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## FINANCE COMMITTEE AGENDA – Regular Meeting

A Committee of the Chico City Council: Councilmember Bennett, Mayor Coolidge, and Chair Morgan  
**Meeting of Wednesday, February 22, 2023 – 8:30 a.m. to 10:30 a.m.**

**Meeting Location: Council Chamber Building, Conference Room 1, 421 Main St. Chico, CA**

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### REGULAR AGENDA

#### A. REVIEW OF ANNUAL AUDITED FINANCIAL REPORTS

The certified public accounting firm of CliftonLarsonAllen LLP (CLA) was engaged by the City Council to perform an audit of the financial statements and perform compliance testing of the City of Chico, Chico Passenger Facility Charges and Chico Urban Area Joint Powers Financing Authority for the fiscal year ended June 30, 2022. CLA issued unmodified (clean) audit opinions on all financial statements. CLA management will present the results of the audit to Finance Committee. Upon Finance Committee recommendation, these reports will be forwarded to City Council for acknowledgement and receipt. **(Report – Barbara Martin, Administrative Services Director)**

**Recommendation:** *The Administrative Services Director recommends the Finance Committee review and forward to Council the 2022 Audit Financial Reports for final approval.*

#### B. MONTHLY FINANCIAL REPORT

The Deputy Director - Finance will present the Monthly Financial Report and Budget Monitoring Reports through January 31, 2023. **(Report – Barbara Martin, Deputy Director – Finance)**

#### C. BUSINESS FROM THE FLOOR - *Members of the public may address the Committee at this time on any matter not already listed on the agenda, with comments being limited to three minutes. The Committee cannot take any action at this meeting on requests made under this section of the agenda.*

#### E. ADJOURNMENT - The meeting will adjourn no later than 10:30 a.m. to the next regular Finance Committee Meeting on March 22, 2023 at 8:30 a.m. in Conference Room 1 at 421 Main St.

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### SPEAKER ANNOUNCEMENT

**NOTE:** Citizens and other interested parties are encouraged to participate in the public process and will be invited to address the Committee regarding each item on the agenda. In order to maintain an accurate and complete record, the following procedural guidelines are being implemented:

1. Speaker Cards – speakers will be asked to print his/her name on a speaker card to address the Committee and provide card to the Clerk prior to the completion of the Staff Report.
2. The Clerk will call on speakers in the order the cards are received.
3. Speakers may address the Committee one time per agenda item.
4. Speakers will have three minutes to address the Committee.

### Distribution available in the office of the City Clerk

**Posted: 2/16/23 prior to 5:00 p.m. at 421 Main St. Chico, CA 95928 and [www.ci.chico.ca.us](http://www.ci.chico.ca.us)**

**Copies of the agenda packet are available for review at: City Clerk's Office, 411 Main St. Chico, CA.**



Please contact the City Clerk at 530-896-7250 should you require an agenda in an alternative format or if you need to request a disability-related modification or accommodation in order to participate in a meeting. This request should be received at least three working days prior to the meeting in order to accommodate your request.



## Finance Committee Agenda Report

Meeting Date: 2/22/23

TO: Finance Committee  
FROM: Barbara Martin, Administrative Services Director  
RE: Review of June 30, 2022 Audited Financial Reports

### REPORT IN BRIEF:

The certified public accounting firm of CliftonLarsonAllen LLP (CLA) was engaged by the City Council to perform an audit of the financial statements and perform compliance testing of the City of Chico, Chico Passenger Facility Charges and Chico Urban Area Joint Powers Financing Authority for the fiscal year ended June 30, 2022. CLA issued unmodified (clean) audit opinions on all financial statements. CLA management will present the results of the audit to Finance Committee. Upon Finance Committee recommendation, these reports will be forwarded to City Council for acknowledgement and receipt.

**Recommendation:** The Administrative Services Director recommends the Finance Committee review and forward to City Council the following reports for final approval:

- City of Chico Annual Comprehensive Financial Report (ACFR)
- Single Audit Report
- City of Chico Passenger Facility Charges Report
- Chico Urban Area Joint Powers Financing Authority Report
- Appropriations Limit Report

### FISCAL IMPACT:

N/A

### BACKGROUND:

Pursuant to the provisions of Sections 908 and 1109 of the City's Charter, an independent auditor, hired by the City Council to perform an annual audