	CITY OF OROVILLE	02/28/2024	Regular	0.00	3,518.54	976252
COM17	COMCAST	02/28/2024	Regular	0.00	401.10	976253
JOH0001	CONNER JOHNS	02/28/2024	Regular	0.00	86.25	976254
COR01	CORBIN WILLITS SYSTEM, IN	02/28/2024	Regular	0.00	2,433.89	976255
CRA01	CRANMER ENGINEERING	02/28/2024	Regular	0.00	345.00	976256
DAN03	DAN-GER INC	02/28/2024	Regular	0.00	66.74	976257
BAR13	DAVIAN BARAJAS	02/28/2024	Regular	0.00	172.65	976258
DELO6	DELL MARKETING L.P.	02/28/2024	Regular	0.00	17,428.45	976259
SMI07	EVA SMITH	02/28/2024	Regular	0.00	855.56	976260
EVE03	EVERBANK	02/28/2024	Regular	0.00	96.56	976261
EVE01	EVERGREEN JOB & SAFETY TRAINING, INC	02/28/2024	Regular	0.00	1,864.00	976262
EXP0001	EXPLORE BUTTE COUNTY	02/28/2024	Regular	0.00	543.93	976263
GEN06	GENERAL PACIFIC, INC.	02/28/2024	Regular	0.00	7,281.47	976264
GRI25	GRIDLEY UNIFIED	02/28/2024	Regular	0.00	325.00	976265
HAC01	HACH CO	02/28/2024	Regular	0.00	3,037.11	976266
NELO1	J C NELSON SUPPLY CO	02/28/2024	Regular	0.00	95.76	976267
NAK01	JAXON NAKO	02/28/2024	Regular	0.00	165.00	976268
JCO001	JONATHAN CORRALES	02/28/2024	Regular	0.00	85.00	976269
JNA01	JOSELYN NAVARRO	02/28/2024	Regular	0.00	180.00	976270
JAS01	JUSTINE ANN SPEEGLE	02/28/2024	Regular	0.00	268.00	976271
LAW07	LAW'S CUSTOM PAINTING	02/28/2024	Regular	0.00	6,950.00	976272
LM01	LUIS MURILLO	02/28/2024	Regular	0.00	86.25	976273
LM01	LUIS MURILLO	02/28/2024	Regular	0.00	-86.25	976273
MAC0002	MACQUARIE EQUIPMENT CAPITAL INC.	02/28/2024	Regular	0.00	281.00	976274
MAC01	MAC'S HARDWARE & RENTAL	02/28/2024	Regular	0.00	197.85	976275
MT01	MADDOX INDUSTRIAL TRANSFORMER, LLC	02/28/2024	Regular	0.00	83,625.70	976276
MAX01	MAX WALTERS	02/28/2024	Regular	0.00	270.00	976277
MES01	MESCHER DOOR COMPANY	02/28/2024	Regular	0.00	205.00	976278
NOR09	NORTHERN CALIFORNIA GLOVES	02/28/2024	Regular	0.00	72.87	976279
NOR11	Northern California Joint Pole Assoc.	02/28/2024	Regular	0.00	4.43	976280
NOR02	NORTHERN CALIFORNIA POWER AGENCY	02/28/2024	Regular	0.00	158,795.00	976281
OFF02	OFFICE DEPOT	02/28/2024	Regular	0.00	653.97	976282
PGE01	P G & E CO	02/28/2024	Regular	0.00	4,320.07	976283
PRE03	PREMIER ACCESS INSURANCE	02/28/2024	Regular	0.00	6,477.69	976284
RCH01	RACHEL CHAND	02/28/2024	Regular	0.00	122.00	976285
STE13	REGAN STEWART	02/28/2024	Regular	0.00	146.25	976286
RIC01	Rich, Fuidge, Bordsen & Gaylean, Inc.	02/28/2024	Regular	0.00	1,743.75	976287
HAR05	RODNEY HARR	02/28/2024	Regular	0.00	325.00	976288
RL001	ROLLIN LUTNEY	02/28/2024	Regular	0.00	379.50	976289
CAR15	RYAN CARLSON	02/28/2024	Regular	0.00	49.36	976290
STB01	STB ELECTRICAL TEST	02/28/2024	Regular	0.00	671.15	976291
YC01	THE YETI COMPANY	02/28/2024	Regular	0.00	190.00	976292
USB05	US BANK	02/28/2024	Regular	0.00	60.33	976293
USB05	US BANK	02/28/2024	Regular	0.00	120.62	976294
USB05	US BANK	02/28/2024	Regular	0.00	80.22	976295

Check Report

Date Range: 02/01/2024 - 02/29/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
USB05	US BANK	02/28/2024	Regular	0.00	47.77	976296
USB05	US BANK	02/28/2024	Regular	0.00	150.83	976297
USA02	USA BLUEBOOK	02/28/2024	Regular	0.00	551.89	976298
VISO4	VISION SERVICE PLAN - (CA	02/28/2024	Regular	0.00	521.97	976299
ASIO1	ADMINISTRATIVE SOLUTIONS	02/29/2024	Regular	0.00	1,365.00	976301
ACE02	CANDELARIO ACE HARDWARE	02/29/2024	Regular	0.00	31.82	976302
COR11	CORE PSYCHOLOGICAL CORPORATION	02/29/2024	Regular	0.00	500.00	976303
CWS01	CORPORATE WAREHOUSE SUPPLY	02/29/2024	Regular	0.00	1,057.75	976304
DEA02	DE AIR COMPANY, INC.	02/29/2024	Regular	0.00	899.25	976305
DEC02	DECKER ENGINEERING SERVICES, LLC	02/29/2024	Regular	0.00	7,575.00	976306
GRI18	GRIDLEY VETERINARY HOSP	02/29/2024	Regular	0.00	518.00	976307
MIW01	MIWALL CORPORATION	02/29/2024	Regular	0.00	4,614.57	976308
ABC05	NICK EVANS	02/29/2024	Regular	0.00	125.00	976309
PAW02	Paws Clinic of Oroville	02/29/2024	Regular	0.00	193.00	976310
SEC02	SECRETARY OF STATE	02/29/2024	Regular	0.00	40.00	976311
VER02	VERIZON WIRELESS	02/29/2024	Regular	0.00	12.94	976312
WHE02	WHEELER RANCH & FEED	02/29/2024	Regular	0.00	34.28	976313
CAL70	CALIFORNIA CHOICE BENEFIT	02/20/2024	Bank Draft	0.00	23,745.14	DFT0002485
CAL70	CALIFORNIA CHOICE BENEFIT	02/20/2024	Bank Draft	0.00	23,745.07	DFT0002507
CAL70	CALIFORNIA CHOICE BENEFIT	02/20/2024	Bank Draft	0.00	1,495.94	DFT0002535
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	50.00	DFT0002550
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	776.19	DFT0002552
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	1,312.87	DFT0002553
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	2,479.42	DFT0002554
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	4,416.86	DFT0002555
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	4,823.25	DFT0002556
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	4,779.68	DFT0002557
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	2,522.25	DFT0002558
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	7,188.40	DFT0002559
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	2,810.75	DFT0002560
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/09/2024	Bank Draft	0.00	2,767.83	DFT0002561
INT07	INTERNAL REVENUE SERVICE	02/09/2024	Bank Draft	0.00	4,949.42	DFT0002562
INT07	INTERNAL REVENUE SERVICE	02/09/2024	Bank Draft	0.00	13,900.73	DFT0002563
INT07	INTERNAL REVENUE SERVICE	02/09/2024	Bank Draft	0.00	457.28	DFT0002564
EMP01	EMPLOYMENT DEVELOPMENT	02/09/2024	Bank Draft	0.00	5,529.95	DFT0002565
INT07	INTERNAL REVENUE SERVICE	02/09/2024	Bank Draft	0.00	92.62	DFT0002566
INT07	INTERNAL REVENUE SERVICE	02/09/2024	Bank Draft	0.00	260.60	DFT0002567
EMP01	EMPLOYMENT DEVELOPMENT	02/09/2024	Bank Draft	0.00	97.86	DFT0002568
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/15/2024	Bank Draft	0.00	1.00	DFT0002569
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/15/2024	Bank Draft	0.00	91.42	DFT0002571
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/15/2024	Bank Draft	0.00	90.59	DFT0002572
INT07	INTERNAL REVENUE SERVICE	02/15/2024	Bank Draft	0.00	129.18	DFT0002573
EMP01	EMPLOYMENT DEVELOPMENT	02/15/2024	Bank Draft	0.00	15.11	DFT0002574
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	48.00	DFT0002575
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	770.80	DFT0002577
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	1,303.76	DFT0002578
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	2,537.87	DFT0002579
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	4,520.99	DFT0002580
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	4,518.29	DFT0002581
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	4,477.47	DFT0002582
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	2,525.49	DFT0002583
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	7,197.64	DFT0002584
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	2,809.89	DFT0002585
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	2,766.99	DFT0002586
INT07	INTERNAL REVENUE SERVICE	02/23/2024	Bank Draft	0.00	5,274.88	DFT0002587
INT07	INTERNAL REVENUE SERVICE	02/23/2024	Bank Draft	0.00	16,520.97	DFT0002588
INT07	INTERNAL REVENUE SERVICE	02/23/2024	Bank Draft	0.00	520.68	DFT0002589
EMP01	EMPLOYMENT DEVELOPMENT	02/23/2024	Bank Draft	0.00	6,689.37	DFT0002590
INT07	INTERNAL REVENUE SERVICE	02/23/2024	Bank Draft	0.00	20.62	DFT0002591
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	122.71	DFT0002593
CAL59	CALIFORNIA PUBLIC EMPLOYE	02/23/2024	Bank Draft	0.00	121.61	DFT0002594

Check Report

Date Range: 02/01/2024 - 02/29/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
INT07	INTERNAL REVENUE SERVICE	02/23/2024	Bank Draft	0.00	-67.84	DFT0002595
INT07	INTERNAL REVENUE SERVICE	02/23/2024	Bank Draft	0.00	-370.75	DFT0002596
EMP01	EMPLOYMENT DEVELOPMENT	02/23/2024	Bank Draft	0.00	-169.40	DFT0002597
INT07	INTERNAL REVENUE SERVICE	02/27/2024	Bank Draft	0.00	55.26	DFT0002598
INT07	INTERNAL REVENUE SERVICE	02/27/2024	Bank Draft	0.00	348.45	DFT0002599
EMP01	EMPLOYMENT DEVELOPMENT	02/27/2024	Bank Draft	0.00	113.98	DFT0002600
INT07	INTERNAL REVENUE SERVICE	02/27/2024	Bank Draft	0.00	228.60	DFT0002601

Bank Code General Checking Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	422	244	0.00	1,055,268.15
Manual Checks	0	0	0.00	0.00
Voided Checks	0	10	0.00	-86.25
Bank Drafts	51	51	0.00	171,415.74
EFT's	0	0	0.00	0.00
	473	305	0.00	1,226,597.64

Check Report

Date Range: 02/01/2024 - 02/29/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: Payroll-Payroll						
AME29	American Fidelity Assuran	02/01/2024	Regular	0.00	100.00	14972
AME30	AMERICAN FIDELITY ASSURAN	02/01/2024	Regular	0.00	2,062.56	14973
BUT43	CHILD SUPPORT SRVCS.	02/01/2024	Regular	0.00	332.30	14974
GRI12	GRIDLEY POLICE	02/01/2024	Regular	0.00	1,375.00	14975
IBEO1	I.B.E.W. - LOCAL #1245	02/01/2024	Regular	0.00	2,409.46	14976
MIS07	MissionSquare - 303902	02/01/2024	Regular	0.00	8,015.75	14977
AME29	American Fidelity Assuran	02/29/2024	Regular	0.00	100.00	14995
AME30	AMERICAN FIDELITY ASSURAN	02/29/2024	Regular	0.00	2,062.56	14996
BUT43	CHILD SUPPORT SRVCS.	02/29/2024	Regular	0.00	332.30	14997
GRI12	GRIDLEY POLICE	02/29/2024	Regular	0.00	1,433.00	14998
IBEO1	I.B.E.W. - LOCAL #1245	02/29/2024	Regular	0.00	2,409.46	14999
MIS07	MissionSquare - 303902	02/29/2024	Regular	0.00	7,542.13	15000

Bank Code Payroll Summary

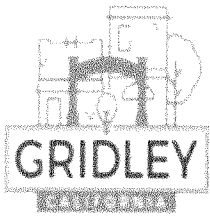
Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	41	12	0.00	28,174.52
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	41	12	0.00	28,174.52

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	463	256	0.00	1,083,442.67
Manual Checks	0	0	0.00	0.00
Voided Checks	0	10	0.00	-86.25
Bank Drafts	51	51	0.00	171,415.74
EFT's	0	0	0.00	0.00
	514	317	0.00	1,254,772.16

Fund Summary

Fund	Name	Period	Amount
999	Cash Clearing	2/2024	1,254,772.16
			1,254,772.16



Gridley, CA

Payroll Bank Transaction Report

By Payment Number

Date: 2/1/2024 - 2/29/2024

Payroll Set: 01 - City of Gridley

Payment Number	Payment Date	Payment Type	Direct Deposit		Total Payment
			Check Amount	Amount	
5270	02/09/2024	Regular	0	4295.99	4295.99
5271	02/09/2024	Regular	0	2370.17	2370.17
5272	02/09/2024	Regular	0	2389.15	2389.15
5273	02/09/2024	Regular	0	1580.63	1580.63
5274	02/09/2024	Regular	0	5588.98	5588.98
5275	02/09/2024	Regular	0	3933.45	3933.45
5276	02/09/2024	Regular	0	4604.79	4604.79
5277	02/09/2024	Regular	0	2391.77	2391.77
5278	02/09/2024	Regular	0	4392.93	4392.93
5279	02/09/2024	Regular	0	2024.76	2024.76
5280	02/09/2024	Regular	0	1499.58	1499.58
5281	02/09/2024	Regular	0	1750.06	1750.06
5282	02/09/2024	Regular	0	2031.01	2031.01
5283	02/09/2024	Regular	0	3956.74	3956.74
5284	02/09/2024	Regular	0	2025.48	2025.48
5285	02/09/2024	Regular	0	2453.98	2453.98
5286	02/09/2024	Regular	0	2355.03	2355.03
5287	02/09/2024	Regular	0	1931.03	1931.03
5288	02/09/2024	Regular	0	1873.12	1873.12
5289	02/09/2024	Regular	0	2277.52	2277.52
5290	02/09/2024	Regular	0	2682.52	2682.52
5291	02/09/2024	Regular	0	2198.03	2198.03
5292	02/09/2024	Regular	0	115.36	115.36
5293	02/09/2024	Regular	0	3006.8	3006.8
5294	02/09/2024	Regular	0	2705.74	2705.74
5295	02/09/2024	Regular	0	3758.15	3758.15
5296	02/09/2024	Regular	0	1186.84	1186.84
5297	02/09/2024	Regular	0	1678.22	1678.22
5298	02/09/2024	Regular	0	2865.02	2865.02
5299	02/09/2024	Regular	0	1997.12	1997.12
5300	02/09/2024	Regular	0	1634.51	1634.51
5301	02/09/2024	Regular	0	2135	2135
5302	02/09/2024	Regular	0	1954.56	1954.56
5303	02/09/2024	Regular	0	2553.49	2553.49
5304	02/09/2024	Regular	0	76.01	76.01
5305	02/09/2024	Regular	0	3329.56	3329.56
5306	02/09/2024	Regular	0	3091.01	3091.01
5307	02/09/2024	Regular	0	1910.54	1910.54
5308	02/09/2024	Regular	0	1891.98	1891.98
5309	02/09/2024	Regular	0	228.01	228.01
5310	02/09/2024	Regular	0	1542.27	1542.27
5311	02/09/2024	Regular	0	1648.9	1648.9
5312	02/09/2024	Regular	0	416.35	416.35
5313	02/09/2024	Regular	0	531.61	531.61
5314	02/09/2024	Regular	0	59.36	59.36
5315	02/09/2024	Regular	0	299.68	299.68
5316	02/09/2024	Regular	0	1986.55	1986.55
5317	02/09/2024	Regular	0	1791.8	1791.8
5318	02/09/2024	Regular	0	3509.15	3509.15
5319	02/09/2024	Regular	0	1830.67	1830.67
5320	02/09/2024	Regular	0	1929.56	1929.56
5321	02/09/2024	Regular	0	3825.2	3825.2
5322	02/09/2024	Regular	0	4666.15	4666.15
5323	02/09/2024	Regular	0	1633.65	1633.65
5324	02/09/2024	Regular	0	1994.52	1994.52
5325	02/09/2024	Regular	0	1955.43	1955.43
5326	02/23/2024	Regular	0	4295.99	4295.99

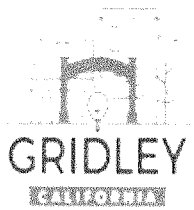
Payment			Direct Deposit		
Number	Payment Date	Payment Type	Check Amount	Amount	Total Payment
5327	02/23/2024	Regular	0	2370.17	2370.17
5328	02/23/2024	Regular	0	2597.63	2597.63
5329	02/23/2024	Regular	0	1642.5	1642.5
5330	02/23/2024	Regular	0	184.7	184.7
5331	02/23/2024	Regular	0	184.7	184.7
5332	02/23/2024	Regular	0	5450.59	5450.59
5333	02/23/2024	Regular	0	6122.28	6122.28
5334	02/23/2024	Regular	0	4967.77	4967.77
5335	02/23/2024	Regular	0	4516.01	4516.01
5336	02/23/2024	Regular	0	4518.96	4518.96
5337	02/23/2024	Regular	0	2024.77	2024.77
5338	02/23/2024	Regular	0	1499.58	1499.58
5339	02/23/2024	Regular	0	1750.06	1750.06
5340	02/23/2024	Regular	0	2031.01	2031.01
5341	02/23/2024	Regular	0	3956.74	3956.74
5342	02/23/2024	Regular	0	2025.48	2025.48
5343	02/23/2024	Regular	0	2453.99	2453.99
5344	02/23/2024	Regular	0	2138.21	2138.21
5345	02/23/2024	Regular	0	1931.03	1931.03
5346	02/23/2024	Regular	0	1860.19	1860.19
5347	02/23/2024	Regular	0	2788.25	2788.25
5348	02/23/2024	Regular	0	2682.53	2682.53
5349	02/23/2024	Regular	0	2241.89	2241.89
5350	02/23/2024	Regular	0	153.82	153.82
5351	02/23/2024	Regular	0	3006.8	3006.8
5352	02/23/2024	Regular	0	2325.94	2325.94
5353	02/23/2024	Regular	0	3758.15	3758.15
5354	02/23/2024	Regular	0	1186.84	1186.84
5355	02/23/2024	Regular	0	2865.02	2865.02
5356	02/23/2024	Regular	0	2517.6	2517.6
5357	02/23/2024	Regular	0	2012.2	2012.2
5358	02/23/2024	Regular	0	1712.6	1712.6
5359	02/23/2024	Regular	0	1714.36	1714.36
5360	02/23/2024	Regular	0	2553.5	2553.5
5361	02/23/2024	Regular	0	3360.62	3360.62
5362	02/23/2024	Regular	0	3466.08	3466.08
5363	02/23/2024	Regular	0	1910.51	1910.51
5364	02/23/2024	Regular	0	2411.38	2411.38
5365	02/23/2024	Regular	0	76.01	76.01
5366	02/23/2024	Regular	0	1542.26	1542.26
5367	02/23/2024	Regular	0	1648.9	1648.9
5368	02/23/2024	Regular	0	309.98	309.98
5369	02/23/2024	Regular	0	503.16	503.16
5370	02/23/2024	Regular	0	348.71	348.71
5371	02/23/2024	Regular	0	1986.56	1986.56
5372	02/23/2024	Regular	0	2970.96	2970.96
5373	02/23/2024	Regular	0	5997.09	5997.09
5374	02/23/2024	Regular	0	1813.27	1813.27
5375	02/23/2024	Regular	0	2130.86	2130.86
5376	02/23/2024	Regular	0	2812.58	2812.58
5377	02/23/2024	Regular	0	5180.31	5180.31
5378	02/23/2024	Regular	0	1618.29	1618.29
5379	02/23/2024	Regular	0	2016.96	2016.96
5380	02/23/2024	Regular	0	1955.43	1955.43
14978	02/09/2024	Regular	243.97	0	243.97
14979	02/09/2024	Regular	1914.53	0	1914.53
14980	02/09/2024	Regular	2128.29	0	2128.29
14983	02/09/2024	Regular	2065.62	0	2065.62
14984	02/09/2024	Regular	723.47	0	723.47
14985	02/15/2024	Regular	1457.44	0	1457.44
14986	02/15/2024	Regular	890.41	0	890.41
14987	02/15/2024	Regular	1784.9	0	1784.9
14988	02/23/2024	Regular	184.7	0	184.7
14989	02/23/2024	Regular	0	0	0

Payment

Number	Payment Date	Payment Type	Direct Deposit		Total Payment
			Check Amount	Amount	
14990	02/23/2024	Regular	1914.53	0	1914.53
14991	02/23/2024	Regular	2107.96	0	2107.96
14992	02/23/2024	Regular	700.81	0	700.81
14993	02/27/2024	Regular	7768.23	0	7768.23
14994	02/27/2024	Regular	1415.58	0	1415.58
Total:			25300.44	260447.27	285747.71



March 2024
Expenditure Report



Gridley, CA

Check Report

By Check Number

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: General Checking-General Checking						
AMA02	AMAZON CAPITAL SERVICES INC	03/01/2024	Regular	0.00	3,150.36	976314
	Void	03/01/2024	Regular	0.00	0.00	976315
BEN11	BENNETT ENGINEERING SERVI	03/01/2024	Regular	0.00	47,783.49	976316
	Void	03/01/2024	Regular	0.00	0.00	976317
GRA10	M.J. DONOVAN ENTERPRISES, INC	03/01/2024	Regular	0.00	2,797.39	976318
IMP01	U.S. BANK CORPORATE PAYMENT SYSTEMS	03/04/2024	Regular	0.00	23,097.08	976319
	Void	03/04/2024	Regular	0.00	0.00	976320
	Void	03/04/2024	Regular	0.00	0.00	976321
	Void	03/04/2024	Regular	0.00	0.00	976322
COL0001	COLANTUONO, HIGHSMITH & WHATLEY, PC	03/05/2024	Regular	0.00	4,670.25	976324
	Void	03/13/2024	Regular	0.00	0.00	976336
	Void	03/13/2024	Regular	0.00	0.00	976337
	Void	03/13/2024	Regular	0.00	0.00	976338
	Void	03/13/2024	Regular	0.00	0.00	976339
	Void	03/13/2024	Regular	0.00	0.00	976340
	Void	03/13/2024	Regular	0.00	0.00	976341
	Void	03/13/2024	Regular	0.00	0.00	976342
	Void	03/13/2024	Regular	0.00	0.00	976343
	Void	03/13/2024	Regular	0.00	0.00	976344
	Void	03/13/2024	Regular	0.00	0.00	976345
	Void	03/13/2024	Regular	0.00	0.00	976346
	Void	03/13/2024	Regular	0.00	0.00	976347
	Void	03/13/2024	Regular	0.00	0.00	976348
	Void	03/13/2024	Regular	0.00	0.00	976349
	Void	03/13/2024	Regular	0.00	0.00	976350
	Void	03/13/2024	Regular	0.00	0.00	976351
	Void	03/13/2024	Regular	0.00	0.00	976352
	Void	03/13/2024	Regular	0.00	0.00	976353
	Void	03/13/2024	Regular	0.00	0.00	976354
	Void	03/13/2024	Regular	0.00	0.00	976355
	Void	03/13/2024	Regular	0.00	0.00	976356
	Void	03/13/2024	Regular	0.00	0.00	976357
	Void	03/13/2024	Regular	0.00	0.00	976358
	Void	03/13/2024	Regular	0.00	0.00	976359
	Void	03/13/2024	Regular	0.00	0.00	976360
	Void	03/13/2024	Regular	0.00	0.00	976361
	Void	03/13/2024	Regular	0.00	0.00	976362
	Void	03/13/2024	Regular	0.00	0.00	976363
	Void	03/13/2024	Regular	0.00	0.00	976364
	Void	03/13/2024	Regular	0.00	0.00	976365
	Void	03/13/2024	Regular	0.00	0.00	976366
	Void	03/13/2024	Regular	0.00	0.00	976367
	Void	03/13/2024	Regular	0.00	0.00	976368
	Void	03/13/2024	Regular	0.00	0.00	976369
	Void	03/13/2024	Regular	0.00	0.00	976370
	Void	03/13/2024	Regular	0.00	0.00	976371
	Void	03/13/2024	Regular	0.00	0.00	976372
	Void	03/13/2024	Regular	0.00	0.00	976373
	Void	03/13/2024	Regular	0.00	0.00	976374
	Void	03/13/2024	Regular	0.00	0.00	976375
	Void	03/13/2024	Regular	0.00	0.00	976376
	Void	03/13/2024	Regular	0.00	0.00	976377
	Void	03/13/2024	Regular	0.00	0.00	976378

Check Report

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
	Void	03/13/2024	Regular	0.00	0.00	976379
	Void	03/13/2024	Regular	0.00	0.00	976380
	Void	03/13/2024	Regular	0.00	0.00	976381
	Void	03/13/2024	Regular	0.00	0.00	976382
	Void	03/13/2024	Regular	0.00	0.00	976383
	Void	03/13/2024	Regular	0.00	0.00	976384
	Void	03/13/2024	Regular	0.00	0.00	976385
	Void	03/13/2024	Regular	0.00	0.00	976386
	Void	03/13/2024	Regular	0.00	0.00	976387
	Void	03/13/2024	Regular	0.00	0.00	976388
	Void	03/13/2024	Regular	0.00	0.00	976389
	Void	03/13/2024	Regular	0.00	0.00	976390
	Void	03/13/2024	Regular	0.00	0.00	976391
	Void	03/13/2024	Regular	0.00	0.00	976392
	Void	03/13/2024	Regular	0.00	0.00	976393
	Void	03/13/2024	Regular	0.00	0.00	976394
	Void	03/13/2024	Regular	0.00	0.00	976395
	Void	03/13/2024	Regular	0.00	0.00	976396
	Void	03/13/2024	Regular	0.00	0.00	976397
	Void	03/13/2024	Regular	0.00	0.00	976398
	Void	03/13/2024	Regular	0.00	0.00	976399
	Void	03/13/2024	Regular	0.00	0.00	976400
	Void	03/13/2024	Regular	0.00	0.00	976401
	Void	03/13/2024	Regular	0.00	0.00	976402
	Void	03/13/2024	Regular	0.00	0.00	976403
	Void	03/13/2024	Regular	0.00	0.00	976404
	Void	03/13/2024	Regular	0.00	0.00	976405
	Void	03/13/2024	Regular	0.00	0.00	976406
	Void	03/13/2024	Regular	0.00	0.00	976407
	Void	03/13/2024	Regular	0.00	0.00	976408
	Void	03/13/2024	Regular	0.00	0.00	976409
	Void	03/13/2024	Regular	0.00	0.00	976410
	Void	03/13/2024	Regular	0.00	0.00	976411
	Void	03/13/2024	Regular	0.00	0.00	976412
	Void	03/13/2024	Regular	0.00	0.00	976413
ARK01	AARON KULLAR	03/13/2024	Regular	0.00	134.25	976414
ACC08	ACCESS INFORMATION MANAGEMENT	03/13/2024	Regular	0.00	179.20	976415
ASI01	ADMINISTRATIVE SOLUTIONS	03/13/2024	Regular	0.00	1,332.50	976416
ALW01	ALYSSA WALTON	03/13/2024	Regular	0.00	165.00	976417
AMA02	AMAZON CAPITAL SERVICES INC	03/13/2024	Regular	0.00	1,485.55	976418
AND12	ANDES POOL SUPPLY	03/13/2024	Regular	0.00	76.10	976419
HANNA01	ANDREW HARLAN HANNA	03/13/2024	Regular	0.00	5,600.00	976420
ARA01	ARAMARK UNIFORM SERVICES	03/13/2024	Regular	0.00	16.99	976421
LOP00	ARMANDO LOPEZ	03/13/2024	Regular	0.00	379.50	976422
ATT14	AT&T	03/13/2024	Regular	0.00	229.22	976423
ATT08	AT&T	03/13/2024	Regular	0.00	31.57	976424
ATT14	AT&T	03/13/2024	Regular	0.00	29.35	976425
ATT14	AT&T	03/13/2024	Regular	0.00	990.98	976426
ATT08	AT&T	03/13/2024	Regular	0.00	64.10	976427
ATT14	AT&T	03/13/2024	Regular	0.00	29.35	976428
ATT08	AT&T	03/13/2024	Regular	0.00	64.10	976429
ATT08	AT&T	03/13/2024	Regular	0.00	31.57	976430
ATT08	AT&T	03/13/2024	Regular	0.00	31.57	976431
BAC05	BACKFLOW DISTRIBUTORS, IN	03/13/2024	Regular	0.00	122.34	976432
BAUER	BAUER COMPRESSORS	03/13/2024	Regular	0.00	1,501.86	976433
STE15	BECK STEWART	03/13/2024	Regular	0.00	165.00	976434
BUT01	BUTTE AUTO PARTS	03/13/2024	Regular	0.00	561.77	976435
BCS01	BUTTE COUNTY SUPERIOR COU	03/13/2024	Regular	0.00	50.00	976436
ACE02	CANDELARIO ACE HARDWARE	03/13/2024	Regular	0.00	516.60	976437
CSAN01	CARMEN SANTANA	03/13/2024	Regular	0.00	281.70	976438
NAK02	CARSON NAKO	03/13/2024	Regular	0.00	82.50	976439

Check Report

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
WRO01	CHANDRA WROTEN	03/13/2024	Regular	0.00	379.50	976440
MAS0004	CLINT MASSEY	03/13/2024	Regular	0.00	85.00	976441
COM17	COMCAST	03/13/2024	Regular	0.00	327.68	976442
JOH0001	CONNOR JOHNS	03/13/2024	Regular	0.00	171.75	976443
DAN03	DAN-GER INC	03/13/2024	Regular	0.00	38.93	976444
BAR13	DAVIAN BARAJAS	03/13/2024	Regular	0.00	165.00	976445
DEL06	DELL MARKETING L.P.	03/13/2024	Regular	0.00	723.91	976446
DEP13	DEPARTMENT OF JUSTICE	03/13/2024	Regular	0.00	66.00	976447
EDW05	EDWARDS, STEVEN	03/13/2024	Regular	0.00	90.00	976448
EFF01	EFFICIENCY SERVICES GROUP, LLC	03/13/2024	Regular	0.00	3,580.00	976449
FED01	FEDERAL EXPRESS CORP	03/13/2024	Regular	0.00	68.34	976450
GEN06	GENERAL PACIFIC, INC.	03/13/2024	Regular	0.00	1,598.83	976451
GRI01	GRIDLEY COUNTRY FORD	03/13/2024	Regular	0.00	3,349.77	976452
GRI02	GRIDLEY HONDA	03/13/2024	Regular	0.00	39.16	976453
HDL02	HINDERLITER, DE LLAMAS & ASSOCIATES	03/13/2024	Regular	0.00	89.30	976454
HOU03	HOUSING TOOLS LLC	03/13/2024	Regular	0.00	150.00	976455
IND11	IECOB'S INDUSTRIAL EQUIPMENT INC	03/13/2024	Regular	0.00	594.82	976456
CAL80	J ANGEL CALDERON	03/13/2024	Regular	0.00	124.22	976457
COO10	JARED COOLEY	03/13/2024	Regular	0.00	241.50	976458
NAK01	JAXON NAKO	03/13/2024	Regular	0.00	82.50	976459
MOFF1	JENNA MOFFITT	03/13/2024	Regular	0.00	25.00	976460
JCO001	JONATHAN CORRALES	03/13/2024	Regular	0.00	85.00	976461
JIM50	JOSE R. JIMENEZ	03/13/2024	Regular	0.00	350.00	976462
JNA01	JOSELYN NAVARRO	03/13/2024	Regular	0.00	165.00	976463
JAS01	JUSTINE ANN SPEEGLE	03/13/2024	Regular	0.00	230.40	976464
LAK01	LAKEVIEW PETROLEUM CO	03/13/2024	Regular	0.00	8,065.42	976465
LIG03	LIGHTBEAM POWER COMPANY	03/13/2024	Regular	0.00	3,739.63	976466
LM01	LUIS MURILLO	03/13/2024	Regular	0.00	90.00	976467
GAR0001	LYNETTE GARTON	03/13/2024	Regular	0.00	30.00	976468
MAC01	MAC'S HARDWARE & RENTAL	03/13/2024	Regular	0.00	1,260.77	976469
MAX01	MAX WALTERS	03/13/2024	Regular	0.00	260.00	976470
MES02	MESSENGER PUBLISHING GROU	03/13/2024	Regular	0.00	630.50	976471
MET04	METROPOLITAN TRANSPORTATION COMMISSIC	03/13/2024	Regular	0.00	2,000.00	976472
MC001	MIGUEL CHAVEZ	03/13/2024	Regular	0.00	125.00	976473
MIN07	MINASIAN, MEITH, SOARES, SEXTON & COOPER	03/13/2024	Regular	0.00	13.69	976474
NOR11	Northern California Joint Pole Assoc.	03/13/2024	Regular	0.00	10.70	976475
BIG02	ORCHARD HOSPITAL	03/13/2024	Regular	0.00	740.00	976476
ORE01	O'REILLY AUTOMOTIVE, INC.	03/13/2024	Regular	0.00	126.49	976477
PGE01	P G & E CO	03/13/2024	Regular	0.00	276.60	976478
PRE07	PRE-EMPLOY.COM	03/13/2024	Regular	0.00	15.00	976479
RCH01	RACHEL CHAND	03/13/2024	Regular	0.00	260.00	976480
STE13	REGAN STEWART	03/13/2024	Regular	0.00	165.00	976481
RIC01	Rich, Fuidge, Bordsen & Gaylean, Inc.	03/13/2024	Regular	0.00	7,336.00	976482
SAC08	SACRAMENTO REGIONAL SAFETY TRAINING CEF	03/13/2024	Regular	0.00	74.00	976483
SAC08	SACRAMENTO REGIONAL SAFETY TRAINING CEF	03/13/2024	Regular	0.00	158.00	976484
SAC08	SACRAMENTO REGIONAL SAFETY TRAINING CEF	03/13/2024	Regular	0.00	158.00	976485
FD01	SSC PROPERTY INVESTMENTS	03/13/2024	Regular	0.00	533.58	976486
ADV05	SUPERIOR CALIFORNIA OFFICE EQUIPMENT, INC	03/13/2024	Regular	0.00	512.82	976487
UPS05	THE UPS STORE	03/13/2024	Regular	0.00	15.14	976488
USB05	US BANK	03/13/2024	Regular	0.00	127.00	976489
WHE02	WHEELER RANCH & FEED	03/13/2024	Regular	0.00	39.98	976490
ZIX01	ZIXCORP SYSTEMS INC	03/13/2024	Regular	0.00	600.00	976491
AME21	AMERICAN WATER	03/14/2024	Regular	0.00	501.00	976492
ANI01	ANIXTER	03/14/2024	Regular	0.00	1,752.26	976493
BUT01	BUTTE AUTO PARTS	03/14/2024	Regular	0.00	90.81	976494
CAL47	CALIFORNIA RURAL	03/14/2024	Regular	0.00	1,364.00	976495
SYA01	CALMAT CO.	03/14/2024	Regular	0.00	2,700.32	976496
CIT17	CITY OF OROVILLE	03/14/2024	Regular	0.00	3,518.54	976497
BIR02	DANNY BIRKHOLTZ	03/14/2024	Regular	0.00	101.50	976498
DECO2	DECKER ENGINEERING SERVICES, LLC	03/14/2024	Regular	0.00	8,437.50	976499
DEL06	DELL MARKETING L.P.	03/14/2024	Regular	0.00	552.22	976500

Check Report

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
DEP02	DEPARTMENT OF FORESTRY AND FIRE PROTECT	03/14/2024	Regular	0.00	293,766.52	976501
DOW05	Down Range INVESTMENTS, LLC	03/14/2024	Regular	0.00	316.05	976502
EID02	EIDE BAILLY LLP	03/14/2024	Regular	0.00	102,902.50	976503
FGL01	FGL ENVIRONMENTAL, INC.	03/14/2024	Regular	0.00	392.00	976504
BEN01	GENE BENISH	03/14/2024	Regular	0.00	278.84	976505
GRI02	GRIDLEY HONDA	03/14/2024	Regular	0.00	1,207.58	976506
HIG03	HIGHWAY PRODUCTS, INC	03/14/2024	Regular	0.00	39,317.20	976507
J&J01	J&J HEATING AND AIR CONDITIONING, INC	03/14/2024	Regular	0.00	5,485.00	976508
LCW01	LIEBERT CASSIDY WHITMORE	03/14/2024	Regular	0.00	935.00	976509
MAC01	MAC'S HARDWARE & RENTAL	03/14/2024	Regular	0.00	197.27	976510
OFF02	OFFICE DEPOT	03/14/2024	Regular	0.00	268.19	976511
RSG01	RSG INC.	03/14/2024	Regular	0.00	3,306.25	976512
SYL02	SILVIA ELENA CORDERO	03/14/2024	Regular	0.00	2,540.00	976513
LM01	LUIS MURILLO	03/14/2024	Regular	0.00	86.25	976515
LM01	LUIS MURILLO	03/14/2024	Regular	0.00	-86.25	976515
LM01	LUIS MURILLO	03/21/2024	Regular	0.00	86.25	976516
ALT01	ALTEC INDUSTRIES INC	03/27/2024	Regular	0.00	5,013.86	976518
ANI01	ANIXTER	03/27/2024	Regular	0.00	2,014.68	976519
ARA01	ARAMARK UNIFORM SERVICES	03/27/2024	Regular	0.00	16.99	976520
ATT0001	AT&T	03/27/2024	Regular	0.00	85.60	976521
AUT03	AUTO ZONE INC.	03/27/2024	Regular	0.00	8.48	976522
BEN11	BENNETT ENGINEERING SERVI	03/27/2024	Regular	0.00	49,616.92	976523
	Void	03/27/2024	Regular	0.00	0.00	976524
KOP0001	BRANDY KOPP	03/27/2024	Regular	0.00	15.00	976525
BUT01	BUTTE AUTO PARTS	03/27/2024	Regular	0.00	299.64	976526
ACE02	CANDELARIO ACE HARDWARE	03/27/2024	Regular	0.00	562.51	976527
CAL40	CCJWSA	03/27/2024	Regular	0.00	100.00	976528
CHAV01	CHAVAN & ASSOCIATES LLP	03/27/2024	Regular	0.00	42,150.00	976529
COM17	COMCAST	03/27/2024	Regular	0.00	401.10	976530
COR01	CORBIN WILLITS SYSTEM, IN	03/27/2024	Regular	0.00	2,433.89	976531
CRA01	CRANMER ENGINEERING	03/27/2024	Regular	0.00	345.00	976532
BIR02	DANNY BIRKHOLTZ	03/27/2024	Regular	0.00	102.77	976533
BOW04	DAVID BOWLING	03/27/2024	Regular	0.00	300.00	976534
DECO2	DECKER ENGINEERING SERVICES, LLC	03/27/2024	Regular	0.00	7,305.00	976535
EVE03	EVERBANK	03/27/2024	Regular	0.00	96.56	976536
GEN06	GENERAL PACIFIC, INC.	03/27/2024	Regular	0.00	4,398.82	976537
HER12	HERCULOCK	03/27/2024	Regular	0.00	336.16	976538
HIT01	HI-TECH EMERGENCY VEHICLE	03/27/2024	Regular	0.00	5,626.05	976539
KOE01	KOEFRAN INDUSTRIES	03/27/2024	Regular	0.00	225.00	976540
MAC0002	MACQUARIE EQUIPMENT CAPITAL INC.	03/27/2024	Regular	0.00	281.00	976541
MAC01	MAC'S HARDWARE & RENTAL	03/27/2024	Regular	0.00	180.12	976542
MES02	MESSENGER PUBLISHING GROU	03/27/2024	Regular	0.00	454.00	976543
MID07	MidAmerica Administrative	03/27/2024	Regular	0.00	240.00	976544
NOR09	NORTHERN CALIFORNIA GLOVES	03/27/2024	Regular	0.00	952.38	976545
NOR02	NORTHERN CALIFORNIA POWER AGENCY	03/27/2024	Regular	0.00	90,114.00	976546
OFF02	OFFICE DEPOT	03/27/2024	Regular	0.00	110.09	976547
PGE01	P G & E CO	03/27/2024	Regular	0.00	4,118.31	976548
PAP01	PAPE MACHINERY, INC.	03/27/2024	Regular	0.00	10.08	976549
TAV01	PATRICIA TAVERNER	03/27/2024	Regular	0.00	150.00	976550
PCA01	POLICY CONSULTING ASSOCIATES, LLC	03/27/2024	Regular	0.00	7,420.00	976551
CAR15	RYAN CARLSON	03/27/2024	Regular	0.00	100.00	976552
SAC03	SACRAMENTO TRUCK CENTER	03/27/2024	Regular	0.00	140.49	976553
SUT01	SUTTER BUTTES COMM	03/27/2024	Regular	0.00	390.00	976554
HELMS001	TIFFANY HELMS	03/27/2024	Regular	0.00	70.50	976555
TYL01	TYLER TECHNOLOGIES, INC	03/27/2024	Regular	0.00	51,743.23	976556
ULT03	ULTRA LINK CABLING SYSTEM	03/27/2024	Regular	0.00	79.71	976557
USB05	US BANK	03/27/2024	Regular	0.00	47.77	976558
USB05	US BANK	03/27/2024	Regular	0.00	150.83	976559
USB05	US BANK	03/27/2024	Regular	0.00	80.22	976560
USA02	USA BLUEBOOK	03/27/2024	Regular	0.00	173.75	976561
UTI0002	UTILITY FINANCIAL SOLUTIONS, LLC	03/27/2024	Regular	0.00	12,755.00	976562

Check Report

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
SCH12	VALORIE SCHNEIDER	03/27/2024	Regular	0.00	38.05	976563
VER02	VERIZON WIRELESS	03/27/2024	Regular	0.00	1,836.61	976564
	Void	03/27/2024	Regular	0.00	0.00	976565
VIS04	VISION SERVICE PLAN - (CA	03/27/2024	Regular	0.00	554.98	976566
CED01	CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	03/27/2024	Regular	0.00	1,552.98	976567
CAL12	CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION	03/28/2024	Regular	0.00	8,272.00	976568
EM0001	ERIC MACEY	03/28/2024	Regular	0.00	1,448.11	976569
GRI01	GRIDLEY COUNTRY FORD	03/28/2024	Regular	0.00	916.84	976570
NOR11	Northern California Joint Pole Assoc.	03/28/2024	Regular	0.00	9.66	976571
OFF02	OFFICE DEPOT	03/28/2024	Regular	0.00	692.51	976572
UTI0002	UTILITY FINANCIAL SOLUTIONS, LLC	03/28/2024	Regular	0.00	9,342.50	976573
CAL70	CALIFORNIA CHOICE BENEFIT	03/20/2024	Bank Draft	0.00	23,745.14	DFT0002551
CAL70	CALIFORNIA CHOICE BENEFIT	03/20/2024	Bank Draft	0.00	134.31	DFT0002570
CAL70	CALIFORNIA CHOICE BENEFIT	03/20/2024	Bank Draft	0.00	21,511.96	DFT0002576
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	48.00	DFT0002602
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	788.18	DFT0002604
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	1,333.16	DFT0002605
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	2,537.87	DFT0002606
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	4,520.99	DFT0002607
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	4,642.39	DFT0002608
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	4,600.47	DFT0002609
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	2,584.90	DFT0002610
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	7,366.95	DFT0002611
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	2,823.37	DFT0002612
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/08/2024	Bank Draft	0.00	2,780.25	DFT0002613
INT07	INTERNAL REVENUE SERVICE	03/08/2024	Bank Draft	0.00	5,045.96	DFT0002614
INT07	INTERNAL REVENUE SERVICE	03/08/2024	Bank Draft	0.00	15,312.99	DFT0002615
INT07	INTERNAL REVENUE SERVICE	03/08/2024	Bank Draft	0.00	444.58	DFT0002616
EMP01	EMPLOYMENT DEVELOPMENT	03/08/2024	Bank Draft	0.00	6,166.73	DFT0002617
INT07	INTERNAL REVENUE SERVICE	03/08/2024	Bank Draft	0.00	101.64	DFT0002618
INT07	INTERNAL REVENUE SERVICE	03/08/2024	Bank Draft	0.00	299.73	DFT0002619
EMP01	EMPLOYMENT DEVELOPMENT	03/08/2024	Bank Draft	0.00	108.49	DFT0002620
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	49.00	DFT0002621
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	775.70	DFT0002623
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	1,312.04	DFT0002624
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	2,537.87	DFT0002625
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	4,520.99	DFT0002626
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	4,654.95	DFT0002627
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	4,612.90	DFT0002628
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	2,490.16	DFT0002629
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	7,096.95	DFT0002630
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	2,822.61	DFT0002631
CAL59	CALIFORNIA PUBLIC EMPLOYE	03/22/2024	Bank Draft	0.00	2,779.51	DFT0002632
INT07	INTERNAL REVENUE SERVICE	03/22/2024	Bank Draft	0.00	5,040.80	DFT0002633
INT07	INTERNAL REVENUE SERVICE	03/22/2024	Bank Draft	0.00	14,772.49	DFT0002634
INT07	INTERNAL REVENUE SERVICE	03/22/2024	Bank Draft	0.00	788.80	DFT0002635
EMP01	EMPLOYMENT DEVELOPMENT	03/22/2024	Bank Draft	0.00	6,176.39	DFT0002636
INT07	INTERNAL REVENUE SERVICE	03/22/2024	Bank Draft	0.00	258.54	DFT0002637
INT07	INTERNAL REVENUE SERVICE	03/22/2024	Bank Draft	0.00	1,177.43	DFT0002638

Check Report

Date Range: 03/01/2024 - 03/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
EMP01	EMPLOYMENT DEVELOPMENT	03/22/2024	Bank Draft	0.00	459.01	DFT0002639

Bank Code General Checking Summary

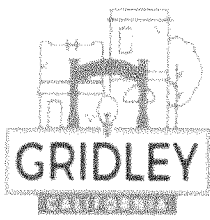
Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	308	161	0.00	921,818.97
Manual Checks	0	0	0.00	0.00
Voided Checks	0	87	0.00	-86.25
Bank Drafts	39	39	0.00	169,224.20
EFT's	0	0	0.00	0.00
	347	287	0.00	1,090,956.92

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	308	161	0.00	921,818.97
Manual Checks	0	0	0.00	0.00
Voided Checks	0	87	0.00	-86.25
Bank Drafts	39	39	0.00	169,224.20
EFT's	0	0	0.00	0.00
	347	287	0.00	1,090,956.92

Fund Summary

Fund	Name	Period	Amount
999	Cash Clearing	3/2024	1,090,956.92
			1,090,956.92



Gridley, CA

Payroll Bank Transaction Report

By Payment Number

Date: 3/1/2024 - 3/31/2024

Payroll Set: 01 - City of Gridley

Payment			Direct Deposit		Total Payment
Number	Payment Date	Payment Type	Check Amount	Amount	
5381	03/08/2024	Regular	0	4295.99	4295.99
5382	03/08/2024	Regular	0	2370.17	2370.17
5383	03/08/2024	Regular	0	2639.35	2639.35
5384	03/08/2024	Regular	0	1580.63	1580.63
5385	03/08/2024	Regular	0	6004.2	6004.2
5386	03/08/2024	Regular	0	5227.15	5227.15
5387	03/08/2024	Regular	0	4239.85	4239.85
5388	03/08/2024	Regular	0	504.03	504.03
5389	03/08/2024	Regular	0	4011.27	4011.27
5390	03/08/2024	Regular	0	2024.77	2024.77
5391	03/08/2024	Regular	0	1382.23	1382.23
5392	03/08/2024	Regular	0	1750.06	1750.06
5393	03/08/2024	Regular	0	2031.01	2031.01
5394	03/08/2024	Regular	0	3956.74	3956.74
5395	03/08/2024	Regular	0	2025.47	2025.47
5396	03/08/2024	Regular	0	2453.99	2453.99
5397	03/08/2024	Regular	0	2043.51	2043.51
5398	03/08/2024	Regular	0	1945.72	1945.72
5399	03/08/2024	Regular	0	1989.34	1989.34
5400	03/08/2024	Regular	0	2123.52	2123.52
5401	03/08/2024	Regular	0	2703.84	2703.84
5402	03/08/2024	Regular	0	1904.11	1904.11
5403	03/08/2024	Regular	0	191.65	191.65
5404	03/08/2024	Regular	0	3006.8	3006.8
5405	03/08/2024	Regular	0	2375.58	2375.58
5406	03/08/2024	Regular	0	3758.15	3758.15
5407	03/08/2024	Regular	0	1186.84	1186.84
5408	03/08/2024	Regular	0	2865.02	2865.02
5409	03/08/2024	Regular	0	2398.34	2398.34
5410	03/08/2024	Regular	0	1634.51	1634.51
5411	03/08/2024	Regular	0	1698.21	1698.21
5412	03/08/2024	Regular	0	1873.62	1873.62
5413	03/08/2024	Regular	0	2609.05	2609.05
5414	03/08/2024	Regular	0	3564.1	3564.1
5415	03/08/2024	Regular	0	3026.3	3026.3
5416	03/08/2024	Regular	0	1910.52	1910.52
5417	03/08/2024	Regular	0	1853.87	1853.87
5418	03/08/2024	Regular	0	152	152
5419	03/08/2024	Regular	0	1654.27	1654.27
5420	03/08/2024	Regular	0	1648.89	1648.89
5421	03/08/2024	Regular	0	315.96	315.96
5422	03/08/2024	Regular	0	489.68	489.68
5423	03/08/2024	Regular	0	296.78	296.78
5424	03/08/2024	Regular	0	1986.56	1986.56
5425	03/08/2024	Regular	0	4154.08	4154.08
5426	03/08/2024	Regular	0	3509.15	3509.15
5427	03/08/2024	Regular	0	1813.28	1813.28
5428	03/08/2024	Regular	0	1996.66	1996.66
5429	03/08/2024	Regular	0	3956.96	3956.96
5430	03/08/2024	Regular	0	5180.31	5180.31
5431	03/08/2024	Regular	0	1909.33	1909.33
5432	03/08/2024	Regular	0	2016.96	2016.96
5433	03/08/2024	Regular	0	1955.43	1955.43
5434	03/22/2024	Regular	0	4295.99	4295.99
5435	03/22/2024	Regular	0	2370.16	2370.16
5436	03/22/2024	Regular	0	2389.15	2389.15
5437	03/22/2024	Regular	0	1580.63	1580.63

Payment			Direct Deposit		Total Payment
Number	Payment Date	Payment Type	Check Amount	Amount	
5438	03/22/2024	Regular	0	184.7	184.7
5439	03/22/2024	Regular	0	184.7	184.7
5440	03/22/2024	Regular	0	5900.39	5900.39
5441	03/22/2024	Regular	0	4196.21	4196.21
5442	03/22/2024	Regular	0	4239.85	4239.85
5443	03/22/2024	Regular	0	2391.77	2391.77
5444	03/22/2024	Regular	0	4392.93	4392.93
5445	03/22/2024	Regular	0	2024.76	2024.76
5446	03/22/2024	Regular	0	1500.66	1500.66
5447	03/22/2024	Regular	0	1818.02	1818.02
5448	03/22/2024	Regular	0	2097.4	2097.4
5449	03/22/2024	Regular	0	3956.74	3956.74
5450	03/22/2024	Regular	0	2025.48	2025.48
5451	03/22/2024	Regular	0	2453.99	2453.99
5452	03/22/2024	Regular	0	2422.38	2422.38
5453	03/22/2024	Regular	0	1931.03	1931.03
5454	03/22/2024	Regular	0	1865.85	1865.85
5455	03/22/2024	Regular	0	2476.11	2476.11
5456	03/22/2024	Regular	0	2560.85	2560.85
5457	03/22/2024	Regular	0	1978.92	1978.92
5458	03/22/2024	Regular	0	38.46	38.46
5459	03/22/2024	Regular	0	3006.8	3006.8
5460	03/22/2024	Regular	0	3436.83	3436.83
5461	03/22/2024	Regular	0	3758.15	3758.15
5462	03/22/2024	Regular	0	1186.84	1186.84
5463	03/22/2024	Regular	0	1402.8	1402.8
5464	03/22/2024	Regular	0	2500.26	2500.26
5465	03/22/2024	Regular	0	2313.61	2313.61
5466	03/22/2024	Regular	0	1634.51	1634.51
5467	03/22/2024	Regular	0	1698.21	1698.21
5468	03/22/2024	Regular	0	1788.62	1788.62
5469	03/22/2024	Regular	0	2620.99	2620.99
5470	03/22/2024	Regular	0	152	152
5471	03/22/2024	Regular	0	3018.98	3018.98
5472	03/22/2024	Regular	0	76.01	76.01
5473	03/22/2024	Regular	0	3408	3408
5474	03/22/2024	Regular	0	1910.52	1910.52
5475	03/22/2024	Regular	0	1739.89	1739.89
5476	03/22/2024	Regular	0	1542.27	1542.27
5477	03/22/2024	Regular	0	1648.89	1648.89
5478	03/22/2024	Regular	0	452.43	452.43
5479	03/22/2024	Regular	0	430.32	430.32
5480	03/22/2024	Regular	0	582.55	582.55
5481	03/22/2024	Regular	0	184.42	184.42
5482	03/22/2024	Regular	0	1986.55	1986.55
5483	03/22/2024	Regular	0	1769.63	1769.63
5484	03/22/2024	Regular	0	4854.94	4854.94
5485	03/22/2024	Regular	0	1813.28	1813.28
5486	03/22/2024	Regular	0	1929.55	1929.55
5487	03/22/2024	Regular	0	2540.85	2540.85
5488	03/22/2024	Regular	0	5180.31	5180.31
5489	03/22/2024	Regular	0	1618.29	1618.29
5490	03/22/2024	Regular	0	2417.95	2417.95
5491	03/22/2024	Regular	0	1955.43	1955.43
15001	03/08/2024	Regular	1979.38	0	1979.38
15002	03/08/2024	Regular	2107.96	0	2107.96
15003	03/08/2024	Regular	2104.68	0	2104.68
15004	03/08/2024	Regular	940.89	0	940.89
15005	03/22/2024	Regular	184.7	0	184.7
15006	03/22/2024	Regular	0	0	0
15007	03/22/2024	Regular	1914.53	0	1914.53
15008	03/22/2024	Regular	2107.96	0	2107.96
15009	03/22/2024	Regular	4733.46	0	4733.46

Payment

Number	Payment Date	Payment Type	Check Amount	Direct Deposit Amount	Total Payment
15010	03/22/2024	Regular	2415.78	0	2415.78
Total:			18489.34	254033.62	272522.96

City Council Agenda Item #5
Staff Report

x	Regular
	Special
	Closed
	Emergency

Date: May 6, 2024

To: Mayor and City Council

From: Martin Pineda, Finance Director

Subject: Request for Acceptance and Approval of FY 21-22 Audit Report

Recommendation

Staff respectfully requests that the Mayor and City Council accept the attached FY 21-22 Financial Statements & Independent Auditors Report.

Background

As previously reported to the City Council by Finance Management, the FY 21-22 and FY 22-23 audit reports have been delayed due to city staff turnover caused by COVID-19. Eide Bailly Accounting Service Staff has been assisting the department to date. The City also contracted with a new Audit Firm for FY 21-22 and future audits. The City and Auditors are working on FY 21-22 and 22-23 simultaneously in the hopes to get the City caught up with the citywide audits.

The Finance Department has received the financial audit for FY 21-22 and has reviewed the findings and recommendations made by our independent auditors. Finance staff concurs with findings and recommendations. Corrective efforts are currently under review by the entire Finance Team and some measures have been implemented. New and existing policies are being implemented/updated to comply with standard practices. Those will be presented to the council as we assess and update each policy for approval. The Finance Department Staff will continue to bring Council for future consideration, new and amended policies and procedures that will address previous repeat findings.

As the Council is aware the FY 22-23 audit is being worked on in conjunction with FY 21-22. We should expect the draft financials for FY 22-23 soon. The Finance Department is receiving extensive training regarding the audit.

The city's independent Auditor, Sheldon Chavan from Chavan & Associates LLP will provide a verbal overview of the FY 21-22 financial audit reports.

Compliance with City Council Strategic Plan or Budget Goals

The City Council and City staff are committed to providing the best possible financial practices and the highest possible transparency regarding all financial transactions.

Attachments:

2021-22 City Gridley AFR_C&ALLP.pdf



CITY OF GRIDLEY

ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2022**

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CITY OF GRIDLEY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022
TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditor’s Report..... 1
Management’s Discussion and Analysis 7

Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Position..... 24
Statement of Activities 26

Fund Financial Statements

Governmental Funds:

Balance Sheet..... 28
Reconciliation of the Government Funds Balance Sheet
to the Government-Wide Financial Statement of Net Position 29
Statement of Revenues, Expenditures and Changes in Fund Balances..... 30
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the Government-Wide
Statement of Activities 31

Proprietary Funds:

Statement of Net Position 34
Statement of Revenues, Expenses, and Changes in Fund Net Position 35
Statement of Cash Flows..... 36

Fiduciary Fund Financial Statements:

Statement of Fiduciary Net Position 38
Statement of Changes in Fiduciary Net Position 39

Notes to the Basic Financial Statements 42

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual (GAAP Basis):

General Fund 81
08-HOME-4987 Grant Fund 82
Block Grant Funds 83
Grant-Related Funds 84

Notes to Required Supplementary Information – Budgetary Accounting and Control 85
Schedule of Pension Contributions..... 86
Schedule of Proportionate Share of Net Pension Liability..... 87
Schedule of Changes in Total OPEB Liability 88

CITY OF GRIDLEY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022
TABLE OF CONTENTS

SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds:

Combining Balance Sheet	93
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	98

Nonmajor Enterprise Funds:

Combining Statement of Net Position	104
Combining Statement of Revenues, Expenses, and Changes in Net Position	105
Combining Statement of Cash Flows	106

Private Purpose Trust Funds:

Combining Statement of Fiduciary Net Position	108
Combining Statement of Changes in Fiduciary Net Position.....	109

Custodial Funds:

Combining Statement of Fiduciary Net Position	112
Combining Statement of Changes in Fiduciary Net Position.....	113

General Fund:

Combining Balance Sheet	116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	117



FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Gridley, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAGAS, we:

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

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



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and other required supplementary 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements, schedules, and other information listed in the supplementary information section of the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That



Chavan and Associates, llp
Certified Public Accountants

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.

C & A LLP

Chavan & Associates, LLP
Certified Public Accountants
April 21, 2024
Morgan Hill, California



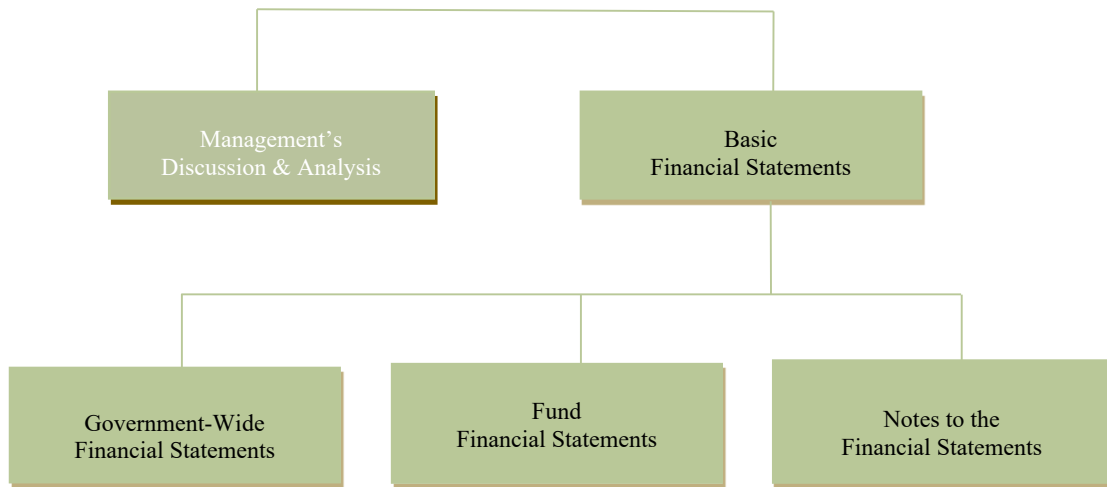
**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

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INTRODUCTION

As management of the City of Gridley, California (city), we offer readers of the City’s financial statements this narrative overview and analysis of financial activities of the City of Gridley, for the fiscal year that ended on June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the other sections of the attached audited financial statements, required supplemental information and other supplemental information. The required components of the report are listed below.

Required Components of the Annual Financial Report



FISCAL YEAR 2021/22 FINANCIAL HIGHLIGHTS

Government-Wide Highlights

- The assets and deferred outflows of resources for the City of Gridley exceeded the liabilities and deferred inflows of resources at the close of the fiscal year by \$36.14 million (net position). Of the net position, \$20.59 million was classified as net investment in capital assets; \$4.58 million recorded as restricted funds; and \$10.97 million categorized as unrestricted net position.
- The City’s net position decreased by \$1.88 million. This included a \$2.4 million increase in the net position of Governmental Activities and a \$4.28 million decrease in the net position of Business-Type Activities. There was an increase to beginning net position of \$14,507 for Governmental Activities and a decrease of \$3,036 for Business-Type Activities adjust beginning net position for the correction of accounting errors.
- City revenues decreased by \$3.36 million, or 16.15%, when compared to the prior fiscal year. This decrease is primarily related to a decreased in business-type activities charges for services of \$2.79 million, and rental income of \$1.41 million, which was offset by an increase in governmental activity charges for services of \$372,755, and operating grants of \$659,774. Total expenses increased by \$2.33

million, or 13.7%, with \$62,254 increase in general government expenses, \$499,330 increases in streets and public works, \$248,270 in community development, \$263,147 in parks and recreation, \$1.37 million in the electric program, \$86,162 in the sewer program, and \$145,015 in other proprietary programs, which was offset by a decrease of \$210,636 in public safety expenses and \$132,120 in water program expenses.

- Deferred outflows of resources decreased by \$1.04 million, while deferred inflows of resources increased by \$9.9 million. This was primarily related to pension liability adjustments identified in the City's actuarial reports, which include differences between expected and actual earnings; expected and actual experiences; and changes in proportional allocations. The City's pension liability in accordance with GASB 68 as of June 30, 2022 was \$5.38 million, while the total OPEB liability for the fiscal year ending June 30, 2022 was \$2.63 million.
- The City's long-term debt decreased by \$86,609, or 2.7%, in Fiscal Year 2021/22 primarily from debt service payments made during the year.
- The City's net capital assets increased by \$19,639, or .08%, primarily as a result of land purchases and improvements, offset by depreciation.

Fund Highlights

- At the close of Fiscal Year 2021/22 the City's *Governmental Funds* reported a combined fund balance of \$14.3 million, which is an increase of \$1.8 million in comparison with the prior year. Approximately 33.09%, or \$4.73 million, was classified as unassigned fund balance and is available for spending.
- At the end of the current fiscal year, the *General Fund's* unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) was \$13.38 million, or 254.81%, of total general fund expenditures, prior to transfers. The General Fund's unassigned fund balance was \$8.48 million, or 161.44%, of total general fund expenditures, prior to transfers.
- The *General Fund's* fund balance increased by 1.28 million at the close of the fiscal year. This included an excess of operating expenditures over revenues of \$320,790, before an additional \$1.6 million in net transfers.
- *General Fund* revenues decreased from prior year by \$932,369 and expenditures increased from prior year by \$292,752.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of (1) Government-Wide Financial Statements (2) Fund Financial Statements, and (3) notes to the financial statements. This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Financial Statements

The *Government-Wide Financial Statements* are designed to provide readers with a broad overview of the

City's finances, in a manner similar to a private-sector business. Government-Wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the City as a whole. Government-Wide Financial Statements consist of the *Statement of Net Position* and the *Statement of Activities*.

The *Statement of Net Position* presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the Government-Wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). An overview of the City's functions associated with each classification is listed below.

Governmental Activities – All of the City's basic services are considered to be governmental activities. This includes general government, public safety, streets and public works, community development, and parks and recreation. These services are supported by general City revenues such as taxes, and by specific program revenues such as development and recreation program fees.

Business-Type Activities – The City's enterprise activities include electric, water, sewer, drainage, solid waste, and senior taxi services. Unlike governmental activities, these services are fully supported by charges paid by users based on the amount of services they use.

The Government-Wide Financial Statements include not only the City itself (known as the primary government), but also a legally separate financing authority which the City is financially accountable. The City of Gridley Public Facilities Financing Authority (Financing Authority) is legally separate from the City but is blended with the primary government because it has the same governing board as the City and because of its financial relationship with the City. Separate financial statements are not issued for the Financing Authority.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Fund financial statements provide detailed information about each of the City's most significant funds, called major funds. Major funds are presented individually, with all non-major funds summarized and presented only in a single column. Other Supplementary information includes subordinate schedules that present the detail of these non-major funds. Major funds present the major activities of the City for the fiscal year and may change from year to year as a result of changes in the pattern of the City's activities. All of the City's

funds can be divided 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 *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. This represents a modified accrual basis of accounting, with capital assets, long-lived assets, and long-term liabilities excluded from the financial statements. Such information may be useful in evaluating the City's near-term financing requirements.

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

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, 08-Home-4987 Grant Fund, Block Grant Fund, and Grant Related Funds, which are major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the Other Supplementary Information section of this report.

The City adopts an annual budget for its General Fund and Special Revenue Funds. A budgetary comparison statement has been provided for the General Fund and Major Special Revenue Funds to demonstrate compliance with this budget.

Proprietary Funds

The City has six *Enterprise Funds* that are a proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide statements.

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 include electric, water, sewer, drainage, solid waste, and senior taxi services. The electric, water and sewer funds are major enterprise funds for the City.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the Government-Wide Financial Statements because the resources of these funds are not available to support the City's own programs. The accounting for fiduciary funds is much like that used for business-type activities. The City maintains private purpose trust funds and custodial funds to report activities that are fiduciary in nature.

NOTES TO THE FINANCIAL STATEMENTS

Notes to the Financial Statements provide additional information that is necessary to acquire a full understanding of the data provided in the Government-Wide and Fund Financial Statements.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City’s progress in funding its obligations to provide pension and Other Post Employment Benefit (OPEB) benefits to its employees.

SUPPLEMENTARY INFORMATION

The combining statements referred to earlier in connection with nonmajor governmental funds, are presented in the other supplementary information section, immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, net position may serve as an indicator of a government’s financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$36.14 million at the close of Fiscal Year 2021/22. This is a decrease of \$1.88 million over the prior fiscal year.

The following table summarizes the City’s ending net position:

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current and other assets	\$ 26,566,221	\$ 22,827,207	\$ 10,988,115	\$ 13,986,794	\$ 37,554,336	\$ 36,814,001
Capital assets	10,682,149	10,115,438	13,031,254	13,578,326	23,713,403	23,693,764
Total Assets	\$ 37,248,370	\$ 32,942,645	\$ 24,019,369	\$ 27,565,120	\$ 61,267,739	\$ 60,507,765
Deferred Outflows of Resources	\$ 2,503,120	\$ 3,082,467	\$ 1,656,405	\$ 2,112,700	\$ 4,159,525	\$ 5,195,167
Liabilities						
Current and other liabilities	\$ 1,313,403	\$ 465,184	\$ 1,151,572	\$ 665,012	\$ 2,464,975	\$ 1,130,196
Noncurrent liabilities	8,352,635	14,489,078	8,274,360	11,768,321	16,626,995	26,257,399
Total Liabilities	\$ 9,666,038	\$ 14,954,262	\$ 9,425,932	\$ 12,433,333	\$ 19,091,970	\$ 27,387,595
Deferred Inflows of Resources	\$ 6,609,818	\$ -	\$ 3,585,592	\$ 295,921	\$ 10,195,410	\$ 295,921
Net Position						
Net investment in capital assets	\$ 10,682,149	\$ 10,115,438	\$ 9,904,863	\$ 10,365,326	\$ 20,587,012	\$ 20,480,764
Restricted	4,584,441	3,204,997	-	-	4,584,441	3,204,997
Unrestricted	8,209,044	7,750,415	2,759,387	6,583,240	10,968,431	14,333,655
Total Net Position	\$ 23,475,634	\$ 21,070,850	\$ 12,664,250	\$ 16,948,566	\$ 36,139,884	\$ 38,019,416

A significant portion, or \$20.59 million, of the City's net position reflects its investment in capital assets, (e.g., land, buildings, general government infrastructure, equipment, etc.), net of accumulated depreciation and less any outstanding debt that was used to acquire or construct those assets. Capital assets represent infrastructure which provide services to citizens and are not available for future spending. Although the City’s investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate

the liabilities.

The \$4.58 million classified as Restricted Net Position, represents resources that are subject to external restrictions, by external creditors, grantors, contributors, or laws or regulations of other governments, on how they may be used. Complete details of each fund can be found in the fund descriptions.

The remaining balance of \$10.97 million is classified as unrestricted.

At the end of Fiscal Year 2021/22, the City is able to report a positive balance for the government as a whole. The reasons for the overall financial changes are discussed in the following sections for governmental and business-type activities.

Governmental and Business-Type Activities

As shown in the *Statement of Changes in Net Position* schedule, the net position for Governmental Activities increased from \$2.4 million during Fiscal Year 2021/22. This increase is largely due to pension credits, increases to charges for services, and increases to operating grants.

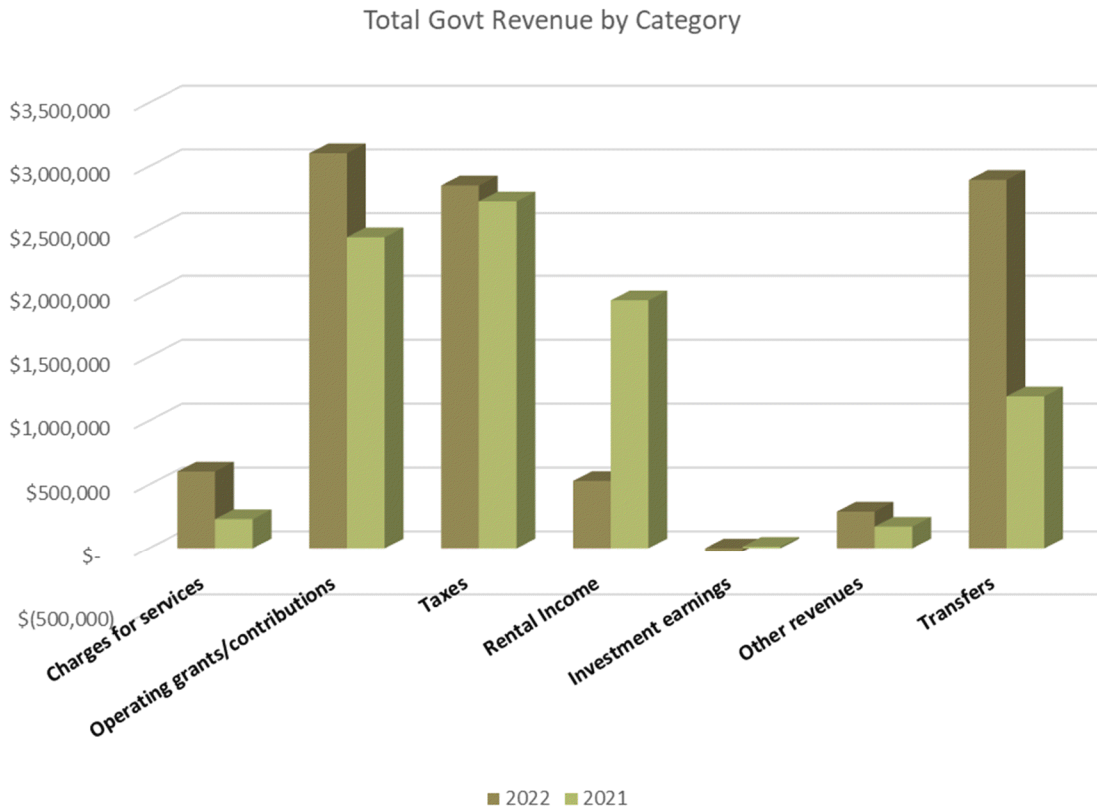
The net position for business-type activities decreased by \$4.28 million during Fiscal Year 2021/22. This decrease was mostly due to decreases in Charges for Services of \$3.16 million and increases to operating expenses of \$1.47 million. In Fiscal Year 2021/22, the City's total revenues were \$17.44 million and total expenses were \$19.33 million. The combined decrease in net position of \$1.88 million includes a net operating difference of \$1.89 million and \$11,471 in prior period adjustments. An analysis of the changes in revenues and expenses by type of significant events follows:

Functions/Programs	Governmental Activities			Business-Type Activities			Totals		Increase (Decrease)
	2022	2021	Increase (Decrease)	2022	2021	Increase (Decrease)	2022	2021	
Program Revenues									
Charges for services	\$ 602,385	\$ 229,630	\$ 372,755	\$ 10,000,158	\$ 13,165,306	\$ (3,165,148)	\$ 10,602,543	\$ 13,394,936	\$ (2,792,393)
Operating grants and contributions	3,103,902	2,444,128	659,774	86,000	95,500	(9,500)	3,189,902	2,539,628	650,274
Total Program Revenues	3,706,287	2,673,758	1,032,529	10,086,158	13,260,806	(3,174,648)	13,792,445	15,934,564	(2,142,119)
General Revenues									
Taxes	2,851,011	2,725,572	125,439	-	-	-	2,851,011	2,725,572	125,439
Rental income	528,802	1,941,865	(1,413,063)	-	-	-	528,802	1,941,865	(1,413,063)
Investment earnings	(25,329)	13,499	(38,828)	(16,187)	8,255	(24,442)	(41,516)	21,754	(63,270)
Other revenues	288,841	171,104	117,737	22,162	7,310	14,852	311,003	178,414	132,589
Loss on disposal of capital assets	-	-	-	-	-	-	-	-	-
Transfers	2,894,438	1,190,235	1,704,203	(2,894,438)	(1,190,235)	(1,704,203)	-	-	-
Total General Revenues	6,537,763	6,042,275	495,488	(2,888,463)	(1,174,670)	(1,713,793)	3,649,300	4,867,605	(1,218,305)
Expenses									
General government	413,049	350,795	62,254	-	-	-	413,049	350,795	62,254
Public safety	4,921,625	5,132,261	(210,636)	-	-	-	4,921,625	5,132,261	(210,636)
Streets and public works	1,578,261	1,078,931	499,330	-	-	-	1,578,261	1,078,931	499,330
Community development	484,839	236,569	248,270	-	-	-	484,839	236,569	248,270
Parks and recreation	455,999	192,852	263,147	-	-	-	455,999	192,852	263,147
Electric	-	-	-	7,994,113	6,625,352	1,368,761	7,994,113	6,625,352	1,368,761
Water	-	-	-	1,139,455	1,271,575	(132,120)	1,139,455	1,271,575	(132,120)
Sewer	-	-	-	2,083,746	1,997,584	86,162	2,083,746	1,997,584	86,162
Other proprietary	-	-	-	261,661	116,646	145,015	261,661	116,646	145,015
Total Expenses	7,853,773	6,991,408	862,365	11,478,975	10,011,157	1,467,818	19,332,748	17,002,565	2,330,183
Increase / (Decrease) in Net Position	2,390,277	1,724,625	665,652	(4,281,280)	2,074,979	(6,356,259)	(1,891,003)	3,799,604	(5,690,607)
Prior Period Adjustments	14,507	(13,292)	27,799	(3,036)	(108,630)	105,594	11,471	(121,922)	133,393
Net Position, Beginning of Year	21,070,850	19,359,517	1,711,333	16,948,566	14,982,217	1,966,349	38,019,416	34,341,734	3,677,682
Net Position, End of Year	\$ 23,475,634	\$ 21,070,850	\$ 2,404,784	\$ 12,664,250	\$ 16,948,566	\$ (4,284,316)	\$ 36,139,884	\$ 38,019,416	\$ (1,879,532)

Governmental Activities

Governmental Revenues

The following chart summarizes the changes in revenues by category during Fiscal Year 21/22:

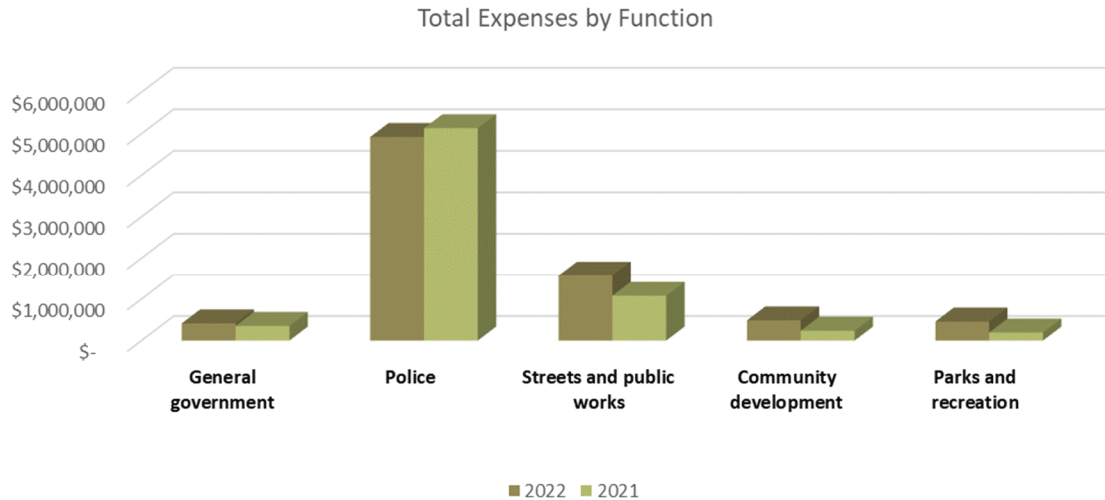


Significant changes in governmental revenues consisted of the following:

- The Charges for Services category in governmental activities increased by \$372,000 as Recreation and Community Services program revenues continued to recover from prior COVID-19 restrictions.
- In Fiscal Year 2021/22, capital grants and contributions increased by \$660,000. The increase was mainly due to one-time grants received from federal, state and county agencies.
- Taxes increased by \$125,000 or 4.4%, which is made up of property tax and sales and use tax.
- Rental Income decreased by \$1.4 million, this is due to the FEMA lease at the industrial park expiring. The industrial park was used to provide temporary housing to victims of the Camp Fire.
- Investment earnings decreased by \$38,000 which reflects the rise in interest rates by the Federal Reserve.
- Transfers increased by \$1.7 million, this was due to the creation of a new GHG Carbon Credit Fund. Historically, carbon credit revenue was posted to the Electric Fund (Fund 600), and these funds are limited and can be used only for the purpose of reducing emissions.

Governmental Expenses

The Fiscal Year 2021/22 expenses for Governmental Activities increased by \$862,365 as illustrated in the chart below:



Significant changes in governmental expenses consisted of the following:

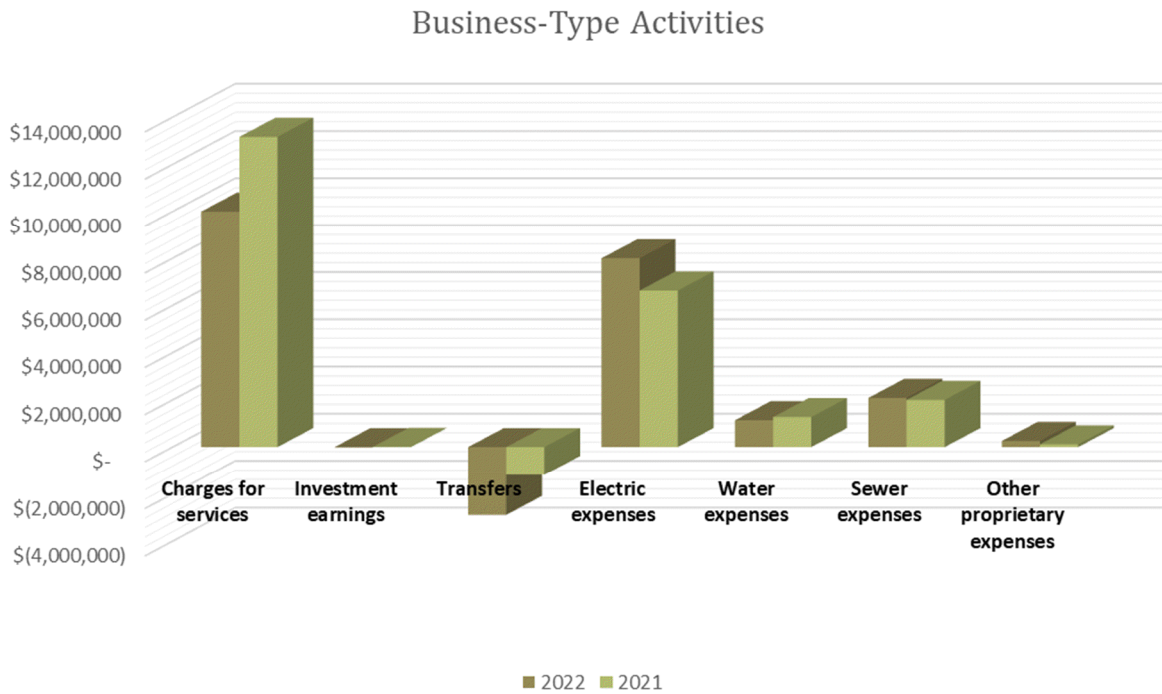
Although overall governmental expenses increased by \$862,365, there were line-item variances as follows:

- General government increased by 17.7% or \$62,000.
- Public Safety-related costs decreased by 4.1% or \$210,000.
- Streets and Public Works increased by 46.3% or \$499,000.
- Community Development expenses increased by 104.9% or \$248,000.
- Parks and Recreation increased by 136.4% or \$263,000.

These variances are a part of the presentation of financial statements on a government-wide perspective, whereby expenditures are allocated to departments related to adjustments for actuarial pension reports and depreciation. Additional allocations or conversion entries are needed to convert fund statements to a government-wide perspective. The decrease in Public Safety is primarily related to allocations for actuarial pension adjustments in the amount of a \$4.4 million credit for Fiscal year 2021/22, calculated pursuant to GASB requirements. The increases to Community Development was due to increased activity for potential future housing and working with developers. Most of these are in the planning stages, but two developments have already broke ground. The increase to Parks and Recreation is the re-opening of the recreation department due to the temporary shutdown caused by COVID-19.

Business-Type Activities

The City’s net position for business-type activities decreased by \$4.28 million. The following chart is a summary of the changes in revenues and expenses for the City’s business-type activities from Fiscal Year 2020/21 to 2021/22, with additional analysis following the chart:



Total Program Revenues for business-type activities decreased by \$3.17 million when compared to the prior fiscal year. This reflects the decrease in Charges for Services for Electric, Water, and Sewer. This is primarily due to the end of the FEMA lease at the industrial park.

Total General Revenues decreased by \$1.71 million related to the transfer of GHG carbon credits that were posted to the Electric Fund and now being tracked in its own Fund. Revenues for this specific area were not a true decrease but a transfer of the funds for tracking purposes.

Total expenses for business type activities were \$11.48 million for Fiscal Year 2021/22, which was an increase of \$1.48 million when compared to the prior fiscal year. This was primarily due to the power the city purchases from NCPA.

FINANCIAL ANALYSIS OF THE CITY’S GOVERNMENTAL FUNDS

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

The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City’s Council.

The following summarizes the fund balances by major and nonmajor funds:

	General Fund	08-Home-4987 Grant Fund	Block Grant Fund	Grant Related Funds	Nonmajor Governmental Funds	Total
Nonspendable	\$ 79,263	\$ -	\$ -	\$ -	\$ -	\$ 79,263
Restricted	-	3,782	954,745	1,540,856	2,085,058	4,584,441
Committed	40,425	-	-	-	-	40,425
Assigned	4,863,500	-	-	-	-	4,863,500
Unassigned	8,479,468	-	-	-	(3,747,920)	4,731,548
Total Fund Balance	\$ 13,462,656	\$ 3,782	\$ 954,745	\$ 1,540,856	\$ (1,662,862)	\$ 14,299,177

Total Fund Balance as of June 30, 2022 was \$14.3 million. Of this amount, \$4.7 million, or 33.09%, was unassigned fund balance, which is available for spending at the government’s discretion. The remainder of the fund balance was either nonspendable, restricted, or assigned to indicate that it was (1) not in a spendable form, \$79,263; (2) restricted for particular purposes, \$4.58 million; (3) committee by Council resolution for a specific purpose, \$40,425; or (3) assigned for particular purposes, \$4.86 million. A summary of the changes in fund balance of the Major Funds and Nonmajor Governmental Funds is presented below:

	General Fund	08-Home-4987 Grant Fund	Block Grant Fund	Grant Related Funds	Nonmajor Governmental Funds	Total
Total Revenues	\$ 4,931,444	\$ (10)	\$ 257,107	\$ 737,399	\$ 708,503	\$ 6,634,443
Total Expenditures	5,252,234	-	14,320	941,820	1,533,804	7,742,178
Revenues Over (Under) Expenditures	(320,790)	(10)	242,787	(204,421)	(825,301)	(1,107,735)
Transfers in	1,599,335	-	-	1,616,977	-	3,216,312
Transfers out	-	-	-	(321,874)	-	(321,874)
Net change in fund balances	1,278,545	(10)	242,787	1,090,682	(825,301)	1,786,703
Beginning of year	12,179,605	3,792	712,075	440,174	(837,679)	12,497,967
Prior Period Adjustment	4,506	-	(117)	10,000	118	14,507
End of year	\$ 13,462,656	\$ 3,782	\$ 954,745	\$ 1,540,856	\$ (1,662,862)	\$ 14,299,177

As of June 30, 2022, the City’s governmental funds reported combined fund balances of \$14.3 million, an increase of \$1.88 million (including a prior period adjustment of \$14,507) in comparison with the prior fiscal year.

Analysis of Individual Funds

The General Fund is the chief operating fund of the City. As of the end of Fiscal Year 2021/22, the unassigned fund balance of the general fund was \$8.48 million, while total fund balance increased to \$13.46 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 161.44% of total general fund expenditures, while total fund balance represents 254.81% of that same amount.

The General Fund's fund balance increased by \$1.28 million for Fiscal Year 2021/22. This is primarily attributed to \$1.6 million in net transfers into the General Fund offset by operating expenditures exceeding operating revenues by \$320,790 during fiscal year 2021/22.

The 08-Home-4987 Fund's fund balance decreased by \$10 during the year. This fund is reported as major because of the loans reported in that fund totaling \$5.4 million at year end.

The Bock Grant Fund's fund balance increased by \$242,670 during the year as expenditures decreased by \$165,632.

The Grant Related Funds fund balance increased by \$1.1 million during the year as expenditures decreased by \$868,735.

Nonmajor Governmental Fund's fund balances decreased by \$825,183 mainly due to an increase in total expenditures of \$390,110 during the year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City's General Fund original budget to the final budget are detailed in the *Required Supplementary Information* section along with a comparison to actual activity for the fiscal year ended. Changes to the City's budget that increase or decrease appropriations in a fund must be approved by a resolution of the City Council.

Revenues

The General Fund adopted and final revenue budgets were \$4.87 million and \$4.87 million, respectively, with actual revenues at \$4.93 million. The overall budgetary difference of \$60,983 primarily reflects greater than anticipated revenue from taxes and assessments and grants.

Expenditures

The General Fund adopted expenditure budget was \$7.5 million and the final budget was \$7.5 million. The actual expenditures totaled \$5.25 million, which resulted in a net difference from the final budget of \$2.24 million. This budgetary variance was mostly attributable to lower-than-expected capital outlay costs and streets and public works expenditures.

CAPITAL ASSETS

The City of Gridley’s investment in capital assets for its governmental and business-type activities as of June 30, 2022, was \$23.7 million (net of accumulated depreciation). This includes net capital assets from governmental activities of \$10.68 million and net capital assets from business-type activities of \$13.03 million. This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and sewer systems.

The following table summarizes the City’s capital assets at the end of the fiscal year:

	Governmental Activities		Business-type Activities		Total		% Change
	2022	2021	2022	2021	2022	2021	
Land - non-depreciable	\$ 1,150,990	\$ 417,779	\$ 921,793	\$ 921,793	\$ 2,072,783	\$ 1,339,572	54.73%
Construction in Progress - non-depreciable	395,719	588,859	485,570	1,408,328	881,289	1,997,187	-55.87%
Infrastructure	3,956,696	4,227,212	3,625,203	3,787,267	7,581,899	8,014,479	-5.40%
Buildings and Improvements	1,097,178	1,210,087	200,593	224,819	1,297,771	1,434,906	-9.56%
Improvements other than Buildings	2,531,215	2,271,840	5,716,530	5,203,963	8,247,745	7,475,803	10.33%
Vehicle and Equipment	1,550,351	1,399,661	2,079,145	2,032,156	3,629,496	3,431,817	5.76%
Right of Use Assets	-	-	2,420	-	2,420	-	100.00%
Total Capital Assets, Net	\$ 10,682,149	\$ 10,115,438	\$ 13,031,254	\$ 13,578,326	\$ 23,713,403	\$ 23,693,764	0.08%

The total increase in the City’s capital assets, net of depreciation and disposals was \$19,639. In Governmental Activities, the net increase in capital assets was \$566,711, or 5.6%, while business-type activities capital assets decreased by \$547,072, or 4.03%. This changes were mainly attributed to land purchases and improvements, net of depreciation.

Additional detail and information on capital asset activity is included in the notes to the financial statements, Note 6.

DEBT ADMINISTRATION

At the end of the fiscal year, the City had total debt outstanding of \$3.13 million which was all reported in business-type activities.

The following table summarizes the City’s debt at the end of the fiscal year:

	Business-type Activities		% Change
	2022	2021	
USDA Rural Development Loan	\$ 939,000	\$ 974,000	-3.59%
USDA Rural Development Loan	2,185,000	2,239,000	-2.41%
Lease Liability	2,391	-	100.00%
Total outstanding long-term debt	\$ 3,126,391	\$ 3,213,000	-2.70%

During the fiscal year, long-term debt decreased by \$86,609. The reduction in Long-Term Debt was a result of debt service payments. Additional detail and information on long-term debt activity is included in the notes to the financial statements, Note 7.

ECONOMIC FACTORS

Summary

The City's primary revenue sources include property taxes, sales and use taxes, and Franchise Tax Fee and Stage Coach Trailer Tax. Property tax revenue is projected to grow as the City works with developers for future housing and as limited stock drives home prices higher. The major concern the City is facing is COVID and how that will affect our major revenue sources like sales and use taxes. We are projecting new expenses will arise from COVID for FY 2022-2023.

The City is currently recovering in staffing across all departments. Police, Electric, and Finance are the departments that are struggling the most with staffing. Finance department has stopped issuing late fees on utility payments, and shut offs are on hold. Our residents are struggling just as we are and we are doing our best to help while maintaining the City's finances. We are expecting funds to cover some utility costs from the CAPP and Water Arrearage Program and finance is working to get reporting and funding. This will assist our residents with their bills and provide the City with revenue.

The pandemic had a great effect on our small City. Projections for the City's four major revenues total \$2.7 million, or 75%, of the \$3.5 million in estimated total General Fund revenues or 15% of the \$18.3 million of the estimated total citywide revenues for fiscal year 2021-2022. The four major revenues are projected to have a minimal increase when compared to fiscal year 2022-2023 Adopted Budget, primarily driven by performance in sales and use taxes as well as the property taxes. While the approaching fiscal year reflects increased revenue receipts, the economic outlook assumes the leveling off of sales and use taxes to anticipate only a conservative 3% growth over prior year revenues as consumers shift from goods to services.

Planned expenditures also increased in the upcoming fiscal year. City staffing levels remained at 49 full-time equivalents (FTE) in fiscal year 2021-2022. The cost of staffing increases from \$6.8 million to \$8 million due to a combination of factors such as negotiated salary and benefit adjustments, personnel advancement (annual merit or salary step adjustments), rising retirement and health insurance costs and additional staff. Personnel costs steadily increased, approaching \$8.6 million by fiscal year 2023-2024, without any additional increase in FTE beyond the fiscal year 2023-2024 staffing levels.

However, even without an increase in staffing levels, the City faces rising personnel costs primarily attributed to pension-related expenses. In addition to its annual contributions toward retirement costs for existing employees, the City makes an annual required payment to the California Public Employees' Retirement System (CalPERS) for the City's unfunded accrued liability ("UAL"). The UAL payment for FY 2021-2022 was \$0.99 million. FY 2022-2023 UAL payment is project to be roughly \$0.7 million. The City currently has not addressed its pension obligations, there are options to this such as Section 115 Trust or adjustments of the Amortization Schedule.

If the City elects to start funding a Section 115 trust, it will have to plan and continually fund the trust while maintaining an annual balanced budget. To achieve this, the revenues must sustain and annual growth over the next several years and controlling the citywide expenses, particularly regarding the salary and benefits and capital outlay. Inflation also affects the ability to reduce costs for staffing, services, and supplies.

Outlook for Major Revenues

Property Taxes

The City's land capacity for new housing is limited, which curtails the availability of housing stock. This limited supply, coupled with a high demand for housing driven by the City's desirability as a place to live, contributes to a healthy real estate market and thus the stability and strength of property tax revenues. Unlike sales tax and franchise fees, the fiscal year 2022-2023 budget assumed minimal growth in property tax and continued resiliency.

The State median home price averaged over \$849,000 in 2022, setting a 11.9% increase from prior year. The California median home sales price for 2023 is expected to rise 6.2% to \$901,000. Gridley has consistent property tax base. While fiscal year 2022-2023 property tax revenue is on par with projections, annual growth of 3% is conservatively realistic. The financial forecast assumes 3% annual growth over the next several years.

Sales and Use Taxes

Many of the features that contribute to residential quality of life, such as a temperate climate, natural beauty, and various family friendly events also attract visitors. The unique restaurants and other shopping options located within the City, as well as grocery and clothing retailers contributes to shopping opportunities for residents and visitors alike.

2022-2023 budget projects a \$1.1 million, which is minimal change when comparing to FY 2021-2022. This is due to post-pandemic and not know how restaurants and retail stores will handle the mandates that have been put into place. Inflation is also a major factor, recent trends show inflation has cooled in FY 2023-2024 while financing costs are expected to begin a gradual decent in the second half of 2024.

Franchise Fees

The City currently gets Franchise Fees Revenues from vendors that provide a service that the City does not provide, but is essential for our residents. This includes Waste/Environmental Services, Cable/Internet Services, and Gas Services. These services play a vital role in the quality of life for our residents and it benefits the City as a source of revenue. There was a projected minimal decrease of 1% for FY 2022-2023. The City will collect revenue from the fees which are collected from the vendor providing the services. As the pandemic begins to subside, we should see an increase for the following fiscal years.

Outlook for Major Expenditures

Salaries and Benefits

The City's largest expenditure is related to the cost of personnel. City staffing levels remained at 49 full-time equivalents (FTE) in fiscal year 2021-2022. Correspondingly, the cost of staffing increases from \$6.8 million to \$8 million due to a combination of factors such as negotiated salary and benefit adjustments, step increases, rising retirement and health care costs and additional staff. Personnel costs steadily increase, approaching \$8.6 million by fiscal year 2023-2024, without any additional increase in FTE beyond fiscal year 2022-2023 staffing levels.

Pension Costs

The City provides a defined pension plan through the California Public Employees' Retirement System (CalPERS) for its full-time employees. As such, the City is responsible for contributing toward current employees' retirement packages based upon a set amount determined by CalPERS based upon a percentage of salary ("employer contribution"). The employer contribution is included within the City's overall budgeted salary and benefit costs. In addition, the City is obligated to make additional pension payments to CalPERS known as the unfunded accrued liability ("UAL"). The UAL addresses any shortfall between the funding CalPERS needs to pay for retirement benefits when people retire; compared to the funding that CalPERS currently has on hand to pay for the estimated costs of these benefits.

The City's UAL is estimated at \$28.4 million based on the valuation date of June 30, 2022. As calculated by CalPERS, the City's UAL annual contribution payment has been steadily increasing by \$0.1 million and projected to increase to \$1.7 million by year 2034. The City anticipates annual contribution costs will continue to rise over the next several years even if staffing levels remain unchanged. To help address its pension obligations, the City should look to establish a Section 115 Trust with an initial and ongoing investments.

Other Operating Costs

In order to deliver services to the community, the City procures various types of goods and services. The category of services and supplies assumes 13% annual growth in fiscal year 2022-2023, as the City adjusts for goods and services overall sensitivity to inflation. The City is optimistic that federal interest rates will ease in 2024 and inflation will slow. The City contracts for specialized professional services and costs trend upward based upon credentials, certifications and qualifications of the individuals providing the service. Moreover, the City currently contracts with another governmental agency for fire prevention and response services, subject to increases based upon salary and benefits, including pension. Overall costs across all sectors are significantly higher over prior fiscal years.

Capital Projects

After deferring capital projects, coupled with higher construction and material costs, the City capital expenditures budgeted decrease to \$2.4 million in fiscal year 2022-2023. The City's Five-Year Capital Improvement Plan totals \$24.1 million and identifies needs of \$5 million annually over the next five fiscal years. Similar to service and supplies, inflation and other market-based conditions drive the availability of contractors and costs to implement public works projects, subject to prevailing wage. In addition, deferring building and infrastructure maintenance drives long-term costs for repair and replacement.

Debt Service

At the end of FY 2022, the City signed an agreement with an agency that assists in refinancing bonds. The City currently has 2 bonds, and we will be working towards refinancing the bonds in hopes of getting cost savings. Prior to the dissolution of the Redevelopment Agency ("RDA"), the former agency issued a \$2.9 million and \$1.7 million bond for the purpose of providing funds to finance redevelopment projects.

REQUEST FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the City's finances for all of the City's residents, taxpayers, customers, investors, and creditors. This financial report seeks to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Gridley Finance Department at 685 Kentucky St., Gridley, CA 95948, or visit the City of Gridley webpage at www.gridley.ca.us.



BASIC FINANCIAL STATEMENTS

City of Gridley
Statement of Net Position
June 30, 2022

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 14,212,746	\$ 9,619,005	\$ 23,831,751
Accounts receivable	491,806	290,272	782,078
Due from other governments	186,798	688,451	875,249
Interest receivable	8,238	4,333	12,571
Taxes receivable	91,098	-	91,098
Prepaid items	-	7,765	7,765
Inventory	-	707,318	707,318
Advances to fiduciary funds	326,868	-	326,868
Leases receivable	24,559	-	24,559
Internal balances	329,029	(329,029)	-
Total Current Assets	15,671,142	10,988,115	26,659,257
Noncurrent Assets:			
Loans receivable	10,542,827	-	10,542,827
Leases receivable	352,252	-	352,252
Capital Assets:			
Nondepreciable	1,546,709	1,407,363	2,954,072
Depreciable, net of accumulated depreciation	9,135,440	11,623,891	20,759,331
Total Capital Assets, Net	10,682,149	13,031,254	23,713,403
Total Noncurrent Assets	21,577,228	13,031,254	34,608,482
Total Assets	\$ 37,248,370	\$ 24,019,369	\$ 61,267,739
DEFERRED OUTFLOWS OF RESOURCES			
Pension Adjustments	\$ 1,672,511	\$ 1,074,364	\$ 2,746,875
OPEB Adjustments	830,609	582,041	1,412,650
Total Deferred Outflows of Resources	\$ 2,503,120	\$ 1,656,405	\$ 4,159,525

Continued

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

City of Gridley
Statement of Net Position
June 30, 2022

	Governmental Activities	Business- Type Activities	Total
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 610,931	\$ 772,712	\$ 1,383,643
Accrued expenses	-	112,063	112,063
Unearned revenue	702,122	-	702,122
Deposits payable	350	242,968	243,318
Interest payable	-	23,829	23,829
Compensated absences, due within one year	164,035	111,564	275,599
Long-term debt, due within one year	-	91,000	91,000
Total Current Liabilities	<u>1,477,438</u>	<u>1,354,136</u>	<u>2,831,574</u>
Noncurrent Liabilities:			
Total OPEB liability	2,632,836	1,359,468	3,992,304
Net pension liability	5,384,017	3,516,818	8,900,835
Compensated absences, due in more than one year	171,747	160,119	331,866
Long-term debt, due in more than one year	-	3,035,391	3,035,391
Total Noncurrent Liabilities	<u>8,188,600</u>	<u>8,071,796</u>	<u>16,260,396</u>
Total Liabilities	<u>\$ 9,666,038</u>	<u>\$ 9,425,932</u>	<u>\$ 19,091,970</u>
DEFERRED INFLOWS OF RESOURCES			
Leases	\$ 374,416	\$ -	\$ 374,416
Pension Adjustments	4,826,948	2,522,129	7,349,077
OPEB Adjustments	1,408,454	1,063,463	2,471,917
Total Deferred Inflows of Resources	<u>\$ 6,609,818</u>	<u>\$ 3,585,592</u>	<u>\$ 10,195,410</u>
NET POSITION			
Net investment in capital assets	\$ 10,682,149	\$ 9,904,863	\$ 20,587,012
Restricted for:			
Redevelopment	908,391	-	908,391
Grants	2,965,417	-	2,965,417
Taxes and fees	668,404	-	668,404
Capital projects	39,907	-	39,907
Other	2,322	-	2,322
Total Restricted	<u>4,584,441</u>	<u>-</u>	<u>4,584,441</u>
Unrestricted	<u>8,209,044</u>	<u>2,759,387</u>	<u>10,968,431</u>
Total Net Position	<u>\$ 23,475,634</u>	<u>\$ 12,664,250</u>	<u>\$ 36,139,884</u>

Concluded

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

City of Gridley
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Primary Government:						
Governmental Activities:						
General government	\$ 413,049	\$ 223,304	\$ 1,118,359	\$ 928,614		\$ 928,614
Public safety	4,921,625	57,613	1,007,652	(3,856,360)		(3,856,360)
Streets and public works	1,578,261	-	772,017	(806,244)		(806,244)
Community development	484,839	258,844	205,874	(20,121)		(20,121)
Parks and recreation	455,999	62,624	-	(393,375)		(393,375)
Total Governmental Activities	\$ 7,853,773	\$ 602,385	\$ 3,103,902	(4,147,486)		(4,147,486)
Business-Type Activities:						
Electric	\$ 7,994,113	\$ 6,746,850	\$ -		(1,247,263)	(1,247,263)
Water	1,139,455	1,385,568	-		246,113	246,113
Sewer	2,083,746	1,864,225	-		(219,521)	(219,521)
Other proprietary	261,661	3,515	86,000		(172,146)	(172,146)
Total Business-Type Activities	\$ 11,478,975	\$10,000,158	\$ 86,000		(1,392,817)	(1,392,817)
General Revenues:						
Taxes:						
Property taxes				580,000	-	580,000
Sales and use taxes				1,785,570	-	1,785,570
Motor vehicle and gas taxes				283,887	-	283,887
Occupancy tax				35,767	-	35,767
Franchise taxes				164,721	-	164,721
Other taxes				1,066	-	1,066
Total taxes				2,851,011	-	2,851,011
Investment earnings				(25,329)	(16,187)	(41,516)
Rental income				528,802	-	528,802
Other revenues				288,841	22,162	311,003
Total General Revenues				3,643,325	5,975	3,649,300
Transfers				2,894,438	(2,894,438)	-
Total General Revenues and Transfers				6,537,763	(2,888,463)	3,649,300
Change in Net Position				2,390,277	(4,281,280)	(1,891,003)
Net Position - Beginning of Year				21,070,850	16,948,566	38,019,416
Prior Period Adjustments				14,507	(3,036)	11,471
Net Position - Beginning, as Adjusted				21,085,357	16,945,530	38,030,887
Net Position - End of Year				\$ 23,475,634	\$ 12,664,250	\$ 36,139,884

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

The **General Fund** is the City's primary operating fund. This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. For the City, the general fund includes such activities such as public safety, public ways and facilities, parks and recreation services, and economic development services.

The **08-Home-4987 Grant Fund** is a special revenue fund used to account for the activities of the U.S. Department of Housing and Urban Development HOME Investment Partnerships Grant.

The **Block Grant Fund** is a Community Development Block Grant (CDBG) Revolving Loan program and Economic Development Block Grant (EDBG) Program. The City participates in this federally funded program that is utilized to fund housing activities, community facilities and public service projects serving lower income private parties and businesses. Eligible activities include funding housing activities (single/multi-family) rehabilitation, rental housing acquisition, homeownership assistance, or new construction. Interest may vary depending on the loan terms and interest may be deferred until the related property is refinanced or sold. The repayment of the loans results in program income, which is deposited into the Housing Rehabilitation Revolving Loan Fund (RLF) program for public benefit projects, general administration, and program delivery functions (preapproved ratios to the funds loaned).

The **Grant Related Fund** is used to account for various restricted grants, mostly from the State of California (transportation, planning, and COPS grants).

City of Gridley
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	08-Home-4987 Grant Fund	Block Grant Fund	Grant Related Funds	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 9,350,550	\$ 3,782	\$ 704,525	\$ 2,099,255	\$ 2,054,634	\$ 14,212,746
Accounts receivable	323,352	-	-	-	168,454	491,806
Due from other governments	-	-	70,388	90,613	25,797	186,798
Interest receivable	6,100	-	463	305	1,370	8,238
Taxes receivable	84,327	-	-	-	6,771	91,098
Loans receivable	-	5,396,250	2,480,328	2,646,985	19,264	10,542,827
Due from other funds	4,214,551	-	-	-	329,029	4,543,580
Leases receivable	376,811	-	-	-	-	376,811
Advances to fiduciary funds	76,868	-	250,000	-	-	326,868
Total assets	\$ 14,432,559	\$ 5,400,032	\$ 3,505,704	\$ 4,837,158	\$ 2,605,319	\$ 30,780,772
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 571,036	\$ -	\$ 243	\$ 5,286	\$ 34,366	\$ 610,931
Unearned revenue	24,101	-	-	-	-	24,101
Deposits payable	350	-	-	-	-	350
Due to other funds	-	-	-	-	4,214,551	4,214,551
Total liabilities	595,487	-	243	5,286	4,248,917	4,849,933
Deferred Inflows of Resources:						
Leases	374,416	-	-	-	-	374,416
Unavailable revenues	-	5,396,250	2,550,716	3,291,016	19,264	11,257,246
Total deferred inflows of resources	374,416	5,396,250	2,550,716	3,291,016	19,264	11,631,662
Fund Balances:						
Nonspendable						
Leases receivable	2,395	-	-	-	-	2,395
Advances to fiduciary funds	76,868	-	-	-	-	76,868
Prepaid items	-	-	-	-	-	-
Total nonspendable	79,263	-	-	-	-	79,263
Restricted:						
Redevelopment	-	-	-	-	908,391	908,391
Grants	-	3,782	954,745	1,540,856	466,034	2,965,417
Taxes and fees	-	-	-	-	668,404	668,404
Capital projects	-	-	-	-	39,907	39,907
Other	-	-	-	-	2,322	2,322
Total restricted	-	3,782	954,745	1,540,856	2,085,058	4,584,441
Committed:						
Infrastructure reserve	40,425	-	-	-	-	40,425
Total committed	40,425	-	-	-	-	40,425
Assigned:						
Bond reserve	2,120,566	-	-	-	-	2,120,566
Sick payout reserve	176,093	-	-	-	-	176,093
Equipment replacement	2,478,887	-	-	-	-	2,478,887
Building maintenance	87,954	-	-	-	-	87,954
Total assigned	4,863,500	-	-	-	-	4,863,500
Unassigned	8,479,468	-	-	-	(3,747,920)	4,731,548
Total fund balances	13,462,656	3,782	954,745	1,540,856	(1,662,862)	14,299,177
Total liabilities, deferred inflows of resources and fund balances	\$ 14,432,559	\$ 5,400,032	\$ 3,505,704	\$ 4,837,158	\$ 2,605,319	\$ 30,780,772

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

City of Gridley
Reconciliation of the Government Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2022

Total Fund Balances - Total Governmental Funds \$ 14,299,177

Amounts reported for governmental activities in the statement of net position were different because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. The capital assets were adjusted as follows:

Capital assets	22,795,215
Less: accumulated depreciation	(12,113,066)
Total Capital Assets	<u>10,682,149</u>

The differences from benefit plan assumptions and estimates versus actuals are not included in the plan's actuarial study until the next fiscal year and are reported as deferred inflows or deferred outflows of resources in the statement of net position.

(3,732,282)

Liabilities were reported for certain revenues that were not available to pay current period expenditures and were reported as deferred inflows of resources in the fund statements. The unavailable amounts offset loans receivable in the fund statements.

10,579,225

Long-term obligations were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The long-term liabilities were adjusted as follows:

Compensated absences	(335,782)
Net pension liability	(5,384,017)
Total OPEB liability	<u>(2,632,836)</u>
Total Long-Term Obligations	<u>(8,352,635)</u>

Net Position of Governmental Activities \$ 23,475,634

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

City of Gridley
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	General Fund	08-Home-4987 Grant Fund	Block Grant Fund	Grant Related Funds	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes and assessments	\$ 3,172,825	\$ -	\$ -	\$ -	\$ 450,203	\$ 3,623,028
Licenses, permits and fees	61,608	-	-	-	71,612	133,220
Fines and forfeitures	6,041	-	-	-	20,002	26,043
Intergovernmental	846,679	-	-	555,961	1	1,402,641
Charges for services	60,461	-	-	-	123,816	184,277
Program income	-	-	258,844	-	-	258,844
Use of money and property	511,470	(10)	(1,737)	(1,150)	(5,100)	503,473
Other revenue	272,360	-	-	182,588	47,969	502,917
Total Revenues	4,931,444	(10)	257,107	737,399	708,503	6,634,443
EXPENDITURES						
Current:						
General government	298,641	-	-	752	-	299,393
Public safety	4,118,382	-	-	96,778	-	4,215,160
Streets and public works	264,777	-	-	-	827,356	1,092,133
Community development	191,415	-	14,320	-	223,712	429,447
Parks and recreation	145,572	-	-	-	148,230	293,802
Capital outlay	233,447	-	-	844,290	334,506	1,412,243
Total Expenditures	5,252,234	-	14,320	941,820	1,533,804	7,742,178
Excess (Deficiency) of Revenues over Expenditures	(320,790)	(10)	242,787	(204,421)	(825,301)	(1,107,735)
OTHER FINANCING SOURCES (USES)						
Transfers in	1,599,335	-	-	1,616,977	-	3,216,312
Transfers out	-	-	-	(321,874)	-	(321,874)
Total Other Financing Sources (Uses)	1,599,335	-	-	1,295,103	-	2,894,438
Net Change in Fund Balances	1,278,545	(10)	242,787	1,090,682	(825,301)	1,786,703
Fund Balances Beginning	12,179,605	3,792	712,075	440,174	(837,679)	12,497,967
Prior Period Adjustments	4,506	-	(117)	10,000	118	14,507
Fund Balances Beginning, as Adjusted	12,184,111	3,792	711,958	450,174	(837,561)	12,512,474
Fund Balances Ending	\$ 13,462,656	\$ 3,782	\$ 954,745	\$ 1,540,856	\$ (1,662,862)	\$ 14,299,177

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

City of Gridley
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the Government-Wide
Statement of Activities
For the Year Ended June 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 1,786,703
Amounts reported for governmental activities in the Statement of Activities and Changes in net position were different because:	
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in net position, the cost of those assets was allocated over their estimated useful lives as depreciation expense.	
Capital asset additions	1,274,087
Depreciation expense	(707,376)
Compensated absences not required to be paid with current financial resources are not reported in the governmental funds, but are accrued as noncurrent liabilities in the Government Wide Statement Net Position. The change from prior year accrued compensated absences is reported in the applicable program expense.	
	(20,610)
Receipts of payments and disbursements of funds related to notes and loans receivable are reported as revenue and expenditures, respectively, in governmental funds, but an increase and decrease, respectively, in notes receivable in the Statement of Net Position.	
Loan program receipts	(214,076)
Loans made during the year	929,245
In governmental funds, actual contributions to benefit plans are reported as expenditures in the year incurred. However, in the government-wide statement of activities, only the current year benefit expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.	
	(1,985,910)
Certain expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the fund statements as follows:	
Other postemployment benefits	1,328,214
Change in Net Position of Governmental Activities	<u>\$ 2,390,277</u>

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

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PROPRIETARY FUND FINANCIAL STATEMENTS

The *Electric Fund* is used to account for the activities of the City's electric generation and distribution operations.

The *Water Fund* is used to account for the activities of the City's water treatment and distribution operations.

The *Sewer Fund* is used to account for the activities of the City's sewage collection and treatment operations.

Nonmajor enterprise funds include the Drainage Fund, Solid Waste Fund and Senior Taxi Fund.

City of Gridley
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-Type Activities				Total
	Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	
ASSETS					
Current assets:					
Cash and investments	\$ 2,437,395	\$ 2,523,979	\$ 4,314,511	\$ 343,120	\$ 9,619,005
Accounts receivable, net	20,830	123,424	146,018	-	290,272
Due from other governments	688,451	-	-	-	688,451
Interest receivable	762	1,341	2,190	40	4,333
Prepaid items	7,765	-	-	-	7,765
Inventory	650,096	55,238	1,984	-	707,318
Total current assets	<u>3,805,299</u>	<u>2,703,982</u>	<u>4,464,703</u>	<u>343,160</u>	<u>11,317,144</u>
Noncurrent assets:					
Capital assets:					
Nondepreciable assets	774,544	77,904	554,915	-	1,407,363
Depreciable, net	2,630,042	2,640,417	6,337,877	15,555	11,623,891
Total capital assets, net	<u>3,404,586</u>	<u>2,718,321</u>	<u>6,892,792</u>	<u>15,555</u>	<u>13,031,254</u>
Total noncurrent assets	<u>3,404,586</u>	<u>2,718,321</u>	<u>6,892,792</u>	<u>15,555</u>	<u>13,031,254</u>
Total assets	<u>\$ 7,209,885</u>	<u>\$ 5,422,303</u>	<u>\$ 11,357,495</u>	<u>\$ 358,715</u>	<u>\$ 24,348,398</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension adjustments	\$ 555,511	\$ 227,066	\$ 234,341	\$ 57,446	\$ 1,074,364
OPEB Adjustments	285,968	152,655	143,418	-	582,041
Total deferred outflows of resources	<u>\$ 841,479</u>	<u>\$ 379,721</u>	<u>\$ 377,759</u>	<u>\$ 57,446</u>	<u>\$ 1,656,405</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 626,296	\$ 10,513	\$ 130,838	\$ 5,065	\$ 772,712
Accrued expenses	73,862	10,752	27,449	-	112,063
Interest payable	-	-	23,829	-	23,829
Deposits payable	242,968	-	-	-	242,968
Due to other funds	-	-	-	329,029	329,029
Compensated absences, current	66,625	15,803	22,676	6,460	111,564
Long-term liabilities, current	-	-	91,000	-	91,000
Total current liabilities	<u>1,009,751</u>	<u>37,068</u>	<u>295,792</u>	<u>340,554</u>	<u>1,683,165</u>
Noncurrent liabilities:					
Total OPEB liability	389,829	484,818	484,821	-	1,359,468
Net pension liability	1,858,312	774,760	744,469	139,277	3,516,818
Compensated absences, noncurrent	14,164	43,187	78,366	24,402	160,119
Long-term liabilities, noncurrent	2,391	-	3,033,000	-	3,035,391
Total noncurrent liabilities	<u>2,264,696</u>	<u>1,302,765</u>	<u>4,340,656</u>	<u>163,679</u>	<u>8,071,796</u>
Total liabilities	<u>\$ 3,274,447</u>	<u>\$ 1,339,833</u>	<u>\$ 4,636,448</u>	<u>\$ 504,233</u>	<u>\$ 9,754,961</u>
DEFERRED INFLOWS OF RESOURCES					
Pension adjustments	\$ 1,298,859	\$ 433,687	\$ 562,352	\$ 227,231	\$ 2,522,129
OPEB adjustments	530,835	266,314	266,314	-	1,063,463
Total deferred inflows of resources	<u>\$ 1,829,694</u>	<u>\$ 700,001</u>	<u>\$ 828,666</u>	<u>\$ 227,231</u>	<u>\$ 3,585,592</u>
NET POSITION					
Net Investment in capital assets	\$ 3,402,195	\$ 2,718,321	\$ 3,768,792	\$ 15,555	\$ 9,904,863
Unrestricted	(454,972)	1,043,869	2,501,348	(330,858)	2,759,387
Total net position	<u>\$ 2,947,223</u>	<u>\$ 3,762,190</u>	<u>\$ 6,270,140</u>	<u>\$ (315,303)</u>	<u>\$ 12,664,250</u>

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

City of Gridley

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended June 30, 2022

	Business-Type Activities Enterprise Funds				Total
	Electric Fund	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	
OPERATING REVENUES					
Charges for services	\$ 6,746,850	\$ 1,385,568	\$ 1,864,225	\$ 3,515	\$ 10,000,158
Intergovernmental	-	-	-	86,000	86,000
Other revenue	-	5,015	1,401	15,746	22,162
Total operating revenues	6,746,850	1,390,583	1,865,626	105,261	10,108,320
OPERATING EXPENSES					
Salaries and benefits	1,942,208	492,059	785,205	230,388	3,449,860
Materials and supplies	593,090	258,086	364,449	7,761	1,223,386
Repairs and maintenance	215,852	20,481	81,554	840	318,727
Power and utilities	4,699,726	213	88,568	-	4,788,507
Contractual services	84,538	24,932	64,925	1,491	175,886
Administration	267,390	141,674	80,809	13,334	503,207
Miscellaneous	-	-	29,001	-	29,001
Depreciation and amortization	191,296	202,010	502,890	7,847	904,043
Total operating expenses	7,994,100	1,139,455	1,997,401	261,661	11,392,617
Operating income (loss)	(1,247,250)	251,128	(131,775)	(156,400)	(1,284,297)
NONOPERATING REVENUES(EXPENSES)					
Interest expense	(13)	-	(86,345)	-	(86,358)
Interest income	(2,907)	(5,034)	(8,232)	(14)	(16,187)
Total nonoperating revenues(expenses)	(2,920)	(5,034)	(94,577)	(14)	(102,545)
Income (loss) before transfers	(1,250,170)	246,094	(226,352)	(156,414)	(1,386,842)
CONTRIBUTIONS AND TRANSFERS					
Transfers in	-	-	122,539	-	122,539
Transfers out	(3,016,977)	-	-	-	(3,016,977)
Net contributions and transfers	(3,016,977)	-	122,539	-	(2,894,438)
Change in net position	(4,267,147)	246,094	(103,813)	(156,414)	(4,281,280)
Total net position - beginning	7,287,331	3,518,670	6,304,951	(162,386)	16,948,566
Prior period adjustments	(72,961)	(2,574)	69,002	3,497	(3,036)
Total net position - beginning , as adjusted	7,214,370	3,516,096	6,373,953	(158,889)	16,945,530
Total net position - ending	\$ 2,947,223	\$ 3,762,190	\$ 6,270,140	\$ (315,303)	\$ 12,664,250

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

City of Gridley
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities				Total
	Enterprise Funds				
	Electric Fund	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	
Cash flows from operating activities:					
Receipts from customers	\$ 8,186,210	\$ 1,466,290	\$ 1,879,734	\$ 100,637	\$ 11,632,871
Payments to suppliers	(5,320,050)	(501,910)	(729,059)	(22,145)	(6,573,164)
Payments to employees	(1,756,294)	(526,473)	(716,905)	(111,574)	(3,111,246)
Net cash provided (used) by operating activities	<u>1,109,866</u>	<u>437,907</u>	<u>433,770</u>	<u>(33,082)</u>	<u>1,948,461</u>
Cash flows from noncapital financing activities:					
Interfund transactions	(3,016,977)	-	122,539	-	(2,894,438)
Net cash provided (used) by noncapital financing activities	<u>(3,016,977)</u>	<u>-</u>	<u>122,539</u>	<u>-</u>	<u>(2,894,438)</u>
Cash flows from capital financing activities:					
Acquisition of capital assets	(129,146)	(94,814)	(136,048)	-	(360,008)
Proceeds from long-term debt	2,391	-	-	-	2,391
Principal payments on long-term debt	-	-	(89,000)	-	(89,000)
Interest paid on long-term debt	(13)	-	(87,061)	-	(87,074)
Net cash provided (used) by capital financing activities	<u>(126,768)</u>	<u>(94,814)</u>	<u>(312,109)</u>	<u>-</u>	<u>(533,691)</u>
Cash flows from investing activities:					
Investment income received	(2,879)	(5,842)	(9,425)	(22)	(18,168)
Net cash provided (used) by investing activities	<u>(2,879)</u>	<u>(5,842)</u>	<u>(9,425)</u>	<u>(22)</u>	<u>(18,168)</u>
Net increase (decrease) in cash and cash equivalents	(2,036,758)	337,251	234,775	(33,104)	(1,497,836)
Cash and cash equivalents - beginning	4,474,153	2,186,728	4,079,736	376,224	11,116,841
Cash and cash equivalents - ending	<u>\$ 2,437,395</u>	<u>\$ 2,523,979</u>	<u>\$ 4,314,511</u>	<u>\$ 343,120</u>	<u>\$ 9,619,005</u>
Reconciliation of operating income to net cash provided (used)					
by operating activities:					
Operating income (loss)	\$ (1,247,250)	\$ 251,128	\$ (131,775)	(156,400)	\$ (1,284,297)
Adjustments to reconcile operating income (loss)					
to net cash provided (used) by operating activities:					
Depreciation	191,296	202,010	502,890	7,847	904,043
Changes in operating assets and liabilities:					
Accounts receivables	1,399,091	75,707	14,108	377	1,489,283
Inventory	-	13,541	-	-	13,541
Deferred outflows of resources	217,713	125,616	121,661	(8,695)	456,295
Accounts payable	528,305	(64,212)	(23,157)	1,281	442,217
Accrued expenses	12,241	(5,853)	3,404	-	9,792
Deposits payable	40,269	-	-	-	40,269
Unearned revenue	-	-	-	(5,001)	(5,001)
Total OPEB liability	(1,294,655)	(649,515)	(649,515)	-	(2,593,685)
Net pension liability	(447,160)	(142,951)	(193,304)	(92,046)	(875,461)
Compensated absences	33,971	13	28,074	(264)	61,794
Deferred inflows of resources	1,676,045	632,423	761,384	219,819	3,289,671
Net cash provided (used) by operating activities	<u>\$ 1,109,866</u>	<u>\$ 437,907</u>	<u>\$ 433,770</u>	<u>\$ (33,082)</u>	<u>\$ 1,948,461</u>

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

FIDUCIARY FUND FINANCIAL STATEMENTS

Private-Purpose Trust Funds

The City's private purpose trust funds include the **Main Trust Fund** and the **Successor Agency Trust Fund**.

The Successor Agency was created as a result of the State order to dissolve California Redevelopment Agencies. The Successor Agency Trust Fund is used to track the activities by the Successor Agency Oversight Board and the City's Department of Finance in relation to the remaining assets and liabilities of the Successor Agency. The Housing Successor is governed by the City of Gridley City Council and is obligated to use the Housing Successor Agency's assets according to Redevelopment law for low and moderate-income housing.

Custodial Funds

The City's custodial funds include the **Gridley Bid Fund** and the **Hospital JPA Administration Fund**.

City of Gridley
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Private Purpose Trust Funds	Custodial Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and investments	\$ 815,405	\$ 555
Restricted cash and investments	381,804	-
Interest receivable	8	-
Capital assets, land	1,302,116	-
Total assets	<u><u>\$ 2,499,333</u></u>	<u><u>\$ 555</u></u>
LIABILITIES		
Accounts payable	\$ 29,317	\$ -
Interest payable	253,000	-
Advances from the City	326,868	-
Long-term liabilities, current	85,000	-
Long-term liabilities, noncurrent	4,072,605	-
Total liabilities	<u><u>\$ 4,766,790</u></u>	<u><u>\$ -</u></u>
NET POSITION		
Held in trust for private purposes	\$ (2,267,457)	\$ -
Restricted for individuals, organizations and other governments	<u> -</u>	<u>555</u>
Total net position	<u><u>\$ (2,267,457)</u></u>	<u><u>\$ 555</u></u>

City of Gridley
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022

	Private Purpose Trust Funds	Custodial Funds
	<u> </u>	<u> </u>
ADDITIONS		
Property taxes	\$ 601,183	\$ -
Interest Income	637	(1)
Total additions	<u>601,820</u>	<u>(1)</u>
 DEDUCTIONS		
Professional services	59,700	-
Administrative expense	28,934	-
Interest and fiscal charges	280,968	-
Total deductions	<u>369,602</u>	<u>-</u>
 Change in net position	<u>232,218</u>	<u>(1)</u>
 Total net position - beginning	(2,499,675)	63
Prior period adjustments	-	493
Total net position - beginning, as adjusted	<u>(2,499,675)</u>	<u>556</u>
 Total net position - ending	<u>\$ (2,267,457)</u>	<u>\$ 555</u>

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**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Gridley (the "City") is a municipal corporation organized under the constitution and laws of the State of California. The City operates under a Council-Administrator form of government and provides the following services: public safety (police, fire, and animal regulation), street, sanitation, transportation and social services, recreation, public improvements, planning and zoning, water, sewer, electrical, and general administrative services.

The voters of the City give authority and responsibility for operations to the City Council. The City Council has the authority to employ administrative and support personnel to carry out its directives. The primary method used to monitor the performance of the City's management is the financial budget, which is adopted annually by the City Council.

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Financial Reporting Entity

As required by GAAP, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City Council acts as the governing board. In addition, the City staff performs all administrative and accounting functions for these entities and these entities provide their services entirely to the City. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. Each blended component unit has a June 30 year-end. The following entities are reported as blended component units:

Gridley Public Financing Authority

The Gridley Public Financing Authority (the "Authority"), established February 4, 2008, is a joint powers authority created by the City of Gridley and the former Gridley Redevelopment Agency. The creation of the Authority is authorized under the MarksRoos Local Bond Pooling Act of 1985, constituting Article 4, Chapter 5, Division 7, Title 1 (commencing with Section 6584) of the California Government Code. The City and the Authority are separate legal entities. For financial reporting purposes, the Authority is reported as a part of the City's operations because the five (5) members of the City Council also act as the governing body of the Authority. The purpose of the Authority is to assist in the financing of public capital improvements. No separate financial statements are issued for the Authority.

B. Basis of Presentation, Accounting and Measurement Focus

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

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Government-Wide Financial Statements

The City's government-wide financial statements include a *Statement of Net Position* and a *Statement of Activities*. These statements present summaries of governmental and business-type activities for the City. Fiduciary activities of the City are not included in these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources, are included in the accompanying *Statement of Net Position*. The *Statement of Activities* presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or segment. Certain types of transactions are reported as program revenues for the City in three categories:

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Certain eliminations have been made as prescribed by GASB Statement No. 34 for interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, inter fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

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

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the balance sheets. The *Statement of Revenues, Expenditures and Changes in Fund Balances* present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (up to

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

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

Unearned revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unearned revenue is removed from the combined balance sheet and revenue is recognized.

The City reports the following funds as major funds:

General Fund

The General Fund is the City's primary operating fund. This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. For the City, the general fund includes such activities such as public safety, public ways and facilities, parks and recreation services, and economic development services.

08-Home-4987 Fund

The 08-Home-4987 Fund is a special revenue fund used to account for the activities of the U.S. Department of Housing and Urban Development HOME Investment Partnerships Grant.

Block Grant Fund

The Block Grant Fund is a Community Development Block Grant (CDBG) Revolving Loan program and Economic Development Block Grant (EDBG) Program. The City participates in this federally funded program that is utilized to fund housing activities, community facilities and public service projects serving lower income private parties and businesses. Eligible activities include funding housing activities (single/multi-family) rehabilitation, rental housing acquisition, homeownership assistance, or new construction. Interest may vary depending on the loan terms and interest may be deferred until the related property is refinanced or sold. The repayment of the loans results in program income, which is deposited into the Housing Rehabilitation Revolving Loan Fund (RLF) program for public benefit projects, general administration, and program delivery functions (preapproved ratios to the funds loaned).

Grant Related Fund

The Grant Related Fund is used to account for various restricted grants, mostly from the State of California (transportation, planning, and COPS grants).

Additionally, the City reports the following nonmajor fund types of governmental funds:

Special Revenue Funds

Special revenue funds account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to specific purposes other than debt service or capital projects.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Proprietary Funds

In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the “economic resources measurement focus”. This means all assets, deferred outflows of resources, liabilities (whether current or noncurrent) and deferred inflows of resources associated with their activities are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the proprietary fund financial statements.

The City has the following enterprise funds that have been reported as major:

Electric Fund

The electric fund is used to account for the activities of the City's electric generation and distribution operations.

Water Fund

The water fund is used to account for the activities of the City's water treatment and distribution operations.

Sewer Fund

The sewer fund is used to account for the activities of the City's sewage collection and treatment operations.

Fiduciary Funds

The City reports the following fiduciary funds:

Private Purpose Trust Funds

These funds include the Main Trust and Successor Agency. The Main Trust Fund is used to account for trust arrangements where the balances and activity benefit individuals and organizations other than the City. The Successor Agency fund was created as a result of the State order to dissolve California Redevelopment Agencies. As the Successor Agency, this fund is used to track the activity by the Oversight Board and the Department of Finance to dissolve the Agency.

Custodial Funds

The City administers two custodial funds, the Gridley Bid fund and the Hospital JPA Administration fund.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

C. Cash and Investments

The City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the City's cash and investment pool. As the City places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated monthly to the various funds based on month-end balances and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

The City's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of their portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. This amount is included in cash and cash equivalents in the balance sheet of the governmental funds. Changes in fair value are allocated to each participating fund.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available:

- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.
- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

For purposes of the statement of cash flows, the City has defined cash and cash equivalents to be change and petty cash funds, equity in the City's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

D. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt and to meet bond indenture debt reserve requirements.

E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year 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 non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

outstanding between the governmental activities and 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 fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources.

F. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts if applicable, and estimated refunds due. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines and other fees. Federal and state grants are considered receivable and accrued as revenue when reimbursable costs are incurred. Business-type activities report utilities and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are recorded as deferred inflows of resources in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Long-term loans in governmental funds are treated as expenditures in the year advanced and as revenues in the year repayment is measurable and available. Loans receivable are recorded in the fund statements, but are recorded as deferred inflows of resources to indicate they do not represent current financial resources. Proprietary fund receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables.

G. Lease Receivables

When applicable, the City’s lease receivables are measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable plus incentive payments received. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

H. Prepaid Expenses and Inventory

Inventories are stated at cost (average cost per unit) for governmental and proprietary funds. The cost is recorded as an expenditure/expense in the funds at the time individual inventory items are consumed, rather than purchased. Inventories of governmental funds are offset by nonspendable fund balance to indicate they do not constitute resources available for future appropriation.

Prepaid items are also recognized under the consumption method. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

I. Capital Assets

In the government-wide financial statements, infrastructure with an aggregate cost of \$25,000 or more and land, buildings, machinery, vehicles, and equipment with a cost of \$5,000 or more and a useful life of two years are capitalized. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Intangible right-to-use assets are amortized over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the City has determined is reasonably certain of being exercised, then the lease asset is amortized over the useful life of the underlying asset. Intangible right-to-use subscription assets are amortized over the shorter of the subscription term or the useful life of the underlying asset.

Depreciation and amortization is provided using the straight-line method whereby the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated or amortized.

The range of estimated useful lives by type of asset is as follows:

Infrastructure and buildings	20 - 50 years
Improvements	10 - 30 years
Equipment and vehicles	3 - 20 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

J. Deferred Outflows/Deferred Inflows

In addition to assets, the statement of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

K. Compensated Absences

Compensated absences comprise unused vacation leave and compensatory time off, which are accrued as earned. Employees may accumulate sick leave without limits. The City's liability for compensated absences is recorded in the government-wide Statement of Net Position for governmental funds and the Statement of Net Position for proprietary funds as appropriate. A liability is calculated for all the costs of compensated absences based upon benefits earned by employees in the current period for which there is a probability of payment at termination.

Accumulated unpaid vacation and sick pay are accrued when earned. In addition, those employees who have reached the age of retirement may cash out sick leave upon retirement. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. In December of each year, management personnel are allowed to convert unused sick leave earned within the previous twelve months, in excess of nine days, to vacation. The general fund and enterprise funds are used to liquidate compensated absences.

L. Long-Term Liabilities

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are expensed in year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. 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.

N. Other Postemployment Benefits (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to the City's other postemployment benefits, OPEB expense information of the City's OPEB plan have been determined based on information provided in an actuarial study. The City recognizes benefit payments when due and payable in accordance with the benefit terms in the fund statements. Generally accepted accounting principles require that the reported results must pertain to

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	July 1, 2021
Measurement Date	June 30, 2022
Measurement Period	July 31, 2021 to June 30, 2022

O. Fund Balances

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Nonspendable

Nonspendable fund balance represents balances set aside to indicate items that do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed, or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed

Committed fund balances have constraints imposed by passage of a Resolution of the City Council which may be altered only by Resolution of the City Council. Encumbrances and nonspendable amounts subject to Council commitments are included along with spendable resources. The City considers Resolutions to be the highest level of action that can be taken by Council that constitutes the most binding constraint.

Assigned

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee. The City Council has delegated the authority to make assignments of fund balance to the City Administrator.

Unassigned

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

Flow Assumption / Spending Order Policy

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to be spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to be spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has directed otherwise.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

P. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets

This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that are attributed to the acquisition, construction, or improvement of the assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position.

Restricted Net Position

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

Unrestricted Net Position

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

The detail of amounts reported for each of the above defined net position categories is reported in the government-wide Statement of Net Position.

Use of Restricted/Unrestricted Net Position

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

Q. Interfund Transactions

Interfund services provided and used are accounted for as revenue, expenditures or expenses, as appropriate. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursed fund. All other interfund transactions, except for interfund services provided and used and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as transfers.

R. Property Taxes and Special Assessments

The County of Butte levies, bills, and collects property taxes and special assessments for the City. Property taxes levied are recorded as revenue when received, in the fiscal year of levy, due to the adoption of the "alternate method of property tax distribution", known as the Teeter Plan, by the City and the County of Butte. The Teeter Plan authorizes the Auditor/Controller of the County of Butte to allocate 100% of the secured property taxes billed, but not yet paid.

The County of Butte remits tax monies to the City in three installments as follows: 50% remitted in December; 45% remitted in April; 5% remitted in June.

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments; the first is due November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payment.

Property valuations are established by the Assessor of the County of Butte for the secured and unsecured property tax rolls. Under the provisions of Article XIII A of the State Constitution, properties are assessed at 100% of purchase price or value in 1978 whichever is later. From this base assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal.

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

S. Budgetary Information

The City Council establishes budgets for all governmental funds on a basis consistent with Generally Accepted Accounting Principles, with the exception of capital projects which are budgeted on a project length basis. Appropriations, except open project appropriations and unexpended grant appropriations, lapse at the end of each fiscal year. The budgetary data is prepared on the modified accrual basis consistent with the related "actual" amounts.

Department heads submit a proposed budget to the City Administrator. The City Administrator submits a proposed budget to the City Council for the following year beginning July 1. The preliminary budget may or may not be amended by the City Council after public hearings are held and is adopted by City Council resolution prior to July 1 in accordance with the municipal code.

The City Council may amend the budget by motion during the fiscal year. The City Administrator is authorized to transfer budgeted amounts within an object or purpose within any department. However, the City Council must approve revisions that alter the total expenditures of any department. Budgetary control is legally maintained at the fund level.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions of the annual budgets during the year. Amounts represent the original budgeted amounts and all supplemental appropriations.

T. Use of Estimates

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

U. Implemented New Accounting Pronouncements

Governmental Accounting Standards Board Statement No. 87, *Leases*

In June 2017, GASB issued Statement No. 87, Leases. This Statement (1) increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract; and (2) establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Additionally, under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this statement was immaterial to the City's financial statements.

V. Upcoming New Accounting Pronouncements

The City is currently analyzing its accounting practices to identify the potential impact on the financial statements of the following GASB Statements:

Governmental Accounting Standards Board Statement No. 91, *Conduit Debt Obligations*

In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The City has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the City's fiscal year ending June 30, 2023.

Governmental Accounting Standards Board Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

In March 2020, GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The City has not determined what impact, if any, this pronouncement will have on the financial statements. The requirements of this statement are effective for the City's fiscal year ending June 30, 2023.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

GASB Statement No. 96, *Subscription-based Information Technology Arrangements.*

During the fiscal year, the City implemented GASB Statement No. 96, *Subscription-based Information Technology Arrangements*. GASB Statement No. 96 is an accounting pronouncement issued by the Governmental Accounting Standards Board (GASB) that provides guidance on how the costs and investments for subscription-based information technology arrangements (SBITAs) are accounted for and disclosed by governmental entities. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

Governmental Accounting Standards Board Statement No. 99, *Omnibus 2022*

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The City has not determined what impact, if any, this pronouncement will have on the financial statements. The requirements of this statement related to leases, PPPs and SBITAs are effective for the City's fiscal year ending June 30, 2023 and the requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the City's fiscal year ending June 30, 2024.

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections in previously issued financial statements. The requirements of this Statement are effective for accounting changes and error corrections made starting with fiscal year June 30, 2024 and all reporting periods thereafter.

GASB Statement No. 101, *Compensated Absences*

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Certain Risk Disclosures*

The purpose of Statement 102 is to identify potential risks in governmental environments and develop disclosure requirements associated with those risks. These requirements are designed to provide users of the financial statements with information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. As a result of this statement, users will have better information with which to understand and anticipate certain risks to a government’s financial condition.

GASB Statement 102 states that the assessment of the disclosure criteria should be made at the level of the primary government, which includes its blended component units, as defined in Statement 14, “The Financial Reporting Entity.” An additional assessment of the disclosure criteria should be made for all other reporting units that report a liability for revenue debt.

The guidance is effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter, with early adoption encouraged. This disclosure is to be applied on a prospective basis; that is, if comparative financial statements are presented, the reporting requirements of this statement are required only for the current period.

NOTE 2 - CASH AND INVESTMENTS

As of June 30, 2022, cash and investments were reported in the financial statements as follows:

	Government Wide Statement of Net Position		Fiduciary Funds Statement of Net Position	Total
	Governmental Activities	Business-Type Activities		
Cash and investments	\$ 14,212,746	\$ 9,619,005	\$ 815,960	\$ 24,647,711
Restricted cash and investments	-	-	381,804	381,804
Total cash and investments	\$ 14,212,746	\$ 9,619,005	\$ 1,197,764	\$ 25,029,515

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Cash and investments consisted of the following as of June 30, 2022:

Deposits:	
Cash on hand	\$ 1,060
Cash in banks	16,963,621
Total deposits	<u>16,964,681</u>
Investments:	
Local Agency Investment Fund	6,613,645
Certificates of Deposit	<u>1,069,385</u>
Total investments	<u>7,683,030</u>
Total City Treasury	24,647,711
Restricted cash and investments:	
California Asset Management Program (CAMP)	<u>381,804</u>
Total cash and investments	<u>\$ 25,029,515</u>

A. Cash Deposits

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest and places the City ahead of general creditors of the institution. The market value of pledged securities must equal at least 110 percent of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes that have a value of 150 percent of the City's total cash deposits. The City has waived the collateral requirements for cash deposits which are fully insured to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

The bank balances before reconciling items totaled \$17,158,740 at June 30, 2022 and were different from carrying amounts due to deposits in transit and outstanding checks. The amount uninsured was \$16,833,333, which was collateralized by securities held by pledging financial institutions. The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the *related fund*.

B. Fair Value Measurements

GASB 72 established a hierarchy of inputs to the valuation techniques with three levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Investment Policies

City Investment Policy

Under the provisions of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in Anyone Issuer</u>
Local Agency Bonds	5 years	None	10%
U.S. Treasury Obligations	5 years	None	None
State Obligations - CA And Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper - Select Agencies	270 days	25%	10%
Commercial Paper - Other Agencies	270 days	40%	10%
Negotiable Certificates of Deposit	5 years	30%	30%
CD Placement Service	5 years	30%	30%
Repurchase Agreements	1 year	None	10%
Reverse Repurchase Agreements and Securities			
Lending Agreements	92 days	20%	10%
Medium-Term Notes	5 years	30%	10%
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	None
Bank/Time Deposits	5 years	None	None
County Pooled Investment Funds	N/A	None	None
JPA Pools (other investment pools)	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75 million/account
Voluntary Investment Program Fund	N/A	None	None

Under the provisions of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

Under the terms of certain debt issuances, the City must maintain required amounts of cash and investments with trustees or fiscal agents. These funds are unexpended bond proceeds or are pledged as reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City ordinance, bond indentures or State statute. The table below identifies the investment types that are authorized for investments with fiscal agents. The bond indentures contain no limitations for the maximum investment in any one issuer or the maximum percentage of the portfolio that may be invested in any one investment type.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in Anyone Issuer
Local Agency Bonds	None	None	None
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	365 days	None	None
Commercial Paper	270 days	None	None
Federal Funds	365 days	None	None
Unsecured Certificates of Deposit	365 days	None	None
Time Deposits	365 days	None	None
Cash Sweep Accounts	None	None	None
Money Market Mutual Funds	N/A	None	None
Mortgage-backed securities	None	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75 million/account

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

C. External Investment Pool

The City's investments with LAIF at June 30, 2022, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes

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

Asset-Backed Securities

The bulk of asset-backed securities are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The approved investments policy is listed on the LAIF website, located at <http://www.treasurer.ca.gov/pmia-laif/>.

D. Allocation of Interest Income Among Funds

Interest income from pooled investments is allocated to those funds which are required by law or administrative action to receive interest. Interest is allocated monthly based on the ending cash balances of the previous month in each fund receiving interest.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

E. Risk Disclosures

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the term of an investment's maturity, the greater the sensitivity to changes in market interest rates. One of the ways that the City's interest rate risk is mitigated is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2022, the City's investments were in compliance with the ratings required by the City's investment policy and Government Code. The California Asset Management Program (CAMP) investment pool was the only investment vehicle required to be rated and had a rating of AAAM by S&P.

Concentrations of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2022, the City had no investments in any one issuer (other than U.S. Treasury obligations, bonds, and the external investment pools) that represented 5% or more of the total City investments.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

As of June 30, 2022, the City's investments had the following maturities:

Investment Type	Maturity			Concentrations	Fair Value Input Levels
	12 Months or Less	1-5 years	Fair Value		
Local Agency Investment Fund	\$ 6,613,645	\$ -	\$ 6,613,645	82.0%	n/a
Certificates of Deposit	492,133	577,252	1,069,385	13.3%	Level 2
Held by bond trustee:					
CAMP	381,804	-	381,804	4.7%	n/a
Total Investments	<u>\$ 7,487,582</u>	<u>\$ 577,252</u>	<u>\$ 8,064,834</u>		

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

NOTE 3 - LOANS RECEIVABLE

The following is a summary of loans receivable at year end:

Loans Receivable	Balance July 01, 2021	Additions	Retirements	Balance June 30, 2022
Governmental Funds:				
Home Program	\$ 7,784,913	\$ 963,235	\$ 75,958	\$ 8,672,190
CalHome Program	19,264	-	-	19,264
CDBG Program	1,989,491	-	138,118	1,851,373
Total Governmental Funds	9,793,668	963,235	214,076	10,542,827
Fiduciary Funds:				
Construction Loan	678,000	-	-	678,000
Less: Allowance for Uncollectible Loans	(678,000)	-	-	(678,000)
Total Loans Receivable	\$ 9,793,668	\$ 963,235	\$ 214,076	\$ 10,542,827

Governmental Funds

The City participates in the Home Investment Partnerships (HOME) program, the Community Development Block Grant (CDBG) Revolving Loan program and the CalHome program. Under these programs, grants or loans are provided under favorable terms to homeowners, developers, or businesses who agree to spend these funds in accordance with the City's terms.

The balance of the loans receivable have been offset in the governmental fund financial statements by deferred inflows of resources as they are not deemed measurable and available within sixty days. In the government-wide financial statements, the loans are not offset in accordance with the accrual basis of accounting.

Fiduciary Funds

The former RDA assisted Gridley Pacific Associates with its acquisition and development of the Washington Court Apartments Affordable Housing Project by providing \$678,000 in the form of cash in return for a note bearing simple interest at a rate of 3% per year, secured by a deed of trust on the Project.

The former RDA had several programs under which it extended loans to qualifying individuals or groups for the purpose of improving the City's housing stock and/or its supply of low-and-moderate income housing. The remaining loan, issued to the Washington Court Apartments, has a forgiveness clause if the developer complies with all the terms of the loan over its full term. The former RDA had provided an allowance of 100% for the note receivable subject to the forgiveness provision of this loan. Per long-term monitoring reviews, all terms have been met by the developer for the loan as of June 30, 2022.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

NOTE 4 - LEASES RECEIVABLE

Leases receivable for governmental activities consisted of the following as of June 30, 2022:

	Township 18 North, Range 3 East 13.62 Acres	Township 18 North, Range 3 East 12.17 Acres	Total
Inception	11/17/2011	12/29/2010	
End	11/16/2036	12/28/2035	
Interest Rate	1.51%	1.47%	
Annual Payment	\$ 15,000	\$ 15,000	
Leases Receivable:			
Beginning	\$ -	\$ -	\$ -
Adjustments	206,420	194,863	401,283
Additions	-	-	-
Deletions	(12,225)	(12,247)	(24,472)
Ending	<u>194,195</u>	<u>182,616</u>	<u>376,811</u>
Deferred Inflows of Resources:			
Beginning	-	-	-
Adjustments	206,420	194,863	401,283
Additions	-	-	-
Deletions	(13,423)	(13,444)	(26,867)
Ending	<u>192,997</u>	<u>181,419</u>	<u>374,416</u>
Net Book Value	<u>\$ 1,198</u>	<u>\$ 1,197</u>	<u>\$ 2,395</u>

The following summarizes future collections for governmental activities leases receivable:

Year Ending June 30	Principal	Interest
2023	\$ 24,559	\$ 5,441
2024	24,921	5,079
2025	25,300	4,700
2026	25,679	4,321
2027	26,064	3,936
2028-2032	136,282	13,718
2033-2037	114,006	3,493
Total	<u>\$ 376,811</u>	<u>\$ 40,688</u>

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

NOTE 5 - INTERFUND TRANSACTIONS

Advances To and From Funds

Amounts due to or due from other funds reflect inter-fund balances for services rendered or short-term loans expected to be repaid in the next fiscal year. Advances to or from other funds are long-term loans between funds that are to be repaid in their entirety over several years.

Pursuant to Resolution No. 2003.RDA-05, the former Redevelopment Agency agreed to reimburse the City of Gridley for infrastructure improvements within the Agency's industrial park for up to \$250,000. No interest accrues on the amount due to the City.

The Successor Agency agreed to reimburse the City's General Fund for the formation of the RDA in the amount of \$176,868. Repayment is made as funds are available. No interest accrues on the amount due to the City. The Successor Agency paid \$100,000 toward the outstanding balance during the current fiscal year.

As of June 30, 2022, advances to the Successor Agency fund consisted of the following:

Fund	Advances to Other Funds	Advances from Other Funds
General Fund	\$ 76,868	\$ -
Block Grant Fund	250,000	-
Successor Agency Private Purpose Trust Fund	-	326,868
Total Advances	\$ 326,868	\$ 326,868

Inter-fund Receivables and Payables

As of the end of the fiscal year, balances are owed between funds for temporary pooled cash adjustments and temporary loans.

As of June 30, 2022, inter-fund receivables and payables consisted of the following:

Fund	Due from Other Funds	Due to Other Funds
General Fund	\$ 4,214,551	\$ -
Nonmajor Funds	329,029	4,214,551
Senior Tax Enterprise Fund	-	329,029
Total Due From/To	\$ 4,543,580	\$ 4,543,580

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Transfers In/Out

With Council approval resources may be transferred from one fund to another. The most significant transfers were from the Electric Fund to the General Fund for unfunded operations and to the Grant Related Fund for carbon credits. Other transfers were made for operations within each respective fund.

The following summarizes transfers between funds during the fiscal year ended June 30, 2022:

Fund	Transfer in	Transfer out
General Fund	\$ 1,599,335	\$ -
Grant Related Funds	1,616,977	321,874
Electric Enterprise Fund	-	3,016,977
Sewer Enterprise Fund	122,539	-
Total Transfers	<u>\$ 3,338,851</u>	<u>\$ 3,338,851</u>

Intra-Fund Transfers In/Out

The following table represents intra-fund transfers made during the fiscal year ended June 30, 2022:

Fund	Transfer in	Transfer out
General Fund	\$ -	\$ 982,969
General Fund Reserve Fund	982,969	-
Total Transfers	<u>\$ 982,969</u>	<u>\$ 982,969</u>

Intra-fund transfers are eliminated for presentation in the fund financial statements.

NOTE 6 - CAPITAL ASSETS

Capital assets for governmental activities consisted of the following as of June 30, 2022:

	Balance July 01, 2021	Additions	Transfers	Deletions/ Adjustments	Balance June 30, 2022
Governmental activities:					
Non-depreciable:					
Land	\$ 417,779	\$ 733,211	\$ -	\$ -	\$ 1,150,990
Construction in Progress	588,859	400,297	(593,437)	-	395,719
Total Non-Depreciable	1,006,638	1,133,508	(593,437)	-	1,546,709
Depreciable:					
Infrastructure	7,999,087	-	-	-	7,999,087
Buildings and Improvements	3,654,840	-	-	-	3,654,840
Improvements other than Buildings	3,383,815	-	387,732	-	3,771,547
Vehicles and Equipment	5,636,014	140,579	205,705	(159,266)	5,823,032
Total Depreciable	20,673,756	140,579	593,437	(159,266)	21,248,506
Less Accumulated Depreciation for:					
Infrastructure	(3,771,875)	(270,516)	-	-	(4,042,391)
Buildings and Improvements	(2,444,753)	(112,909)	-	-	(2,557,662)
Improvements other than Buildings	(1,111,975)	(128,357)	-	-	(1,240,332)
Vehicles and Equipment	(4,236,353)	(195,594)	-	159,266	(4,272,681)
Total Accumulated Depreciation	(11,564,956)	(707,376)	-	159,266	(12,113,066)
Total Depreciable Capital Assets - Net	9,108,800	(566,797)	593,437	-	9,135,440
Total Capital Assets - Net	\$ 10,115,438	\$ 566,711	\$ -	\$ -	\$ 10,682,149

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Depreciation expense for governmental activities was charged to the following programs during the year:

General Government	\$ 75,040
Public Safety	162,774
Streets and Public Works	345,260
Parks and Recreation	124,302
Total depreciation expense	<u>\$ 707,376</u>

Capital assets for business-type activities consisted of the following as of June 30, 2022:

	Balance July 01, 2021	Additions	Transfers	Deletions/ Adjustments	Balance June 30, 2022
Business-Type Activities:					
Non-depreciable:					
Land	\$ 921,793	\$ -	\$ -	\$ -	\$ 921,793
Construction in Progress	1,408,328	236,547	(1,159,305)	-	485,570
Total Non-Depreciable	<u>2,330,121</u>	<u>236,547</u>	<u>(1,159,305)</u>	<u>-</u>	<u>1,407,363</u>
Depreciable:					
Infrastructure	6,340,384	-	-	-	6,340,384
Buildings and Improvements	1,139,545	-	-	-	1,139,545
Improvements other than Buildings	9,122,088	-	908,655	(9,377)	10,021,366
Right of Use Assets	-	3,722	-	-	3,722
Vehicles and Equipment	7,699,617	119,738	250,650	4,964	8,074,969
Total Depreciable	<u>24,301,634</u>	<u>123,460</u>	<u>1,159,305</u>	<u>(4,413)</u>	<u>25,579,986</u>
Less Accumulated Depreciation for:					
Infrastructure	(2,553,117)	(162,064)	-	-	(2,715,181)
Buildings and Improvements	(914,726)	(24,226)	-	-	(938,952)
Improvements other than Buildings	(3,918,125)	(386,711)	-	-	(4,304,836)
Right of Use Assets	-	(1,302)	-	-	(1,302)
Vehicles and Equipment	(5,667,461)	(329,740)	-	1,377	(5,995,824)
Total Accumulated Depreciation	<u>(13,053,429)</u>	<u>(904,043)</u>	<u>-</u>	<u>1,377</u>	<u>(13,956,095)</u>
Total Depreciable Capital Assets - Net	<u>11,248,205</u>	<u>(780,583)</u>	<u>1,159,305</u>	<u>(3,036)</u>	<u>11,623,891</u>
Total Capital Assets - Net	<u>\$ 13,578,326</u>	<u>\$ (544,036)</u>	<u>\$ -</u>	<u>\$ (3,036)</u>	<u>\$ 13,031,254</u>

Depreciation expense for business-type activities was charged to the following programs during the year:

Electricity	191,296
Water	202,010
Sewer	502,890
Other Enterprise	7,847
Total depreciation expense	<u>\$ 904,043</u>

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

NOTE 7 - NONCURRENT LIABILITIES

Noncurrent liabilities consisted of the following as of June 30, 2022:

Description	Balance July 01, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
Governmental Activities					
Net Pension Liability	\$ 8,105,985	\$ 4,995,018	\$ 7,716,986	\$ 5,384,017	\$ -
Total OPEB Liability	6,067,921	-	3,435,085	2,632,836	-
Compensated Absences	315,172	34,228	13,618	335,782	164,035
Total Governmental Activities Debt	<u>\$ 14,489,078</u>	<u>\$ 5,029,246</u>	<u>\$ 11,165,689</u>	<u>\$ 8,352,635</u>	<u>\$ 164,035</u>
Business-Type Activities					
Direct Borrowing:					
USDA Rural Development Loan	\$ 974,000	\$ -	\$ 35,000	\$ 939,000	\$ 36,000
USDA Rural Development Loan	2,239,000	-	54,000	2,185,000	55,000
Lease Liability	-	2,391	-	2,391	-
Net Pension Liability	4,392,279	3,840,249	4,715,710	3,516,818	-
Total OPEB Liability	3,953,153	-	2,593,685	1,359,468	-
Compensated Absences	209,889	61,794	-	271,683	111,564
Total Business-type Activities Debt	<u>\$ 11,768,321</u>	<u>\$ 3,904,434</u>	<u>\$ 7,398,395</u>	<u>\$ 8,274,360</u>	<u>\$ 202,564</u>
Fiduciary Funds - Successor Agency:					
Tax allocation bonds, Series 2008	\$ 4,340,000	\$ -	\$ 80,000	\$ 4,260,000	\$ 85,000
Unamortized bond discounts	(109,758)	-	(7,363)	(102,395)	-
Total Long-term liabilities	<u>\$ 4,230,242</u>	<u>\$ -</u>	<u>\$ 72,637</u>	<u>\$ 4,157,605</u>	<u>\$ 85,000</u>

Business-Type Activities - USDA Rural Development Loans

On February 12, 2001, the City executed a long-term loan agreement with the United States Department of Agriculture (USDA) Rural Development to repay the interim sewer project financing provided by U.S. Bank. The interim financing repayment total consisted of \$1,478,141 in principal and \$9,529 in accrued interest. Interest on the new loan, at the rate of 3.25%, is payable semiannually. Annual principal payments, ranging from \$18,670 to \$65,000, are also required. This loan will be completely repaid on September 1, 2040 and is secured by the revenues of the City's sewer fund.

On April 15, 2009, the City entered into a loan/grant agreement with USDA Rural Development for the rehabilitation and upgrade of the City's existing wastewater treatment plant. The agreement consists of a loan of \$3,100,000 with a subsequent grant of \$1,000,000. Interest, at the rate of 2.500%, is payable annually. This loan will be completely repaid on April 1, 2050.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Future debt service payments for the USDA Rural Development Loans are as follows:

Year Ending June 30	Business-Type Activities		
	Principal	Interest	Total
2023	\$ 91,000	\$ 83,871	\$ 174,871
2024	94,000	81,280	175,280
2025	97,000	78,604	175,604
2026	99,000	75,858	174,858
2027	102,000	73,042	175,042
2028-2032	556,000	319,932	875,932
2033-2037	638,000	236,128	874,128
2038-2042	758,000	158,920	916,920
2043-2047	485,000	56,413	541,413
2048-2052	204,000	5,050	209,050
Total	\$ 3,124,000	\$ 1,169,098	\$ 4,293,098

Successor Agency - Tax Allocation Bonds, Series 2008A (Taxable) and 2008B (Tax Exempt)

In 2002, the former RDA issued \$4,750,000 of tax allocation bonds, Series 2008A (Taxable) and Series 2008B (Tax Exempt). A total of \$2,980,000 of Series 2008A bonds were issued and \$1,770,000 of Series 2008B bonds.

The proceeds of the Series 2008A bonds issued were used to repay a significant portion of the loans from the City of Gridley to the Agency. The bonds bear annual interest at varying rates between 7% and 7.5%. The bonds were issued in fully registered form without coupons in denominations of \$5,000. Interest is payable semi-annually, due on August 1st and February 1st. Principal is paid in annual installments beginning August 1, 2014 and ending August 1, 2038 in amounts ranging from \$45,000 to \$250,000.

The proceeds from the Series 2008B bonds issued were for capital improvements within the project area. The bonds bear annual interest at 5%. The bonds were issued in fully registered form without coupons in denominations of \$5,000. Interest is payable semi-annually and due on August 1st and February 1st. Principal is paid in annual installments beginning August 1, 2014 and ending August 1, 2043 in amounts ranging from \$5,000 to \$345,000.

Future debt service payments for the tax allocation bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 85,000	\$ 276,000	\$ 361,000
2024	90,000	269,750	359,750
2025	100,000	263,125	363,125
2026	105,000	255,875	360,875
2027	110,000	248,250	358,250
2028-2032	700,000	1,105,625	1,805,625
2033-2037	1,005,000	807,750	1,812,750
2038-2042	1,395,000	403,000	1,798,000
2043-2044	670,000	50,750	720,750
Total	\$ 4,260,000	\$ 3,680,125	\$ 7,940,125

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

NOTE 8 - RETIREMENT PLANS

General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous risk pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors three miscellaneous rate plans. 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.

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. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Special Death Benefit (Safety only), 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.

The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Miscellaneous			Safety	
	Tier I	Tier II	PEPRA	Tier I	PEPRA
Benefit formula	2% @ 55	2% @ 55	2% @ 62	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 Years	5 Years	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	55	55	62	50	57
Monthly benefits as a					
% of eligible compensation	2.00%	2.00%	2.00%	3.00%	2.00%
Required employee contribution rates	7.00%	7.00%	6.750%	9.000%	13.000%
Required employer contribution rates	11.00%	10.34%	7.590%	22.48%	13.130%

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Employees Covered

At June 30, 2022, the following employees were covered by the benefit terms for the Plans:

	Miscellaneous	Safety	Total
Active	30	13	43
Transferred	14	14	28
Separated	17	4	21
Retired	54	40	94
Total	115	71	186

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 the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2022, the City's contributions were as follows:

	Employer Contributions
Miscellaneous	\$ 843,729
Safety	576,892
Total Employer Contributions	\$ 1,420,621

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2022, the City reported a net pension liability for its proportionate share of the net pension liabilities as follows:

	Proportionate Share of Net Pension Liability/(Asset)
Miscellaneous	\$ 5,652,553
Safety	3,248,282
Total	\$ 8,900,835

The City's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2021, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

The City's proportionate share of the net pension liability for the Plans as of June 30, 2021 and 2021 was as follows:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Combined Plans</u>
Proportion - June 30, 2021	0.18123%	0.07271%	0.11478%
Proportion - June 30, 2022	0.29769%	0.09256%	0.16458%
Change - Increase/(Decrease)	0.11646%	0.01985%	0.04980%

For the year ended June 30, 2022, the City recognized pension expense of \$4,690,742.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 1,188,839	\$ -
Differences between Projected and Actual Investment Earnings	-	6,867,733
Differences between Employer's Contributions and Proportionate Share of Contributions	112,274	151,320
Change in Employer's Proportion	25,141	330,024
Pension Contributions Made Subsequent to Measurement Date	1,420,621	-
Total	<u>\$ 2,746,875</u>	<u>\$ 7,349,077</u>

The City reported \$1,420,621 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Fiscal Year Ending June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>		
	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
2023	\$ (961,228)	\$ (249,111)	\$ (1,210,339)
2024	(1,033,293)	(315,249)	(1,348,542)
2025	(1,149,314)	(419,717)	(1,569,031)
2026	(1,362,879)	(532,032)	(1,894,911)
2027	-	-	-
Thereafter	-	-	-
Total	<u>\$ (4,506,714)</u>	<u>\$ (1,516,109)</u>	<u>\$ (6,022,823)</u>

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Actuarial Assumptions

The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	(1)
Investment Rate of Return	7.15% (2)
Mortality	(3)

- (1) Varies by entry age and service
- (2) Net of pension plan investment expenses, including inflation
- (3) Derived using CalPERS' membership data for all funds

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The table below reflects the long-term expected real rate of return by asset class.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class (a)	Assumed	Real Return	Real Return
	Asset Allocation	Years 1 - 10 (b)(d)	Years 11+ (c)(d)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

- (a) In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (b) An expected inflation of 2.0% used for this period.
- (c) An expected inflation of 2.92% used for this period.
- (d) Figures are based on the previous ALM of 2017.

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 the Plans, calculated using the discount rate for the Plans, 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:

	Miscellaneous	Safety	Totals
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	\$ 8,583,986	5,409,267	13,993,253
Current	7.15%	7.15%	7.15%
Net Pension Liability	\$ 5,652,553	3,248,282	8,900,835
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$ 3,229,180	1,473,299	4,702,479

Pension Plan Fiduciary Net Position

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

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description

The City sponsors and administers a single-employer health care plan for its employees. The plan provides medical, dental, and vision coverage. Medical coverage is provided through CalPERS under the Public Employees' Medical and Hospital Care Act (PEMHCA), also referred to as PERS Health. The City sets its contribution rates for health insurance on behalf of active employees according to the PEMHCA

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

statutory minimum. The amounts are indexed (increased) in all future years according to the rate of medical inflation. The excess of the designated City contribution for healthcare (the second highest premium available in the 95948 zip code area) over the PEMHCA statutory minimum is contributed to a Cafeteria Plan and the employee may elect to have some or all of this excess contributed on his or her behalf to CalPERS as an "employee contribution" towards healthcare benefits. As the City 's OPEB benefits are administered by City personnel, no separate financial statements are issued.

Management employees are subject to PERS' "100/90 State Contribution Formula" under which the City's contribution is determined based upon the weighted average of the four most popular medical plan options under PEMHCA, as announced each year by CalPERS. The City offers the same medical plans to its retirees as to its active employees, with the general exception that upon reaching age 65 and becoming eligible for Medicare, the retiree must join one of the Medicare Supplement coverage's offered under PEMHCA.

Management employees hired on or before December 31, 2012 are eligible for benefits upon retirement at age 50 with 10 years of service. The City's contribution on behalf of Management hired on or before December 31, 2012 retirees, is based on the 'PERS' "Unequal Contribution Method" and equals 5% of the statutory minimum multiplied by the number of years the City has participated in PEMHCA. This amount is \$40.40/month for 2018.

Employees Covered by Benefit Terms

At June 30, 2022, the benefit terms covered the following employees:

Active employees	2
Inactive employees	9
Total employees	<u>11</u>

Actuarial Assumptions

The following summarized the actuarial assumptions for the OPEB plan included in this fiscal year:

Valuation Date:	July 1, 2021
Measurement Date:	June 30, 2022
Actuarial Cost Method:	Entry-Age Normal Cost Method
Amortization Period:	30 years
Actuarial Assumptions:	
Discount Rate	3.54%
Inflation	2.75%
Payroll Increases	3.00%
Trend Rate	7.00%
Municipal Bond Rate	3.54%
Mortality	Pub-2010 General Employees Headcount-Weighted Mortality fully generational using Scale MP-2021, and Pub-2010 General Retirees Headcount-Weighted Mortality fully generational using Scale MP-2021.

Notes:

The discount rate increased from 2.21% to 3.54%.
 Payroll growth increased from 2% to 4%.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Discount Rate

The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

Contributions

The City's policy is to fully fund the annual required contribution, which is determined by an actuary. The City makes the contributions on behalf of the participants. For the fiscal year ended June 30, 2022, the City paid contributions of \$166,240. There have been no assets accumulated in a trust to provide for the benefits of this plan.

Total OPEB Liability

The City's Total OPEB liability was measured as of June 30, 2022 (measurement date) and was determined by an actuarial valuation as of July 1, 2021 (valuation date) for the fiscal year ended June 30, 2022 (reporting date).

Changes in the Total OPEB Liability

The following summarizes the changes in the Total OPEB liability during the year ended June 30, 2022:

Fiscal Year Ended June 30, 2022	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2021	\$ 10,021,074	\$ -	\$ 10,021,074
Service cost	21,603	-	21,603
Interest in Total OPEB Liability	139,337	-	139,337
Balance of diff between actual/exp experience	(3,239,275)	-	(3,239,275)
Balance of changes in assumptions	(2,618,711)	-	(2,618,711)
Benefit payments	(166,240)	-	(166,240)
Net changes	(6,028,770)	-	(6,028,770)
Balance at June 30, 2023	\$ 3,992,304	\$ -	\$ 3,992,304

The City's plan is nonfunded, meaning there have not been assets placed into an irrevocable trust, therefore the plan fiduciary net position is zero.

Deferred Inflows and Outflows of Resources

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ 698,305	\$ 1,366,862
Change in assumptions	714,345	1,105,055
Totals	\$ 1,412,650	\$ 2,471,917

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amount
2023	\$ (1,323,373)
2024	264,106
Total	<u>\$ (1,059,267)</u>

OPEB Expense

The following summarizes the OPEB expense by source during the year ended June 30, 2022:

Service cost	\$ 21,603
Interest on total OPEB liability	139,337
Other actuarial adjustments	(255,279)
Difference between actual and expected experience	(1,304,684)
Change in assumptions	(932,941)
OPEB Expense	<u>\$ (2,331,964)</u>

The following summarizes changes in the Total OPEB liability as reconciled to OPEB expense during the year ended June 30, 2022:

Net OPEB liability ending	\$ 3,992,304
Net OPEB liability beginning	(10,021,074)
Change in net OPEB liability	(6,028,770)
Changes in deferred outflows	1,224,939
Changes in deferred inflows	2,471,867
OPEB Expense	<u>\$ (2,331,964)</u>

Sensitivity to Changes in the Discount Rate

The Total OPEB liability of the City, as well as what the City's Total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher, was as follows:

	Discount Rate		
	(1% Decrease)	3.54%	(1% Increase)
Net OPEB Liability (Asset)	\$ 4,639,396	\$ 3,992,304	\$ 3,477,347

Sensitivity to Changes in the Healthcare Cost Trend Rates

The Total OPEB liability of the City, as well as what the City's Total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates, was as follows:

	Trend Rate		
	(1% Decrease)	7.00%	(1% Increase)
Net OPEB Liability (Asset)	\$ 3,436,220	\$ 3,992,304	\$ 4,689,221

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

NOTE 10 - DEFICIT FUND BALANCE AND NET POSITION

The City reported the following funds with deficit fund balance and net position as of June 30, 2022:

	Deficit Fund Balance	Deficit Net Position
SB 325 TDA Fund	\$ 317,591	\$ -
Traffic Safety Fund	53,116	-
Planning and Development Fund	1,155,618	-
Solid Waste Recreation Fund	57,646	-
Gas Tax Fund	614,369	-
Recreation Related Fund	1,539,728	-
2021 Vierra Park Improvements Fund	3,006	-
Home Fund	6,846	-
Senior Taxi Fund	-	318,974
Totals	<u>\$ 3,747,920</u>	<u>\$ 318,974</u>

The fund deficits were a result of expenditures incurred in advance of receipt of revenue and will be eliminated through future revenues and interfund transfers.

NOTE 11 - RISK MANAGEMENT

The City is a member of the Northern California Cities Self Insurance Fund (NCCSIF) along with twenty other northern California cities. The NCCSIF is a joint powers authority (JPA) 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 NCCSIF provides claims processing, administrative services, risk management services, and actuarial studies. A member from each city governs the NCCSIF. The City Council members do not have significant oversight responsibility since they evenly share all factors of responsibility with the other cities. The City does not retain the risk of loss. However, ultimate liability for payment of claims and insurance premiums resides with member cities. The NCCSIF 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. The audited financial statements of the JPA are available at the NCCSIF's office.

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. The City provides property, liability, and workers compensation insurance through Northern California Cities Self Insurance Fund a public entity risk pool currently operating as a common risk management and insurance program for several Northern California municipalities. Annual deposits are paid by member cities and are adjusted retrospectively to cover costs.

The NCCSIF 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

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision of inflation is implicit in the calculation of estimated future claims costs. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. The City does not have any material unpaid and uninsured claims outstanding at the beginning or end of the last two fiscal years. The City's insurance coverage and the respective coverage providers are as follows:

Amount	Coverage Provider	Payment
General Liability		
\$0 - \$50,000	Self-insured	Banking layer
\$50,001 - \$450,000	Northern California Cities Self Insurance Fund	Shared risk
\$450,001 - \$40,000,000	California Joint Powers Risk Management Authority	Shared risk (to \$5 mil, excess insurance after that)
Workers' Compensation		
\$0 - \$100,000	Self-insured	Banking layer
\$100,001 - \$400,000	Northern California Cities Self Insurance Fund	Shared risk
\$400,001 - statutory	CSAC-EIA	Shared risk and Excess Insurance

Property insurance

The City's standard deductible is \$5,000 for coverage. The coverage limit for fiscal year 2022 was \$1,000,000,000 blanket real and personal property.

Performance and Public Employee Dishonesty Bonds

The City has \$25,000 in performance bond coverage for the City Clerk, \$100,000 performance bond coverage for the City Treasurer, and \$3,000,000 in coverage for public employee dishonesty with a deductible of \$5,000.

NOTE 12 - RELATED ORGANIZATIONS

The City is a member of various joint powers authorities that provide goods or services to the City and other authority members. The City does not have sufficient authority, influence or accountability over these entities to incorporate them in this annual report. Additionally, the City has determined that it has no ongoing financial interest or responsibility for any of these organizations. The names and general functions of these joint powers are as follows:

Northern California Power Agency (NCPA)

Membership consists of 12 municipal electric utilities, one Rural Electric Cooperative, an irrigation district, and a public utility district. The NCPA is generally empowered to purchase, generate, transmit, distribute, and sell electrical energy. Members participate in the projects of NCPA on an elective basis. A Commission comprised of one representative for each member governs the NCPA.

The City is currently involved in several hydroelectric, geothermal, and other energy-related projects as a member of this agency. The NCPA is financed by contributions from member cities, government grants, and debt. The City is committed to provide substantial additional financial support for its portion of the actions and projects of the NCPA.

City of Gridley
Notes to the Basic Financial Statements
June 30, 2022

The NCPA holds certain funds under a separate member custodial agreement - the general operating reserve. The purpose of the reserve is to allow members to fund all, or a portion, of the contingent liabilities that the NCPA faces at any given time, while providing the individual member with the flexibility to draw upon their part of the reserve, as each member individually deems appropriate. The NCPA requires agency members to maintain at least 90% of the annual general operating reserve. The City has maintained the required reserve amount during the fiscal year ending 2022. Due to the nature of the reserve held by NCPA, payments made to the reserve are expensed as purchased power. The financial statements are available online at www.ncpa.com.

Transmission Agency of Northern California (TANC)

Members include eleven cities, one electric co-op, two irrigation districts, and one public utility district. The Agency was created to provide electric transmission or other facilities, including real property and rights of way, for the use of its members. A Commission comprised of one representative appointed by each member governs the Agency. The City has authorized its participation in the project up to 1% of the total expenditures. The financial statements are available online at <http://tanc.us/financials.html>.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Lawsuits

The City is subject to certain matters of litigation that may arise in the normal course of conducting City business. City management believes, based upon consultation with legal counsel, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

Federal and State Grant Programs

The City participates in Federal and State grant programs. These programs are audited by the City's independent accountants if required by and in accordance with the provisions of the Uniform Guidance and applicable State requirements. Expenditures which may be disallowed, if any, by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

Deferred Compensation

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time City employees, permits employees to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The assets and liabilities of these plans have been excluded from the accompanying financial statements. The City does not administer the plan.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Gridley
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes and assessments	\$ 2,628,005	\$ 2,628,005	\$ 3,172,825	\$ 544,820
Licenses, permits and fees	30,207	30,207	61,608	31,401
Fines and forfeitures	8,097	8,097	6,041	(2,056)
Intergovernmental	619,473	619,473	846,679	227,206
Charges for services	68,398	68,398	60,461	(7,937)
Program income	172	172	-	(172)
Use of money and property	807,565	807,565	511,470	(296,095)
Other revenue	708,544	708,544	272,360	(436,184)
Total Revenues	4,870,461	4,870,461	4,931,444	60,983
EXPENDITURES				
Current:				
General government	600,610	600,610	298,641	301,969
Public safety	3,837,754	3,837,754	4,118,382	(280,628)
Streets and public works	739,121	739,121	264,777	474,344
Community development	42,924	42,924	191,415	(148,491)
Parks and recreation	137,878	137,878	145,572	(7,694)
Capital outlay	2,137,822	2,137,822	233,447	1,904,375
Total Expenditures	7,496,109	7,496,109	5,252,234	2,243,875
Excess (Deficiency) of Revenues over Expenditures	(2,625,648)	(2,625,648)	(320,790)	2,304,858
OTHER FINANCING SOURCES (USES)				
Transfers in	1,435,000	1,435,000	1,599,335	164,335
Sale of capital assets	1,004	1,004	-	(1,004)
Total Other Financing Sources (Uses)	1,436,004	1,436,004	1,599,335	163,331
Net Change in Fund Balance	(1,189,644)	(1,189,644)	1,278,545	2,468,189
Fund Balance Beginning	12,179,605	12,179,605	12,179,605	-
Prior Period Adjustments - Cash Allocations	4,506	4,506	4,506	-
Fund Balance Beginning, as Adjusted	12,184,111	12,184,111	12,184,111	-
Fund Balance Ending	\$ 10,994,467	\$ 10,994,467	\$ 13,462,656	\$ 2,468,189

City of Gridley
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ (10)	\$ (10)
Total Revenues	-	-	(10)	(10)
EXPENDITURES				
Total Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	(10)	(10)
Fund Balance Beginning	3,792	3,792	3,792	-
Fund Balance Ending	<u>\$ 3,792</u>	<u>\$ 3,792</u>	<u>\$ 3,782</u>	<u>\$ (10)</u>

City of Gridley
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Program income	\$ 71,664	\$ 71,664	\$ 258,844	\$ 187,180
Use of money and property	3,083	3,083	(1,737)	(4,820)
Total Revenues	74,747	74,747	257,107	182,360
EXPENDITURES				
Current:				
Community development	3,715	3,715	14,320	(10,605)
Total Expenditures	3,715	3,715	14,320	(10,605)
Net Change in Fund Balance	71,032	71,032	242,787	171,755
Fund Balance Beginning	712,075	712,075	712,075	-
Prior Period Adjustments - Cash Allocations	(117)	(117)	(117)	-
Fund Balance Beginning, as Adjusted	711,958	711,958	711,958	-
Fund Balance Ending	\$ 782,990	\$ 782,990	\$ 954,745	\$ 171,755

City of Gridley
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ 83,800	\$ 83,800	\$ 555,961	\$ 472,161
Use of money and property	708	708	(1,150)	(1,858)
Total Revenues	84,508	84,508	737,399	652,891
EXPENDITURES				
Current:				
General government	60,000	60,000	752	59,248
Public safety	38,983	38,983	96,778	(57,795)
Capital outlay	916,779	916,779	844,290	72,489
Total Expenditures	1,015,762	1,015,762	941,820	73,942
Excess (Deficiency) of Revenues over Expenditures	(931,254)	(931,254)	(204,421)	726,833
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,616,977	1,616,977
Transfers out	(35,000)	(35,000)	(321,874)	(286,874)
Total Other Financing Sources (Uses)	(35,000)	(35,000)	1,295,103	1,330,103
Net Change in Fund Balance	(966,254)	(966,254)	1,090,682	2,056,936
Fund Balance Beginning	440,174	440,174	440,174	-
Prior Period Adjustments - Cash Allocations	10,000	10,000	10,000	-
Fund Balance Beginning, as Adjusted	450,174	450,174	450,174	-
Fund Balance Ending	\$ (516,080)	\$ (516,080)	\$ 1,540,856	\$ 2,056,936

City of Gridley
Notes to Required Supplementary Information
Budgetary Accounting and Control
June 30, 2022

The City Council establishes budgets for all governmental funds on a basis consistent with Generally Accepted Accounting Principles, with the exception of capital projects which are budgeted on a project length basis. Appropriations, except open project appropriations and unexpended grant appropriations, lapse at the end of each fiscal year. The budgetary data is prepared on the modified accrual basis consistent with the related "actual" amounts.

Department heads submit a proposed budget to the City Administrator. The City Administrator submits a proposed budget to the City Council for the following year beginning July 1. The preliminary budget may or may not be amended by the City Council after public hearings are held and is adopted by City Council resolution prior to July 1 in accordance with the municipal code.

The City Council may amend the budget by motion during the fiscal year. The City Administrator is authorized to transfer budgeted amounts within an object or purpose within any department. However, the City Council must approve revisions that alter the total expenditures of any department. Budgetary control is legally maintained at the fund level.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions of the annual budgets during the year. Amounts represent the original budgeted amounts and all supplemental appropriations.

City of Gridley
Schedule of Pension Contributions
June 30, 2022
(Last Ten Years)

Miscellaneous and Safety Plans								
Plan Measurement Date	2014	2015	2016	2017	2018	2019	2020	2021
Fiscal Year Ended	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contributions	\$ 701,624	\$ 795,514	\$ 866,010	\$ 947,355	\$ 1,023,639	\$ 1,128,141	\$ 1,293,223	\$ 1,420,621
Contributions in Relation to Contractually Required Contributions	701,624	795,514	866,010	947,355	1,023,639	1,128,141	1,293,223	1,420,621
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 3,118,121	\$ 3,099,247	\$ 3,275,057	\$ 3,384,871	\$ 2,642,537	\$ 2,891,883	\$ 3,233,815	\$ 3,508,606
Contributions as a % of Covered Payroll	22.50%	25.67%	26.44%	27.99%	38.74%	39.01%	39.99%	40.49%

Notes to Schedule:

Valuation Date: June 30, 2020
Assumptions Used: Entry Age Method used for Actuarial Cost Method
Level Percentage of Payroll and Direct Rate Smoothing
3.8 Years Remaining Amortization Period
Inflation Assumed at 2.50%
Investment Rate of Returns set at 7.00%
CalPERS mortality table based on CalPERS' experience and include 15 years of projected ongoing mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.

Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.
The CalPERS discount rate was increased from 7.50% to 7.65% in fiscal year 2016, then decreased to 7.15% in 2018.
The CalPERS mortality assumptions was adjusted in fiscal year 2019.

City of Gridley
Schedule of Proportionate Share of Net Pension Liability
June 30, 2022
(Last Ten Years)

Miscellaneous and Safety Plan								
Plan Measurement Date	2014	2015	2016	2017	2018	2019	2020	2021
Fiscal Year Ended	2015	2016	2017	2018	2019	2020	2021	2022
Proportion of Net Pension Liability (Safety and Misc)	0.12501%	0.12003%	0.10006%	0.11218%	0.11472%	0.11475%	0.11487%	0.16458%
Proportionate Share of Net Pension Liability	\$ 7,778,821	\$ 8,238,421	\$ 8,658,560	\$ 11,125,054	\$ 11,054,726	\$ 11,758,898	\$ 12,498,264	\$ 8,900,835
Covered Payroll	\$ 3,079,982	\$ 3,118,121	\$ 3,099,247	\$ 3,275,057	\$ 3,384,871	\$ 2,642,537	\$ 2,891,883	\$ 3,233,815
Proportionate Share of NPL as a % of Covered Payroll	252.56%	264.21%	279.38%	339.69%	326.59%	444.99%	432.18%	275.24%
Plan's Fiduciary Net Position as a % of the TPL	81.15%	71.26%	68.94%	67.62%	68.40%	67.37%	65.78%	76.73%

Fiscal year 2015 was the first year of implementation, therefore only eight years are shown.

The CalPERS discount rate was increased from 7.50% to 7.65% in fiscal year 2016, then decreased to 7.15% in 2018.

The CalPERS mortality assumptions was adjusted in fiscal year 2019.

City of Gridley
Schedule of Changes in Total OPEB Liability
June 30, 2022
(Last Ten Years)

Fiscal Year Ended	2018	2019	2020	2021	2022
Total OPEB liability					
Service cost	\$ 12,401	\$ 12,650	\$ 171,325	\$ 165,106	\$ 21,603
Interest	158,069	159,756	206,796	211,318	139,337
Diff. between expected/actual experience	21,513	16,042	2,401,492	-	(3,239,275)
Changes of assumptions	-	-	2,456,638	-	(2,618,711)
Actuarial adjustments	-	-	-	74,743	(165,484)
Benefit payments	(148,050)	(141,637)	(161,908)	(84,534)	(166,240)
Net change in Total OPEB Liability	43,933	46,811	5,074,343	366,633	(6,028,770)
Total OPEB Liability - beginning	4,489,354	4,533,287	4,580,098	9,654,441	10,021,074
Total OPEB Liability - ending	4,533,287	4,580,098	9,654,441	10,021,074	3,992,304
Plan fiduciary net position					
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-
Plan fiduciary net position - ending	-	-	-	-	-
Net OPEB liability (asset)	\$ 4,533,287	4,580,098	9,654,441	10,021,074	3,992,304
Plan fiduciary net position as a % of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	\$ 2,726,110	\$ 2,780,632	\$ 826,218	\$ 842,742	\$ 258,224
NOL as a % of covered employee payroll	166.29%	164.71%	1168.51%	1189.10%	1546.06%
TOL as a % of covered employee payroll	166.29%	164.71%	1168.51%	1189.10%	1546.06%

Other Notes

GASB 75 requires a schedule of contributions for the last ten fiscal years, or for as many years as are available if less than ten years are available. GASB 75 was adopted as of June 30, 2018.

Discount rates changed from 3.58% to 2.21% in FY2020, and then to 3.54% in FY2022.

Payroll growth increased from 2% to 4%.

Mortality assumption changed from SOA RP-2014 Total Dataset Mortality with Scale MP-2019 (Base Rate 2006) to Pub-2010 General Employees Headcount-Weighted Mortality fully generational using Scale MP-2021, and Pub-2010 General Retirees Headcount-Weighted Mortality fully generational using Scale MP-2021.



SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

FEMA Reserve

This fund is used to account for the FEMA lease revenue.

General Impact Fee

The source of funding is a portion of the impact fees on new developments calculated in the City Fee Schedule. This fund is used for the CIP project per council approval.

Development Agreement Fee

The source of revenue is a portion of the impact fees on new developments calculated in a City fee schedule. The funds will be appropriated for CIP projects upon council approval.

M. Vierra Park

This fund is used to account for the grant funding for the development of M. Vierra Park.

SB 1 RMRA

This fund is used to account for receipts and expenditures of gas tax funds for road repair and maintenance under the California rehab program.

SB 325 TDA

This fund is used to account for receipts and expenditures of monies apportioned for street and road sweeping, repairs, maintenance and other street projects under the street and highway code 2105, 2016, 2107 and 2107.5 of the State of California.

Traffic Safety

This fund is used to account for receipts of motor vehicle fines and forfeitures expended for traffic projects.

Railroad Maintenance

This fund is used to account for expenses related to repairs for the railroad and intersecting streets.

Public Safety Augmentation

This fund is used to account for receipts and expenditure related to safety expenses.

Planning and Development

This fund is used to account for the City's participation in the Community Development Block Grant programs, which provides loans to rehab low income housing and First Time home buyers (generally low income).

Solid Waste Recreation

This fund is used for purchasing beverage trash containers located throughout the City right-of-way and public parks.

Gas Tax

This fund is used to account for receipts and expenditures of monies apportioned for street and road sweeping, repairs, maintenance and other street projects under the street and highway code 2105, 2016, 2107 and 2107.5 of the State of California.

NONMAJOR GOVERNMENTAL FUNDS

Butte Interagency Narcotics Task Force (BINTF)

This fund is used to account for the contribution of funds and service to BINTF.

Maintenance Districts

The funds are used to account for the receipts and expenditures of four districts within the City limit. The assessment of districts is the source of funding.

CDBG Housing Rehab/Drainage Grant

This fund is used to account for revenues and expenditures related to the Community Development Block Grant for housing rehabilitation and drainage.

Cal Home

This fund is used to account for Cal Home grant revenues and expenditures.

Police Explorer

The fund is used to pay the expenditures related to youth programs. Donations and fund raising are the sources of funding.

K-9 - Donations & Expenses

The fund is used to account for City donations and expenses.

Recreation Related

The fund is used to pay the expenditures related to recreational activities funded through the annual budget.

2021 Vierra Park Improvements

This fund is used to account for resources expended on Vierra Park improvements.

Home

This fund is used to account for Home program revenues and expenditures.

City of Gridley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds			
	FEMA Reserve Fund	General Impact Fee Fund	Development Agreement Fund	M. Vierra Park Fund
ASSETS				
Cash and investments	\$ 465,749	\$ 856,349	\$ 11,900	\$ 28,867
Accounts receivable	-	-	-	-
Due from other governments	-	-	-	-
Interest receivable	285	521	7	16
Taxes receivable	-	-	-	-
Loans receivable	-	-	-	-
Due from other funds	-	-	-	-
Total assets	\$ 466,034	\$ 856,870	\$ 11,907	\$ 28,883
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Fund Balances:				
Restricted:				
Redevelopment	-	856,870	11,907	-
Grants	466,034	-	-	-
Taxes and fees	-	-	-	-
Capital projects	-	-	-	28,883
Other	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	466,034	856,870	11,907	28,883
Total liabilities, deferred inflows of resources and fund balances	\$ 466,034	\$ 856,870	\$ 11,907	\$ 28,883

Cont'd

City of Gridley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds			
	SB 1 RMRA Fund	SB 325 TDA Fund	Traffic Safety Fund	Railroad Maintenance Fund
ASSETS				
Cash and investments	\$ 490,131	\$ -	\$ -	\$ 11,017
Accounts receivable	-	166,316	2,138	-
Due from other governments	25,797	-	-	-
Interest receivable	233	9	-	7
Taxes receivable	-	-	-	-
Loans receivable	-	-	-	-
Due from other funds	-	329,029	-	-
Total assets	\$ 516,161	\$ 495,354	\$ 2,138	\$ 11,024
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 847	\$ 1,152	\$ -
Due to other funds	-	812,098	54,102	-
Total liabilities	-	812,945	55,254	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Fund Balances:				
Restricted:				
Redevelopment	-	-	-	-
Grants	-	-	-	-
Taxes and fees	516,161	-	-	-
Capital projects	-	-	-	11,024
Other	-	-	-	-
Unassigned	-	(317,591)	(53,116)	-
Total fund balances	516,161	(317,591)	(53,116)	11,024
Total liabilities, deferred inflows of resources and fund balances	\$ 516,161	\$ 495,354	\$ 2,138	\$ 11,024

Cont'd

City of Gridley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds				
	Public Safety Augmentation Fund	Planning and Development Fund	Solid Waste Recreation Fund	Gas Tax Fund	Butte Interagency Narcotics Tac Force Fund
ASSETS					
Cash and investments	\$ 145,068	\$ -	\$ -	\$ -	\$ 4,155
Accounts receivable	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interest receivable	80	-	-	158	-
Taxes receivable	2,940	-	-	3,831	-
Loans receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	\$ 148,088	\$ -	\$ -	\$ 3,989	\$ 4,155
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 7,894	\$ -	\$ 15,390	\$ -
Due to other funds	-	1,147,724	57,646	602,968	-
Total liabilities	-	1,155,618	57,646	618,358	-
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	-	-
Fund Balances:					
Restricted:					
Redevelopment	-	-	-	-	-
Grants	-	-	-	-	-
Taxes and fees	148,088	-	-	-	4,155
Capital projects	-	-	-	-	-
Other	-	-	-	-	-
Unassigned	-	(1,155,618)	(57,646)	(614,369)	-
Total fund balances	148,088	(1,155,618)	(57,646)	(614,369)	4,155
Total liabilities, deferred inflows of resources and fund balances	\$ 148,088	\$ -	\$ -	\$ 3,989	\$ 4,155

Cont'd

City of Gridley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

Special Revenue Funds

	Maintenance Districts Fund	CDBG Housing Rehab/Drainage Grant Fund	Cal Home Fund	Police Explorer Fund
ASSETS				
Cash and investments	\$ 38,959	\$ 118	\$ -	\$ 652
Accounts receivable	-	-	-	-
Due from other governments	-	-	-	-
Interest receivable	53	-	-	-
Taxes receivable	-	-	-	-
Loans receivable	-	-	19,264	-
Due from other funds	-	-	-	-
Total assets	\$ 39,012	\$ 118	\$ 19,264	\$ 652
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ (484)	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total liabilities	(484)	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	19,264	-
Fund Balances:				
Restricted:				
Redevelopment	39,496	118	-	-
Grants	-	-	-	-
Taxes and fees	-	-	-	-
Capital projects	-	-	-	-
Other	-	-	-	652
Unassigned	-	-	-	-
Total fund balances	39,496	118	-	652
Total liabilities, deferred inflows of resources and fund balances	\$ 39,012	\$ 118	\$ 19,264	\$ 652

Cont'd

City of Gridley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds				
	K-9 Donations & Expense Fund	Recreation Related Fund	2021 Vierra Park Improvements Fund	Home Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and investments	\$ 1,669	\$ -	\$ -	\$ -	\$ 2,054,634
Accounts receivable	-	-	-	-	168,454
Due from other governments	-	-	-	-	25,797
Interest receivable	1	-	-	-	1,370
Taxes receivable	-	-	-	-	6,771
Loans receivable	-	-	-	-	19,264
Due from other funds	-	-	-	-	329,029
Total assets	\$ 1,670	\$ -	\$ -	\$ -	\$ 2,605,319
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 7,439	\$ 2,128	\$ -	\$ 34,366
Due to other funds	-	1,532,289	878	6,846	4,214,551
Total liabilities	-	1,539,728	3,006	6,846	4,248,917
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	-	19,264
Fund Balances:					
Restricted:					
Redevelopment	-	-	-	-	908,391
Grants	-	-	-	-	466,034
Taxes and fees	-	-	-	-	668,404
Capital projects	-	-	-	-	39,907
Other	1,670	-	-	-	2,322
Unassigned	-	(1,539,728)	(3,006)	(6,846)	(3,747,920)
Total fund balances	1,670	(1,539,728)	(3,006)	(6,846)	(1,662,862)
Total liabilities, deferred inflows of resources and fund balances	\$ 1,670	\$ -	\$ -	\$ -	\$ 2,605,319

Concluded

City of Gridley
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds			
	FEMA Reserve Fund	General Impact Fee Fund	Development Agreement Fund	M. Vierra Park Fund
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	123,816	-	-
Use of money and property	(1,070)	(1,955)	(28)	(58)
Other revenue	-	-	-	-
Total Revenues	<u>(1,070)</u>	<u>121,861</u>	<u>(28)</u>	<u>(58)</u>
EXPENDITURES				
Current:				
Streets and public works	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,070)</u>	<u>121,861</u>	<u>(28)</u>	<u>(58)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(1,070)</u>	<u>121,861</u>	<u>(28)</u>	<u>(58)</u>
Fund Balances Beginning	467,104	735,009	11,935	28,941
Prior Period Adjustments	-	-	-	-
Fund Balances Beginning, as Adjusted	<u>467,104</u>	<u>735,009</u>	<u>11,935</u>	<u>28,941</u>
Fund Balances Ending	<u>\$ 466,034</u>	<u>\$ 856,870</u>	<u>\$ 11,907</u>	<u>\$ 28,883</u>

Cont'd

City of Gridley
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds			
	SB 1 RMRA Fund	SB 325 TDA Fund	Traffic Safety Fund	Railroad Maintenance Fund
REVENUES				
Taxes and assessments	\$ 136,954	\$ 166,316	\$ -	\$ -
Licenses, permits and fees	-	-	-	-
Fines and forfeitures	-	-	20,002	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	(873)	9	-	(25)
Other revenue	-	-	-	-
Total Revenues	136,081	166,325	20,002	(25)
EXPENDITURES				
Current:				
Streets and public works	150	328,475	14,261	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	308,531	-	-
Total Expenditures	150	637,006	14,261	-
Excess (Deficiency) of Revenues over Expenditures	135,931	(470,681)	5,741	(25)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	135,931	(470,681)	5,741	(25)
Fund Balances Beginning	380,230	153,090	(58,857)	11,049
Prior Period Adjustments	-	-	-	-
Fund Balances Beginning, as Adjusted	380,230	153,090	(58,857)	11,049
Fund Balances Ending	\$ 516,161	\$ (317,591)	\$ (53,116)	\$ 11,024

Cont'd

City of Gridley
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds				
	Public Safety Augmentation Fund	Planning and Development Fund	Solid Waste Recreation Fund	Gas Tax Fund	Butte Interagency Narcotics Tac Force Fund
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ 146,933	\$ -
Licenses, permits and fees	31,379	25,318	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	-	1	-	-	-
Charges for services	-	-	-	-	-
Use of money and property	(302)	-	-	(590)	-
Other revenue	-	39,130	-	3,721	-
Total Revenues	<u>31,077</u>	<u>64,449</u>	<u>-</u>	<u>150,064</u>	<u>-</u>
EXPENDITURES					
Current:					
Streets and public works	-	-	-	402,388	-
Community development	-	216,866	-	-	-
Parks and recreation	-	-	-	-	-
Capital outlay	-	-	-	6,615	-
Total Expenditures	<u>-</u>	<u>216,866</u>	<u>-</u>	<u>409,003</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>31,077</u>	<u>(152,417)</u>	<u>-</u>	<u>(258,939)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>31,077</u>	<u>(152,417)</u>	<u>-</u>	<u>(258,939)</u>	<u>-</u>
Fund Balances Beginning	117,011	(1,003,201)	(57,646)	(355,430)	4,155
Prior Period Adjustments	-	-	-	-	-
Fund Balances Beginning, as Adjusted	<u>117,011</u>	<u>(1,003,201)</u>	<u>(57,646)</u>	<u>(355,430)</u>	<u>4,155</u>
Fund Balances Ending	<u>\$ 148,088</u>	<u>\$ (1,155,618)</u>	<u>\$ (57,646)</u>	<u>\$ (614,369)</u>	<u>\$ 4,155</u>

Cont'd

City of Gridley
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds			
	Maintenance Districts Fund	CDBG Housing Rehab/Drainage Grant Fund	Cal Home Fund	Police Explorer Fund
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	(203)	-	-	(1)
Other revenue	-	-	-	-
Total Revenues	(203)	-	-	(1)
EXPENDITURES				
Current:				
Streets and public works	82,082	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	16,354	-	-	-
Total Expenditures	98,436	-	-	-
Excess (Deficiency) of Revenues over Expenditures	(98,639)	-	-	(1)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(98,639)	-	-	(1)
Fund Balances Beginning	138,135	-	-	653
Prior Period Adjustments	-	118	-	-
Fund Balances Beginning, as Adjusted	138,135	118	-	653
Fund Balances Ending	\$ 39,496	\$ 118	\$ -	\$ 652

Cont'd

City of Gridley
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds				
	K-9 Donations & Expense Fund	Recreation Related Fund	2021 Vierra Park Improvements Fund	Home Fund	Total Nonmajor Governmental Funds
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ 450,203
Licenses, permits and fees	-	14,915	-	-	71,612
Fines and forfeitures	-	-	-	-	20,002
Intergovernmental	-	-	-	-	1
Charges for services	-	-	-	-	123,816
Use of money and property	(4)	-	-	-	(5,100)
Other revenue	30	5,088	-	-	47,969
Total Revenues	26	20,003	-	-	708,503
EXPENDITURES					
Current:					
Streets and public works	-	-	-	-	827,356
Community development	-	-	-	6,846	223,712
Parks and recreation	-	148,230	-	-	148,230
Capital outlay	-	-	3,006	-	334,506
Total Expenditures	-	148,230	3,006	6,846	1,533,804
Excess (Deficiency) of Revenues over Expenditures	26	(128,227)	(3,006)	(6,846)	(825,301)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	26	(128,227)	(3,006)	(6,846)	(825,301)
Fund Balances Beginning	1,644	(1,411,501)	-	-	(837,679)
Prior Period Adjustments	-	-	-	-	118
Fund Balances Beginning, as Adjusted	1,644	(1,411,501)	-	-	(837,561)
Fund Balances Ending	<u>\$ 1,670</u>	<u>\$ (1,539,728)</u>	<u>\$ (3,006)</u>	<u>\$ (6,846)</u>	<u>\$ (1,662,862)</u>

Concluded

NONMAJOR ENTERPRISE FUNDS

The *Drainage Fund* is used to account for the activities of the City's drainage operations.

The *Solid Waste Fund* is used to account for the activities of the City's solid waste operations.

The *Senior Taxi Fund* is used to account for the activities of the City's senior taxi operations.

City of Gridley
Combining Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-Type Activities Enterprise Funds			Total
	Drainage Fund	Solid Waste Fund	Senior Taxi Fund	
ASSETS				
Current assets:				
Cash and investments	\$ 2,727	\$ 938	\$ 339,455	\$ 343,120
Interest receivable	2	4	34	40
Total current assets	2,729	942	339,489	343,160
Noncurrent assets:				
Capital assets - depreciable, net	-	-	15,555	15,555
Total assets	\$ 2,729	\$ 942	\$ 355,044	\$ 358,715
DEFERRED OUTFLOWS OF RESOURCES				
Pension adjustments	\$ -	\$ -	\$ 57,446	\$ 57,446
Total deferred outflows of resources	\$ -	\$ -	\$ 57,446	\$ 57,446
LIABILITIES				
Current liabilities:				
Accounts payable	\$ -	\$ -	\$ 5,065	\$ 5,065
Due to other funds	-	-	329,029	329,029
Compensated absences, current	-	-	6,460	6,460
Total current liabilities	-	-	340,554	340,554
Noncurrent liabilities:				
Net pension liability	-	-	139,277	139,277
Compensated absences, noncurrent	-	-	24,402	24,402
Total noncurrent liabilities	-	-	163,679	163,679
Total liabilities	\$ -	\$ -	\$ 504,233	\$ 504,233
DEFERRED INFLOWS OF RESOURCES				
Pension adjustments	\$ -	\$ -	\$ 227,231	\$ 227,231
Total deferred inflows of resources	\$ -	\$ -	\$ 227,231	\$ 227,231
NET POSITION				
Net Investment in capital assets	\$ -	\$ -	\$ 15,555	\$ 15,555
Unrestricted	2,729	942	(334,529)	(330,858)
Total net position	\$ 2,729	\$ 942	\$ (318,974)	\$ (315,303)

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

City of Gridley

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

Proprietary Funds

For the Year Ended June 30, 2022

	Business-Type Activities Enterprise Funds			Total
	Drainage Fund	Solid Waste Fund	Senior Taxi Fund	
OPERATING REVENUES				
Charges for services	\$ -	\$ -	\$ 3,515	\$ 3,515
Intergovernmental	-	-	86,000	86,000
Other revenue	-	-	15,746	15,746
Total operating revenues	-	-	105,261	105,261
OPERATING EXPENSES				
Salaries and benefits	-	-	230,388	230,388
Materials and supplies	-	-	7,761	7,761
Repairs and maintenance	-	-	840	840
Power and utilities	-	-	1,491	1,491
Administration	-	-	13,334	13,334
Depreciation and amortization	-	-	7,847	7,847
Total operating expenses	-	-	261,661	261,661
Operating income (loss)	-	-	(156,400)	(156,400)
NONOPERATING REVENUES(EXPENSES)				
Interest income	(6)	(14)	6	(14)
Total nonoperating revenues(expenses)	(6)	(14)	6	(14)
Change in net position	(6)	(14)	(156,394)	(156,414)
Total net position - beginning	2,735	956	(166,077)	(162,386)
Prior period adjustments	-	-	3,497	3,497
Total net position - beginning , as adjusted	2,735	956	(162,580)	(158,889)
Total net position - ending	\$ 2,729	\$ 942	\$ (318,974)	\$ (315,303)

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

City of Gridley
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities			Total
	Enterprise Funds			
	Drainage Fund	Solid Waste Fund	Senior Taxi Fund	
Cash flows from operating activities:				
Receipts from customers	\$ -	\$ (5,001)	\$ 105,638	\$ 100,637
Payments to suppliers	-	-	(22,145)	(22,145)
Payments to employees	-	-	(111,574)	(111,574)
Net cash provided (used) by operating activities	<u>-</u>	<u>(5,001)</u>	<u>(28,081)</u>	<u>(33,082)</u>
Cash flows from investing activities:				
Investment income received	(7)	(16)	1	(22)
Net cash provided (used) by investing activities	<u>(7)</u>	<u>(16)</u>	<u>1</u>	<u>(22)</u>
Net increase (decrease) in cash and cash equivalents	(7)	(5,017)	(28,080)	(33,104)
Cash and cash equivalents - beginning	2,734	5,955	367,535	376,224
Cash and cash equivalents - ending	<u>\$ 2,727</u>	<u>\$ 938</u>	<u>\$ 339,455</u>	<u>\$ 343,120</u>
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ -	\$ -	\$ (156,400)	\$ (156,400)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	7,847	7,847
Changes in operating assets and liabilities:				
Accounts receivables	-	-	377	377
Deferred outflows of resources	-	-	(8,695)	(8,695)
Accounts payable	-	-	1,281	1,281
Unearned revenue	-	(5,001)	-	(5,001)
Net pension liability	-	-	(92,046)	(92,046)
Compensated absences	-	-	(264)	(264)
Deferred inflows of resources	-	-	219,819	219,819
Net cash provided (used) by operating activities	<u>\$ -</u>	<u>\$ (5,001)</u>	<u>\$ (28,081)</u>	<u>\$ (33,082)</u>

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

PRIVATE PURPOSE TRUST FUNDS

Private Purpose Trust Funds

These funds include the Main Trust and Successor Agency.

The **Main Trust Fund** is used to account for trust arrangements where the balances and activity benefit individuals and organizations other than the City.

The **Successor Agency Fund** was created as a result of the State order to dissolve California Redevelopment Agencies. As the Successor Agency, this fund is used to track the activity by the Oversight Board and the Department of Finance to dissolve the Agency.

City of Gridley
Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
June 30, 2022

	Main Trust Fund	Successor Agency Fund	Total
ASSETS			
Cash and investments	\$ 12,799	\$ 802,606	\$ 815,405
Restricted cash and investments	-	381,804	381,804
Interest receivable	8	-	8
Capital assets, land	-	1,302,116	1,302,116
Total assets	\$ 12,807	\$ 2,486,526	\$ 2,499,333
LIABILITIES			
Accounts payable	\$ -	\$ 29,317	\$ 29,317
Interest payable	-	253,000	253,000
Advances from the City	-	326,868	326,868
Long-term liabilities, current	-	85,000	85,000
Long-term liabilities, noncurrent	-	4,072,605	4,072,605
Total liabilities	\$ -	\$ 4,766,790	\$ 4,766,790
NET POSITION			
Held in trust for private purposes	\$ 12,807	\$ (2,280,264)	\$ (2,267,457)
Total net position	\$ 12,807	\$ (2,280,264)	\$ (2,267,457)

City of Gridley
Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the Year Ended June 30, 2022

	Main Trust Fund	Successor Agency Fund	Total
ADDITIONS			
Property taxes	\$ -	601,183	\$ 601,183
Interest Income	(28)	665	637
Total additions	<u>(28)</u>	<u>601,848</u>	<u>601,820</u>
DEDUCTIONS			
Professional services	-	59,700	59,700
Administrative expense	-	28,934	28,934
Interest and fiscal charges	-	280,968	280,968
Total deductions	<u>-</u>	<u>369,602</u>	<u>369,602</u>
Change in net position	(28)	232,246	232,218
Total net position - beginning	<u>12,835</u>	<u>(2,512,510)</u>	<u>(2,499,675)</u>
Total net position - ending	<u>\$ 12,807</u>	<u>\$ (2,280,264)</u>	<u>\$ (2,267,457)</u>

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CUSTODIAL FUNDS

Custodial Funds

The City administers two custodial funds, the Gridley Bid Fund and the Hospital JPA Administration Fund.

The **Gridley Bid Fund** is used to account for the use of resources received in relation to bidding and procurement.

The **Hospital JPA Administration Fund** is used to account for the use of resources held for the Hospital HPA administration.

City of Gridley
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2022

	Gridley Bid Fund	Hospital JPA Administration Fund	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and investments	60	495	\$ 555
Total assets	<u>\$ 60</u>	<u>\$ 495</u>	<u>\$ 555</u>
 NET POSITION			
Restricted for individuals, organizations and other governments	\$ 60	\$ 495	\$ 555
Total net position	<u>\$ 60</u>	<u>\$ 495</u>	<u>\$ 555</u>

City of Gridley
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2022

	Gridley Bid Fund	Hospital JPA Administration Fund	Total
	<u> </u>	<u> </u>	<u> </u>
ADDITIONS			
Interest Income	\$ -	\$ (1)	\$ (1)
Total additions	<u>-</u>	<u>(1)</u>	<u>(1)</u>
DEDUCTIONS			
Professional services	-	-	-
Total deductions	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>-</u>	<u>(1)</u>	<u>(1)</u>
Total net position - beginning	61	2	63
Prior period adjustments	<u>(1)</u>	<u>494</u>	<u>493</u>
Total net position - beginning, as adjusted	<u>60</u>	<u>496</u>	<u>556</u>
Total net position - ending	<u>\$ 60</u>	<u>\$ 495</u>	<u>\$ 555</u>

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GENERAL FUND COMBINING SCHEDULES

The *General Fund* is the City's primary operating fund. This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. For the City, the general fund includes such activities as public safety, public ways and facilities, parks and recreation services, and economic development services.

City of Gridley
Combining Balance Sheet
General Fund
June 30, 2022

	General Fund	General Fund Reserve	Well Fund	City Hall Reserve	Equipment Reserve	Sick Leave Payout Reserve	Total General Fund
ASSETS							
Cash and investments	\$ 4,440,169	\$ 2,119,783	\$ 40,400	\$ 87,901	\$ 2,486,312	\$ 175,985	\$ 9,350,550
Accounts receivable	323,352	-	-	-	-	-	323,352
Interest receivable	3,639	783	25	53	1,492	108	6,100
Taxes receivable	84,327	-	-	-	-	-	84,327
Due from other funds	4,214,551	-	-	-	-	-	4,214,551
Leases receivable	376,811	-	-	-	-	-	376,811
Advances to fiduciary funds	76,868	-	-	-	-	-	76,868
Total assets	\$ 9,519,717	\$ 2,120,566	\$ 40,425	\$ 87,954	\$ 2,487,804	\$ 176,093	\$14,432,559
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 562,119	\$ -	\$ -	\$ -	\$ 8,917	\$ -	\$ 571,036
Unearned revenue	24,101	-	-	-	-	-	24,101
Deposits payable	350	-	-	-	-	-	350
Total liabilities	586,570	-	-	-	8,917	-	595,487
Deferred Inflows of Resources:							
Leases	374,416	-	-	-	-	-	374,416
Total deferred inflows of resources	374,416	-	-	-	-	-	374,416
Fund Balances:							
Nonspendable							
Leases receivable	2,395	-	-	-	-	-	2,395
Total nonspendable	2,395	-	-	-	-	-	2,395
Committed							
Infrastructure reserve	-	-	40,425	-	-	-	40,425
Total committed	-	-	40,425	-	-	-	40,425
Assigned:							
Bond reserve	-	2,120,566	-	-	-	-	2,120,566
Sick payout reserve	-	-	-	-	-	176,093	176,093
Equipment replacement	-	-	-	-	2,478,887	-	2,478,887
Building maintenance	-	-	-	87,954	-	-	87,954
Total assigned	-	2,120,566	-	87,954	2,478,887	176,093	4,863,500
Unassigned							
	8,556,336	-	-	-	-	-	8,556,336
Total fund balances	8,558,731	2,120,566	40,425	87,954	2,478,887	176,093	13,462,656
Total liabilities, deferred inflows of resources and fund balances	\$ 9,519,717	\$ 2,120,566	\$ 40,425	\$ 87,954	\$ 2,487,804	\$ 176,093	\$14,432,559

City of Gridley

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

General Fund

For the Year Ended June 30, 2022

	General Fund	General Fund Reserve	Well Fund	City Hall Reserve Fund	Equipment Reserve Fund	Sick Leave Payout Reserve Fund	Eliminations	Total General Fund
REVENUES								
Taxes and assessments	\$3,172,825	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,172,825
Licenses, permits and fees	61,608	-	-	-	-	-	-	61,608
Fines and forfeitures	6,041	-	-	-	-	-	-	6,041
Intergovernmental	846,679	-	-	-	-	-	-	846,679
Charges for services	60,461	-	-	-	-	-	-	60,461
Use of money and property	520,698	(2,917)	(94)	(201)	(5,611)	(405)	-	511,470
Other revenue	272,360	-	-	-	-	-	-	272,360
Total Revenues	4,940,672	(2,917)	(94)	(201)	(5,611)	(405)	-	4,931,444
EXPENDITURES								
Current:								
General government	298,641	-	-	-	-	-	-	298,641
Public safety	4,118,382	-	-	-	-	-	-	4,118,382
Streets and public works	264,777	-	-	-	-	-	-	264,777
Community development	191,415	-	-	-	-	-	-	191,415
Parks and recreation	145,572	-	-	-	-	-	-	145,572
Capital outlay	175,288	-	-	49,242	8,917	-	-	233,447
Total Expenditures	5,194,075	-	-	49,242	8,917	-	-	5,252,234
Excess (Deficiency) of Revenues over Expenditures	(253,403)	(2,917)	(94)	(49,443)	(14,528)	(405)	-	(320,790)
OTHER FINANCING SOURCES (USES)								
Transfers in	1,599,335	982,969	-	-	-	-	(982,969)	1,599,335
Transfers out	(982,969)	-	-	-	-	-	982,969	-
Total Other Financing Sources (Uses)	616,366	982,969	-	-	-	-	-	1,599,335
Net Change in Fund Balances	362,963	980,052	(94)	(49,443)	(14,528)	(405)	-	1,278,545
Fund Balances Beginning	8,191,262	1,140,514	40,519	137,397	2,493,415	176,498	-	12,179,605
Prior Period Adjustments	4,506	-	-	-	-	-	-	4,506
Fund Balances Beginning, as Adjusted	8,195,768	1,140,514	40,519	137,397	2,493,415	176,498	-	12,184,111
Fund Balances Ending	<u>\$8,558,731</u>	<u>\$2,120,566</u>	<u>\$ 40,425</u>	<u>\$ 87,954</u>	<u>\$2,478,887</u>	<u>\$ 176,093</u>	<u>\$ -</u>	<u>\$ 13,462,656</u>

City Council Agenda Item #6
Staff Report

Date: May 6th, 2024
To: Mayor and City Council
From: Elisa Arteaga, City Administrator

X	Regular
	Special
	Closed
	Emergency

Subject: Consideration of a Temporary Construction Easement (TCE) request from PG&E for Lot 7, APN 021-270-047, at the Industrial Park from August 26, 2024, to September 27, 2024, with an Extension Option for up to One Month

Recommendation

City staff respectfully recommends the City approve the temporary construction easement and authorize PG&E to use lot 7 at the Industrial Park for staging purposes, including the right to park vehicles, locate construction trailers and store materials and equipment in connection with PG&E’s pipeline construction project.

Background

In March 2024, the City of Gridley received a request from Stuart Chase, PG&E's Senior Right of Way Agent, seeking permission to establish a staging area for equipment and construction trailers. This request aligns with PG&E's pipeline construction project scheduled nearby. City Engineer Dave Harden and Utility Director Ross Pippitt assessed the proposal and deemed it acceptable.

Furthermore, having the ability to store equipment and materials nearby would significantly enhance efficiency during the project’s execution. The term of this TCE shall be for a period of 1 month commencing on August 26, 2024, and shall terminate on September 27, 2024. PG&E shall have the right, subject to the terms herein, to extend the Term on a month-to-month basis for up to one month by giving the Property Owner written notice of its intention prior to the expiration of the Term.

PG&E shall pay the City of Gridley 1,050.00 per month as compensation for this TCE and shall deliver the total payment after receiving a completed IRS W-9 Form and an executed copy of this TCE. If PG&E extends the Term of this TCE, PG&E shall pay the City of Gridley \$1,050.00 per month for the duration of the extended Term.

Financial Impact

The financial impact is an increase in revenue for use of lot 7.

Compliance with City Council Strategic Plan or Budget Goals

This recommendation is consistent with the ongoing effort to be responsive and transparent regarding all business and land use matters.

Attachments

- PG&E Summary Letter
- Temporary Construction Easement



Summary Letter

April 19, 2024

City of Gridley
685 Kentucky Street
Gridley, CA 95948

Re: Gas Pipeline Project
APN: 021-270-047

Dear City Partners,

At Pacific Gas and Electric Company (PG&E), we're committed to strengthening our natural gas transmission and distribution systems to better serve our communities. As part of that commitment, we are moving forward with our pipeline corrosion protection project there in Gridley. In order to facilitate the work, PG&E is asking for your help and proposes to lease a portion of your land to stage our equipment and park (if available). Here are the key terms:

1. Premises: 0.91 acres in Butte County with APN: 021-270-047
2. Type of Agreement: Temporary Construction Easement (TCE)
3. Price: \$1,050.00 per month for 1 month totaling - \$1,050.00
4. Use: staging area and laydown yard.

Signatures to the TCE do not need to be notarized. An IRS W-9 form is also included and will need to be signed in order to process your payment. Please return the signed TCE and the signed W-9 form to my e-mail below.

Please contact me with any questions.

Sincerely,

Stuart Chase

Stuart Chase | Sr. Right of Way Agent
850 Stillwater Road, West Sacramento, CA 95605
209-479-2177 mobile
S1cz@pge.com e-mail

Enclosures: Temporary Construction Easement; IRS W9

TEMPORARY CONSTRUCTION EASEMENT

CITY OF GRIDLEY REDEVELOPMENT AGENCY (collectively “**Property Owner**”),

hereby grants to PACIFIC GAS AND ELECTRIC COMPANY, a California corporation (“**PG&E**”), a temporary construction easement (“**TCE**”) for good and valuable consideration, the receipt is hereby acknowledged, to be used in connection with PG&E’s pipe line construction project (“**PG&E’s Project**”), within Property Owner’s lands which are situated in the City of Gridley, County of Butte, State of California, identified as County Assessor’s Parcel Number 021-270-047 (the “**Property**”).

The activities allowed under this TCE is/are described as follows:

(a) To gravel and use for laydown and staging purposes, including the right to park vehicles, locate construction trailers, and store materials and equipment.

The activities described above shall be within the area(s) delineated on the map attached and collectively referred to as (“**Temporary Easement Area**”).

1. **Term.** The term of this TCE shall be for a period of 1 month(s) commencing on August 26, 2024 and shall terminate on September 27, 2024 (the “**Term**”). PG&E shall have the right, subject to the terms herein, to extend the Term on a month-to-month basis for up to one (1) month(s) by giving the Property Owner written notice of its intention prior to the expiration of the Term. This TCE shall be irrevocable during the Term, except in the case of material breach of the terms and conditions of this TCE.
2. **Compensation.** PG&E shall pay Property Owner One Thousand Fifty Dollars (\$1,050.00) per month for a total amount of One Thousand Fifty Dollars (\$1,050.00) as compensation for this TCE and shall deliver the total payment after receiving a completed IRS W-9 Form and an executed copy of this TCE. If PG&E extends the Term of this TCE, PG&E shall pay Property Owner One Thousand Fifty Dollars (\$1,050.00) per month for the duration of the extended Term.
3. **Exclusive Use; Access; Fencing.** During the Term of this TCE, PG&E shall have the exclusive right to use the Temporary Easement Area and the right of ingress to and egress from the Temporary Easement Area over and across the Property. PG&E shall have the further right to erect and maintain temporary fencing and gates with a locking device to enclose the Temporary Easement Area, and shall remove such fencing and gates at the end of the Term.
4. **Indemnification.** PG&E agrees to indemnify Property Owner against any loss and damage which shall be caused by any wrongful or negligent act or omission of PG&E or of its agents or employees in the course of their employment, provided, however, that this indemnity shall not extend to that portion of such loss or damage that shall have been caused by Property Owner’s comparative negligence or willful misconduct.
5. **Compliance with Laws.** Interpretation and enforcement of this TCE shall be governed by the laws of the State of California. In exercising the rights granted under this TCE, PG&E shall comply with all laws, ordinances, and regulations pertaining to its use. PG&E is required under State and local law to re-stabilize any disturbed project location within the Temporary Easement Area in order to control soil erosion and sediment runoff, in accordance with applicable project permits. PG&E shall

have the right to access the Temporary Easement Area as reasonably necessary to allow it to meet any applicable project permit obligations after the Term.

6. **Storm Water Pollution Prevention Plan (SWPPP)** – The State of California Construction General Permit (SWPPP) requires that PG&E shall establish a uniform vegetative cover equivalent up to 70% coverage of pre-construction vegetative conditions (wood mulch or gravel is acceptable also); and shall return the Temporary Easement Area to its original line and grade and/or compacted to achieve stabilization. Property Owner understands and agrees that PG&E’s establishment of a uniform vegetative cover may require PG&E to access the Temporary Easement Area upon and after the Term to perform the permit’s required inspections. PG&E shall have the right to access the Temporary Easement Area to allow it to meet its State mandated obligations.
7. **Restoration.** Upon completion of PG&E’s Project, PG&E shall repair any damage and restore the Temporary Easement Area to as near as practicable to the condition that existed prior to PG&E use under this TCE. PG&E shall remove all personal property.
8. **Insurance.** *PG&E certifies it is insured under a major risk management program with large self-insured retentions, with the minimum amount of \$1,000,000 covering PG&E use of the Temporary Easement Area under this TCE.*
9. **Representation.** Property Owner represents and warrants the Temporary Easement Area is vacant and free from any encumbrances that would interfere with PG&E’s full enjoyment of this TCE.
10. **Entire Agreement.** This TCE supersedes all previous oral and written agreements between and representation by or on behalf of the parties and constitutes the entire agreement of the parties with respect to the subject matter hereof. This TCE may not be amended except by a written agreement.
11. **Authority of Signatory.** Each party to this TCE warrants to the other that it has the right and authority to enter into and consummate this TCE and all related documents.
12. **Successors, Heirs, and Assigns.** This provisions of this TCE shall inure to the benefit of and bind the successors and assigns of the respective parties. Property Owner shall be responsible for disclosing this TCE to any prospective buyers or new owner(s) of the Property and agrees to provide PG&E with written notice of any sale or transfer of the Property during the Term or any amendment to the Term of this TCE.
13. **Electronic Signatures.** This TCE may be executed by electronic signature(s) and transmitted either by facsimile or in a portable document format (“pdf”) version by email and such electronic signature(s) shall be deemed as original for purposes of this TCE and shall have the same force and effect as a manually executed original.
14. **Execution in Counterparts.** *This TCE may be executed in two or more counterpart copies, each of which shall be deemed as an original and all of which, when taken together, shall constitute one and the same instrument.*

PROPERTY OWNER:

By: _____

Name: _____

Its: _____

Date: _____

PG&E:

By: _____

Name: Jeannette Rotz

Its: Supervisor

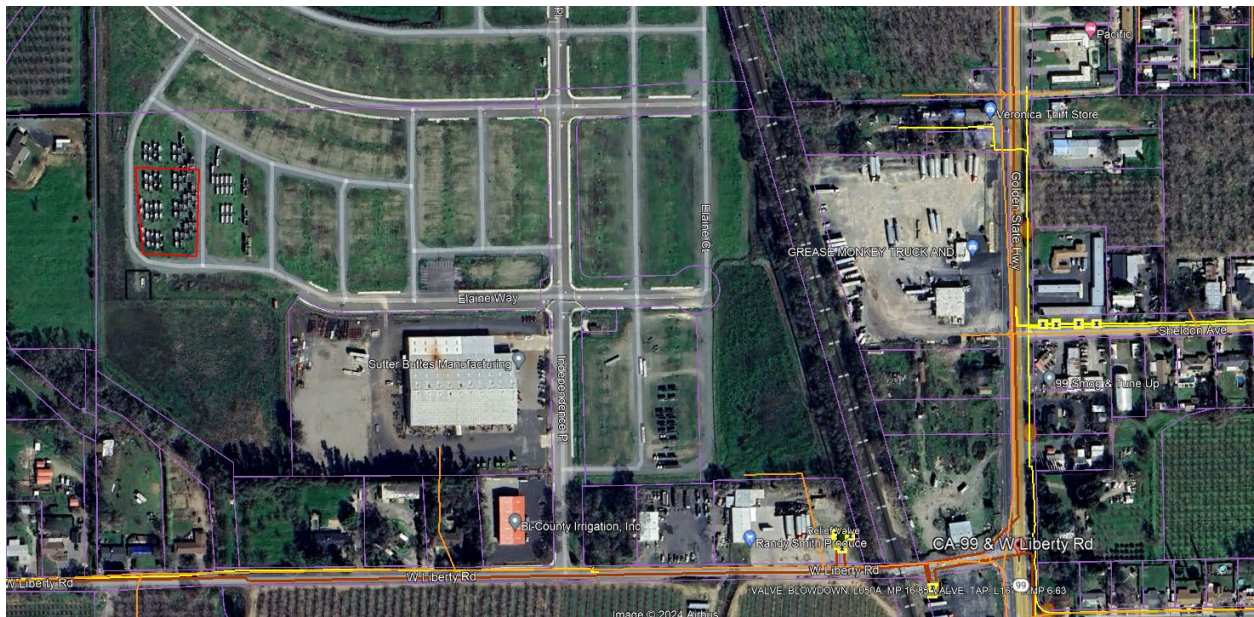
Date: _____

Temporary Construction Area

City of Gridley

APN: 021-270-047

Use: to use approximately 40,000 sq ft 0.91 acres (Lot 7) to stage construction equipment and material for pipeline work



City Council Agenda Item #7
Staff Report

Date: May 06, 2024
To: Mayor and City Council
From: Martin Pineda, Finance Director
Subject: Aged Utility Account Write-offs for Calendar Years 2019, 2020, 2022 and 2023

X	Regular
	Special
	Closed
	Emergency

Recommendation

Staff respectfully requests the City Council to review and approve the City of Gridley’s write off utility listing as presented.

Background

Historically, the City Council has taken measures to carefully review, consider and adopt policies as an effort to reduce the write-off of water, sewer, and electric utility service accounts. The Finance Department is responsible for submitting the write-off listing of closed accounts with an open balance for each calendar year. In following accounting policies for collections as allowed under the city government codes, the Finance Department follows guidelines for utility account disconnections, monitoring of open account balances and collection of unpaid closed accounts (deletion aged account balances). The City Council reviews and considers approval of the write-off list as required in the recommended accounting policies and procedures. The calendar years 2019, 2020, 2022 and 2023 write-off total is below.

- 2019 \$ 13,461.06
- 2020 \$ 12,866.54
- 2022 \$ 3,417.11
- 2023 \$ 5,103.61

Total: \$ 34,484.82

Collection efforts:

Upon a customer closing services, the closing bill is forwarding to the address on file. If the bill is returned, staff updates the account to reflect either a forwarding address or notes the account if the bill was returned as an invalid forwarding address. Staff proceeds to review the application and attempts to contact with the customer (or emergency contacts) for a forwarding address. For those bills that are not returned, the monthly aging bill continues to be forwarded to the customer until the year-end review and after 90 days, if the account cannot be transferred to an open account, it is added to the lien list. If a customer contacts the City and requests a payment plan, the payment arrangement is noted on the account. If the customer does not honor the payment arrangement, a Gridley customer representative will contact the customer and try to collect per the arrangement plan or discuss re-evaluating the agreement.

The customer is also advised of HEAP and local agencies that assist those in need. If a customer is in the process of working with a local agency, it is noted on their account to avoid the potential of going on a lien list or accruing fees.

Process for Reviewing Closed Accounts:

The process for reviewing closed accounts is as follows: at year-end, staff reviews all aged account balances and determines which accounts have yet to be transferred to another open account, can be placed in a lien listing (water/sewer only).

During the collection process, the Finance Department actively contacts account holders. Staff will continue the collection efforts on those accounts by either a property lien for services rendered to property owners, or small claims.

The Finance Department is looking into a potential contract with Debt Collection Agencies. Yearly write-offs are up to \$13k, and previous year have been as high as \$30K. If the city can recoup some of those funds through a partnership with a collection agency, it will be beneficial to the city.

Fiscal Impact:

Upon approval the write-offs the entries will be made in the system to reflect the uncollected revenue. The write-off is a comprehensive effort to continue a process that preserves the fiscal stability and does not have an impact on the presentation of cash, however, failure to write-off uncollectible amounts does result in an overstatement of retained earnings.

Compliance with City Council Strategic Plan or Budget Goals

The City Council and City staff are committed to provide the best possible financial practices and the highest possible transparency regarding all financial transactions. This presentation is consistent with our ongoing effort to be responsive and transparent regarding all financial matters, as well as being congruent with best financial practices.

Attachments:

Write-Off 2019.pdf

Write-Off 2020.pdf

Write-Off 2022.pdf

Write-Off 2023.pdf

Resolution No. 2024-R-012: A Resolution Authorizing Calendar Year 2019, 2020, 2022, 2023 Write Off of Delinquent Utility Accounts

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY AUTHORIZING THE FINANCE DIRECTOR TO WRITE OFF \$34,484.82 IN DELINQUENT UTILITY ACCOUNTS FROM CALENDAR 2019 TO 2023

WHEREAS, between calendar year 2019 and 2023, old, closed utility accounts with uncollected balances totaling \$34,484.82 have not been removed from the system and have resulted in an unrealistic representation of accounts receivable; and

WHEREAS, the City has implemented a series of operational policies regarding the streamlining of utility billing and processes for nonpayment of utility bills; and

WHEREAS, as a result of the COVID Arrearage Program drastically reduced uncollectible amounts; and

WHEREAS, the success of recover of these amounts is greater when collection proceedings are initiated as soon as possible; and

WHEREAS, to avoid an overstatement in the City's utility retained earnings, formal write off of the attached amounts needs to occur.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Gridley hereby authorizes the Finance Director to write off and remove the attached delinquent balances from its financial system in time for the calendar years 2019, 2020, 2022 and 2023.

I HEREBY CERTIFY that the foregoing Resolution was duly and regularly introduced and adopted by the City Council of the City of Gridley, at a regular meeting of the City Council on the 6th day of May 2024, by the following vote:

AYES: COUNCIL MEMBERS _____

NOES: COUNCIL MEMBERS _____

ABSENT: COUNCIL MEMBERS _____

ABSTAIN: COUNCIL MEMBERS _____

ATTEST: APPROVE: _____

Elisa Arteaga, City Administrator

Michael W. Farr, Mayor

Account Number	Disconnect Date	Total Due
019-4173-004	6/4/2019	\$ 47.23
019-2601-002	6/12/2019	\$ 185.62
019-4014-004	6/27/2019	\$ 293.74
019-0075-004	7/5/2019	\$ 667.53
019-4896-001	7/8/2019	\$ 100.00
019-0033-003	7/15/2019	\$ 48.51
019-2163-002 -	7/16/2019	\$ 254.61
019-4998-005	7/25/2019	\$ 858.40
019-2385-007	7/25/2019	\$ 343.97
019-4671-002	8/2/2019	\$ 537.83
019-5646-002	8/6/2019	\$ 352.39
020-1330-001	8/7/2019	\$ 427.38
019-0399-001	8/12/2019	\$ 473.03
019-6549-001	8/22/2019	\$ 134.85
019-2418-003	9/3/2019	\$ 126.75
019-3534-002	9/4/2019	\$ 504.11
019-4194-002	9/4/2019	\$ 692.67
019-4173-005	9/5/2019	\$ 107.02
019-6405-001	9/17/2019	\$ 435.57
019-7569-003	9/23/2019	\$ 223.75
019-6195-001	9/30/2019	\$ 96.33
019-1086-001	10/1/2019	\$ 1,319.60
019-2040-003	10/8/2019	\$ 2,161.86
019-5718-001	10/8/2019	\$ 720.12
020-9914-001	10/10/2019	\$ 531.83
019-0027-001	10/29/2019	\$ 348.31
019-2088-001	10/29/2019	\$ 312.65
019-6486-001	11/13/2019	\$ 605.71
019-4320-004	11/15/2019	\$ 230.19
019-0495-001	12/17/2019	\$ 27.29
019-7266-001	12/17/2019	\$ 216.59
019-0033-004	12/19/2019	\$ 75.62
Total Write-off		\$ 13,461.06

Account Number	Disconnect Date	Total Due
019-7554-004	1/7/2020	\$ 235.52
019-6495-004	1/15/2020	\$ 526.71
019-3660-001	1/31/2020	\$ 563.52
019-7575-001	2/4/2020	\$ 176.93
019-6279-001	2/6/2020	\$ 516.77
019-0045-001	2/24/2020	\$ 25.69
019-6885-002	3/9/2020	\$ 260.82
019-6669-002	3/30/2020	\$ 159.53
019-1248-005	4/1/2020	\$ 64.77
019-6597-002	4/6/2020	\$ 155.49
019-1116-001	4/27/2020	\$ 670.92
019-5253-001	5/6/2020	\$ 326.20
020-3420-001	5/18/2020	\$ 8,594.79
020-2465-004	5/22/2020	\$ 29.75
019-1284-010	6/9/2020	\$ 61.74
019-2445-001	6/17/2020	\$ 403.92
019-0024-006	6/25/2020	\$ 93.47
TOTAL WRITE-OFF		\$ 12,866.54

Account Number	Disconnect Date	Total Due
019-3876-005	6/21/2022	\$ 213.67
020-2510-005	7/1/2022	\$ 144.14
020-2465-005	7/1/2022	\$ 1,108.50
020-2490-011	7/1/2022	\$ 161.46
019-0933-001	7/12/2022	\$ 616.97
020-0057-001	8/29/2022	\$ 57.49
019-1617-001	11/4/2022	\$ 465.78
020-8530-005	12/27/2022	\$ 649.10
TOTAL WRITE-OFF		\$ 3,417.11

Account Number	Disconnect Date	Total Due
019-2158-001	1/18/2023	\$ 450.41
019-1839-006	3/22/2023	\$ 266.86
019-6303-007	3/22/2023	\$ 621.94
019-4371-004	4/17/2023	\$ 36.48
019-4374-009	4/17/2023	\$ 46.09
019-0507-010	5/22/2023	\$ 192.34
019-6735-005	6/27/2023	\$ 76.53
019-1254-007	6/29/2023	\$ 56.84
019-1212-006	8/21/2023	\$ 1,928.02
019-1617-002	8/24/2023	\$ 161.75
020-0032-001	9/1/2023	\$ 347.79
019-0675-005	11/21/2023	\$ 97.18
019-2193-004	12/4/2023	\$ 131.27
019-3942-004	12/6/2023	\$ 346.35
019-6303-009	12/6/2023	\$ 343.76
TOTAL WRITE-OFF		\$ 5,103.61

City Council Item #8
Staff Report

Date: May 6, 2024
To: Mayor and Councilmembers
From: Elisa Arteaga, City Administrator
Dave Harden, City Engineer

<input checked="" type="checkbox"/>	Regular
<input type="checkbox"/>	Special
<input type="checkbox"/>	Closed
<input type="checkbox"/>	Emergency

Subject: Resolution No. 2024-R-013: A resolution to enter into an agreement with the State of California Department of Transportation for the maintenance of frontage improvements, lighting, landscaping, irrigation and any other components within the SR 99 State right-of-way corridor; 03-BUT-099, PM 3.10-5.00.

Recommendation

City staff respectfully recommends the City Council adopt Resolution No. 2024-R-013.

Discussion

The State of California Department of Transportation (Caltrans) has been working on developing construction drawings for the rehabilitation of the SR 99 highway corridor on the east side of the State right-of-way and a portion of the west side of the State right-of-way. The project consists of constructing improvements to provide better vehicular and pedestrian safety, as well as beautification of the Gridley Corridor. The improvements will consist of constructing curb, gutter, sidewalk, landscaping, irrigation, and lighting along the pedestrian travel way, in addition to the highway pavement overlay. Caltrans requires the City of Gridley enter into a maintenance agreement to ensure these beautification improvements and the investment made by both the State and the City are well maintained. The construction schedule anticipates construction to begin in mid-2025. This agreement is one of the project components to complete the design process.

The use of maintenance agreements for improvements along the SR 99 corridor have been executed many times in the past and this agreement is no different than others the city has entered. The cost for maintenance will be the responsibility of the city along the corridor. The maintenance agreement needs to be approved by resolution of the City Council to affect the agreement. The resolution also authorizes the Mayor and the City Administrator to execute the agreement on behalf of the City Council.

Financial Impact

There are no direct costs associated with the execution of the agreement at this time. Once construction is complete and the city takes over the maintenance, the Public Works Department would need to hire a minimum of 2 additional full-time Maintenance Workers II, increasing staffing levels for Public Works. The estimated cost of 1 employee at Step 1 is \$65,500, that would make the financial impact at a minimum of \$131,000 per fiscal year. This estimate does not include for step increases, incentive pay, pension costs (UAL), future labor

negotiations, new equipment, overtime, standby, and extra part time workers (if needed).

Compliance with City Council Strategic Plan or Budget Goals

This recommendation is consistent with the ongoing effort to be responsive and transparent regarding all financial matters.

Public Notice

A notice was posted 72 hours in advance of the City Council meeting at City Hall, made available at the Administration public counter, and placed on the City website for review. At the time this report was prepared no comments had been received.

Environmental Review

No environmental review is required.

Attachments

1. Resolution No. 2024-R-013
2. Exhibit A- Agreement 03-BUT 099

A RESOLUTION TO ENTER INTO AN AGREEMENT WITH THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR THE MAINTENANCE OF FRONTAGE IMPROVEMENTS, LIGHTING, LANDSCAPING, IRRIGATION AND ANY OTHER COMPONENTS WITHIN THE STATE RIGHT-OF-WAY FOR AND TO AUTHORIZE THE MAYOR AND THE CITY ADMINISTRATOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY COUNCIL

WHEREAS, the City of Gridley desires to improve the State Route 99 corridor to ensure vehicular and pedestrian safety are improved; and,

WHEREAS, the State of California Department of Transportation has agreed to and partnered with the City of Gridley to enhance the visual aesthetics of the State Route 99 corridor from the south boundary proximate to West Liberty Road to the north boundary of the City consisting of the installation of curb, gutter, sidewalk, landscaping, irrigation, and lighting; and,

WHEREAS, the City of Gridley will enter into an agreement with the State of California, Department of Transportation for the maintenance of such improvements, and that said maintenance responsibility lies solely with the City of Gridley.

WHEREAS, the City Council desires to authorize the Mayor and the City Administrator to execute the agreement on behalf of the City Council.

NOW, THEREFORE, BE IT RESOLVED:

1. The City of Gridley authorizes the Mayor and the City Administrator execute an agreement between the City of Gridley and the State of California for 03-BUT-099, PM 3.10-5.00, in accordance with the attached Exhibit A.

I HEREBY CERTIFY that the foregoing resolution was introduced, passed, and adopted by the City Council of the City of Gridley at a regular meeting held on the 6th day of May, 2024 by the following vote:

AYES: AGENCY MEMBERS _____

NOES: AGENCY MEMBERS _____

ABSTAIN: AGENCY MEMBERS _____

ABSENT: AGENCY MEMBERS _____

ATTEST:

APPROVE:

Elisa Arteaga, City Clerk

_ Michael w. Farr, Mayor

**MAINTENANCE AGREEMENT
WITH THE CITY OF GRIDLEY**

THIS AGREEMENT is made effective this _____ day of _____, 20____, by and between the State of California, acting by and through the Department of Transportation, hereinafter referred to as "STATE" and the CITY of Gridley; hereinafter referred to as "CITY" and collectively referred to as "PARTIES."

1. This Agreement addresses CITY responsibility for the curb, gutter, sidewalk, landscaping, curb ramps, and driveways (collectively the "IMPROVEMENTS"); and for the decorative pedestrian lighting (collectively the "LIGHTING"), placed within State Highway right of way on State Route 99, as shown on Exhibit A, attached to and made a part of this Agreement.
2. Maintenance responsibilities that include, but are not limited to, inspection, providing emergency repair, replacement, and maintenance, (collectively hereinafter "MAINTAIN/MAINTENANCE") of IMPROVEMENTS AND LIGHTING as shown on said Exhibit "A."
3. The degree or extent of maintenance work to be performed, and the standards, therefore, shall be in accordance with the provisions of Section 27 of the Streets and Highways Code and the then current edition of the State Maintenance Manual.
4. When a planned future improvement is constructed and/or a minor revision has been effected with STATE's consent or initiation within the limits of the STATE's right of way herein described which affects PARTIES' division of maintenance responsibility as described herein, PARTIES will agree upon and execute a new dated and revised Exhibit "A" which will be made a part hereof and will thereafter supersede the attached original Exhibit "A" to thereafter become a part of this Agreement.
 - 4.1. The new exhibit can be executed only upon written consent of the PARTIES hereto acting by and through their authorized representatives. No formal amendment to this Agreement will be required.
5. CITY agrees, at CITY expense, to do the following:
 - 5.1. CITY will MAINTAIN or have authorized licensed contractor with appropriate class of license in the State of California, to MAINTAIN IMPROVEMENTS and LIGHTING conforming to those plans and specifications (PS&E) pre-approved by STATE. CITY will have in place a

valid necessary encroachment permit prior to the start of any work within STATE'S right of way.

- 5.1.1. An Encroachment Permit rider may be required for any changes to the scope of work allowed by this Agreement prior to the start of any work within STATE's right of way.
- 5.2. CITY shall ensure that IMPROVEMENTS and LIGHTING areas designated on Exhibit "A" are provided with adequate scheduled routine MAINTENANCE necessary to MAINTAIN a neat and attractive appearance including providing for water, and fertilizer necessary to sustain healthy plant growth during the entire life of this Agreement.
 - 5.2.1. To prune shrubs, tree plantings, and trees to control extraneous growth and ensure STATE standard lines of sight to signs and corner sight distances are always maintained for the safety of the public.
 - 5.2.2. To replace unhealthy or dead plantings when observed or within 30 days when notified in writing by STATE that plant replacement is required.
 - 5.2.3. To expeditiously MAINTAIN, replace, repair, or remove from service any components of IMPROVEMENT and LIGHTING system that has become unsafe or unsightly.
- 5.3. To furnish electricity for irrigation system controls, and lighting system controls for all pedestrian lighting systems installed by CITY.
- 5.4. To MAINTAIN, repair and operate the irrigation systems in a manner that prevents water from flooding or spraying onto STATE highway, spraying parked and moving automobiles, spraying pedestrians on public sidewalks/bike paths, or leaving surface water that becomes a hazard to vehicular or pedestrian/bicyclist travel.
- 5.5. To control weeds at a level acceptable to the STATE. Any weed control performed by chemical weed sprays (herbicides) shall comply with all laws, rules, and regulations established by the California Department of Food and Agriculture. All chemical spray operations shall be reported quarterly (Form LA17) to the STATE to: District 3 Maintenance at 703 B Street, Marysville, CA 95901.

- 5.6. CITY shall ensure IMPROVEMENTS and LIGHTING within the Agreement limits provide an acceptable walking and riding surface, and will provide for the repair and removal of dirt, debris, graffiti, weeds, and any deleterious item or material on or about the IMPROVEMENTS AND LIGHTING in an expeditious manner.
- 5.7. To MAINTAIN all parking or use restrictions signs encompassed within the area of the IMPROVEMENTS and LIGHTING.
- 5.8. To remove IMPROVEMENTS, LIGHTING, and appurtenances and restore STATE owned areas to a safe and attractive condition acceptable to STATE in the event this Agreement is terminated as set forth herein.
6. STATE may provide CITY with timely written notice of unsatisfactory conditions that require correction by the CITY. However, the non-receipt of notice does not excuse CITY from maintenance responsibilities assumed under this Agreement.
7. STATE shall Issue encroachment permits to CITY at no cost to it.
8. CITY, at CITY's sole cost and expense, shall remove all graffiti from the IMPROVEMENTS and LIGHTING. CITY is solely responsible for ensuring that any graffiti that in any way resembles a mural, artwork, paintings, or other similar elements shall not be removed without the written authorization of STATE. Graffiti removal must protect air and water quality as required by law. CITY shall conform to the terms stated in STATE's Maintenance Manual, Volume 1, Family D Chapter, D1.06.
9. CITY shall remove Persons Experiencing Homelessness (PEH) and any structures, personal property, debris, and/or other items related to the encampment from the Locations shown in Exhibit A, subject to applicable State and Federal law.

Nothing in this Agreement grants or waives the right of California Highway Patrol (CHP) and other law enforcement agencies having jurisdiction over the Locations in shown in Exhibit A.

10. LEGAL RELATIONS AND RESPONSIBILITIES:

- 10.1. Nothing within the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not party to this Agreement, or affect the legal liability of either PARTY to this Agreement

by imposing any standard of care respecting the design, construction and maintenance of these STATE highway improvements or CITY facilities different from the standard of care imposed by law.

- 10.2. If during the term of this Agreement, CITY should cease to MAINTAIN the IMPROVEMENTS and LIGHTING to the satisfaction of STATE as provided by this Agreement, STATE may either undertake to perform that MAINTENANCE on behalf of CITY at CITY's expense or direct CITY to remove or itself remove IMPROVEMENTS and LIGHTING at CITY's sole expense and restore STATE's right of way to its prior or a safe operable condition. CITY hereby agrees to pay said STATE expenses, within thirty (30) days of receipt of billing by STATE. However, prior to STATE performing any MAINTENANCE or removing IMPROVEMENTS and LIGHTING, STATE will provide written notice to CITY to cure the default and CITY will have thirty (30) days within which to affect that cure.
- 10.3. Neither CITY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by STATE under or in connection with any work, authority or jurisdiction arising under this Agreement. It is understood and agreed that STATE shall fully defend, indemnify and save harmless CITY and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this Agreement with the exception of those actions of STATE necessary to cure a noticed default on the part of CITY.
- 10.4. Neither STATE nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction arising under this Agreement. It is understood and agreed that CITY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CITY under this Agreement.

10.5. PREVAILING WAGES:

10.5.1. Labor Code Compliance- If the work performed under this Agreement is done under contract and falls within the Labor Code section 1720(a)(1) definition of a "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code section 1771. CITY must conform to the provisions of Labor Code sections 1720 through 1815, and all applicable provisions of California Code of Regulations found in Title 8, Chapter 8, Subchapter 3, Articles 1-7. CITY agrees to include prevailing wage requirements in its contracts for public works. Work performed by CITY'S own forces is exempt from the Labor Code's Prevailing Wage requirements.

10.5.2. Requirements in Subcontracts - CITY shall require its contractors to include prevailing wage requirements in all subcontracts when the work to be performed by the subcontractor under this Agreement is a "public works" as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771. Subcontracts shall include all prevailing wage requirements set forth in CITY's contracts.

11.INSURANCE

11.1. SELF-INSURED - CITY is self-insured. CITY agrees to deliver evidence of self-insured coverage providing general liability insurance, coverage of bodily injury liability and property damage liability, naming STATE, its officers, agents and employees as the additional insured in an amount of \$1 million per occurrence and \$2 million in aggregate and \$5 million in excess. Coverage shall be evidenced by a certification of self-insurance letter ("Letter of Self-Insurance"), satisfactory to STATE, certifying that CITY meets the coverage requirements of this section. This Letter of Self-Insurance shall also identify the IMPROVEMENTS and LIGHTING location as depicted in EXHIBIT A. CITY shall deliver to STATE the Letter of Self-Insurance with a signed copy of this AGREEMENT. A copy of the executed Letter of Self-Insurance shall be attached hereto and incorporate as Exhibit B.

11.2. SELF-INSURED using Contractor - If the work performed under this AGREEMENT is done by CITY's contractor(s), CITY shall require its contractor(s) to maintain in force, during the term of this AGREEMENT, a policy of general liability insurance, including coverage of bodily injury liability and property damage liability, naming STATE, its officers,

agents and employees as the additional insured in an amount of \$1 million per occurrence and \$2 million in aggregate and \$5 million in excess. Coverage shall be evidenced by a certificate of insurance in a form satisfactory to the STATE that shall be delivered to the STATE with a signed copy of this Agreement.

12. TERMINATION - This Agreement may be terminated by timely mutual written consent by PARTIES, and CITY's failure to comply with the provisions of this Agreement may be grounds for a Notice of Termination by STATE.

13. TERM OF AGREEMENT - This Agreement shall become effective on the date first shown on its face sheet and shall remain in full force and effect until amended or terminated at any time upon mutual consent of the PARTIES or until terminated by STATE for cause.

PARTIES are empowered by Streets and Highways Code Section 114 & 130 to enter into this Agreement and have delegated to the undersigned the authority to execute this Agreement on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this Agreement.

IN WITNESS WHEREOF, the PARTIES hereto have set their hands and seals the day and year first above written.

THE CITY OF GRIDLEY

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

By: _____
Mayor/Chairmen

Initiated and Approved

By: _____
CITY Manager

By: _____
Deputy District Director
Maintenance District 03

ATTEST:

By: _____
CITY Clerk

By: _____
CITY Attorney

EXHIBIT B – STATEMENT OF SELF INSURANCE FOR CITY OF GRIDLEY

California Department of Transportation

_____20__

703 B Street
Marysville, CA 95901

ATTN: Thomas Mutunga, District 3 Maintenance Project Delivery Liaison

CITY OF GRIDLEY
Department of Finance

RE: Statement of Self Insurance for City of Gridley ("CITY") Related to Maintenance Agreement with the State of California, acting by and through the Department of Transportation, ("STATE") for improvements and lighting along STATE Route 99 in the County of Butte Between Post Mile R3.10 and Post Mile 5.10, MA - City of Gridley-03-BUT-099-PM R3.10 – PM 5.00 ("Maintenance Agreement").

Dear Mr. Mutunga,

The purpose of this letter is to certify that the CITY is self-insured and self-funded covering third-party claims arising out of its general operations (for example, commercial general liability and automobile liability insurance). Further the CITY is self-insured covering workers' compensation claims and has received the consent of the State Department of Industrial Relations to do so.

Each fiscal year, as a part of its budgetary process, the CITY appropriates funds specifically to satisfy valid third-party claims and workers' compensation claims, which may be brought against the CITY.

The CITY certifies its self-insured, general liability coverage for bodily injury liability and property damage liability, meets the required coverage amounts in section 11 (INSURANCE) of the Maintenance Agreement, specifically general liability insurance, coverage of bodily injury liability and property damage liability in an amount of \$1 million per occurrence and \$2 million in aggregate and \$5 million in excess. The CITY further represents that regarding any claims made in connection with the Maintenance Agreement by the STATE, the STATE will be first-in-line regarding the reserved, self-insured amounts.

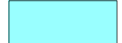

If you need any additional information regarding this letter, please direct those inquiries through my office.

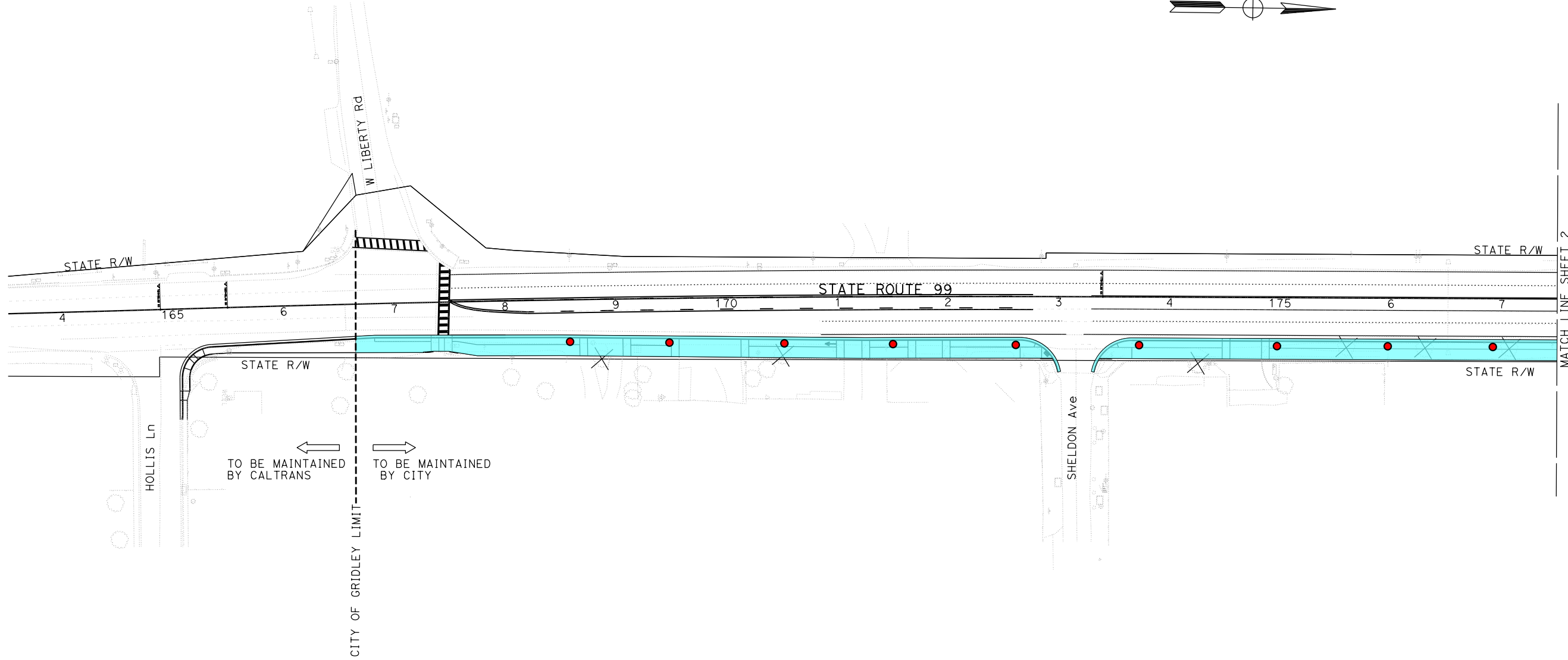
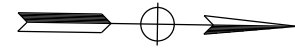
FINANCE MANAGER

MAINTENANCE AGREEMENT WITH THE CITY OF GRIDLEY

EXHIBIT A

LEGEND:

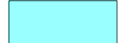

-  CURB, GUTTER, SIDEWALK, LANDSCAPING, CURB RAMPS AND DRIVEWAYS TO BE MAINTAINED BY CITY AT CITY EXPENSE
-  DECORATIVE LIGHTING TO BE MAINTAINED BY CITY AT CITY EXPENSE

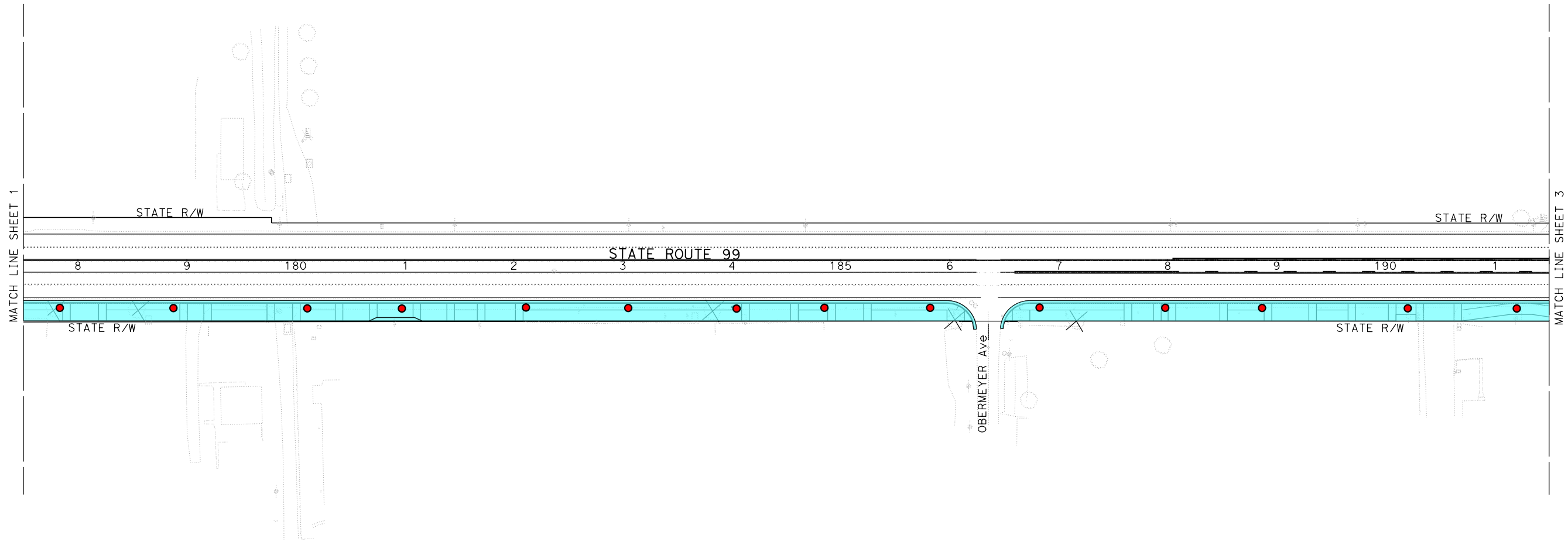
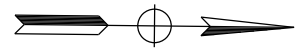


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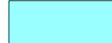
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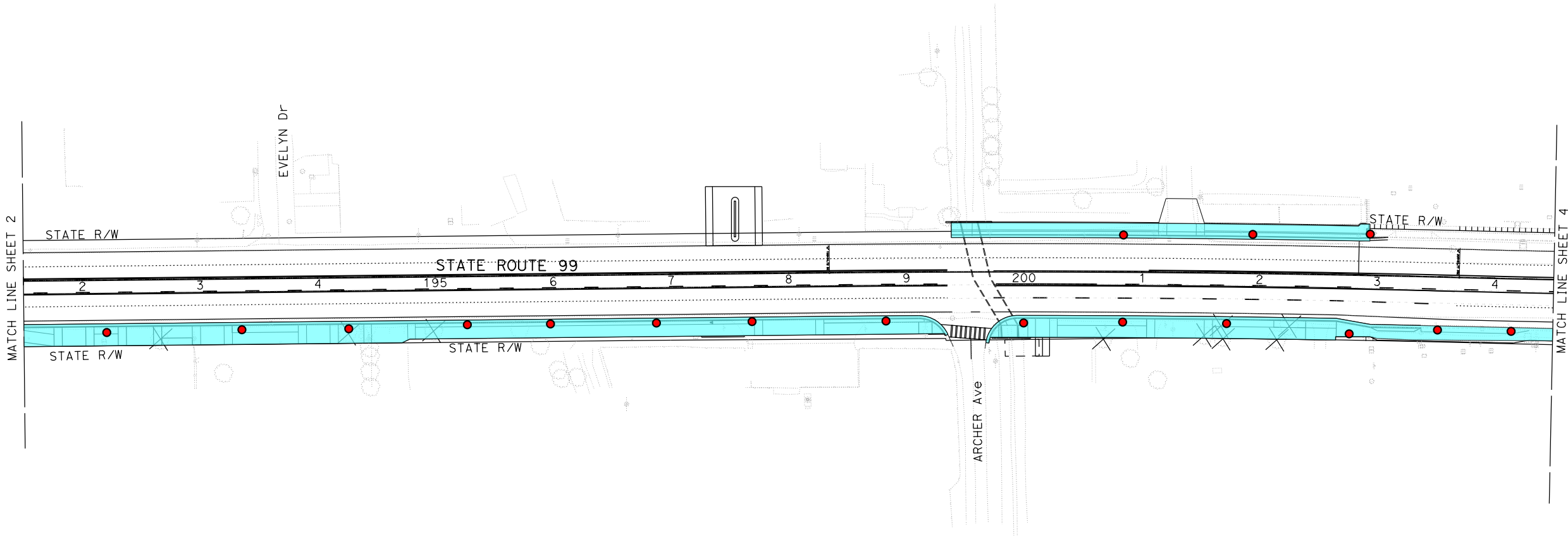
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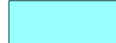

DECORATIVE LIGHTING TO BE MAINTAINED BY CITY AT CITY EXPENSE

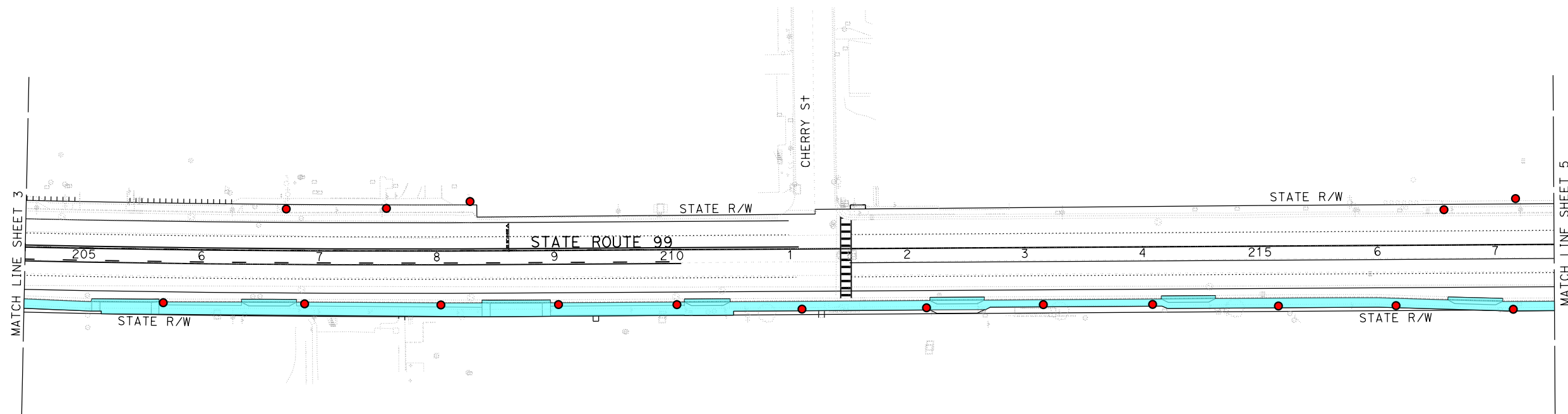
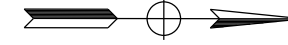


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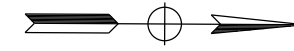
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MAINTENANCE AGREEMENT WITH THE CITY OF GRIDLEY

EXHIBIT A



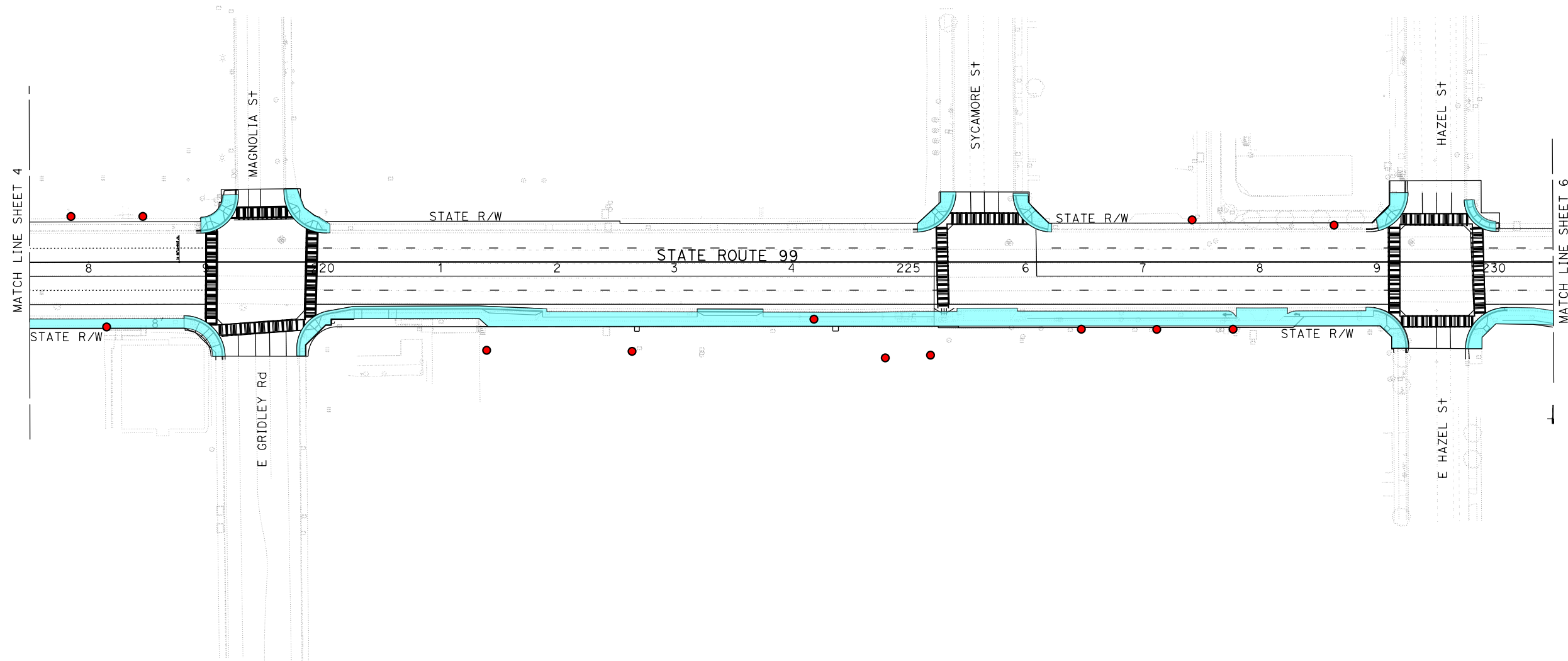
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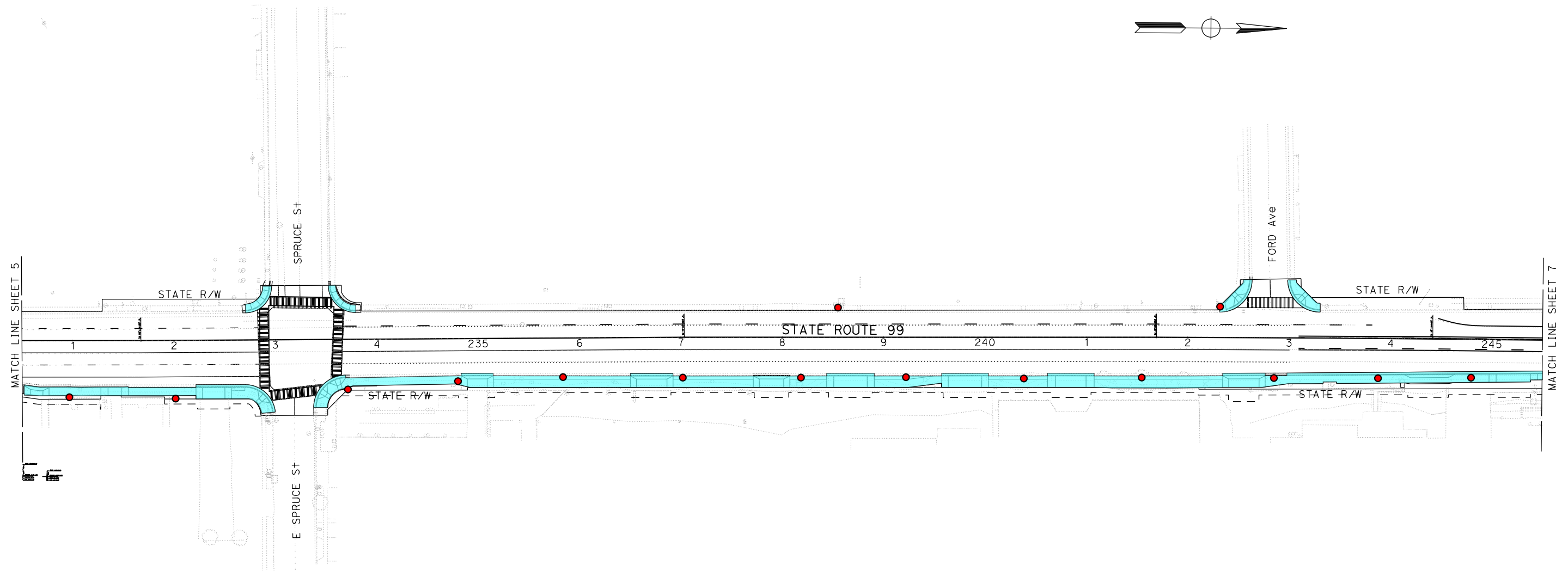
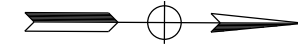
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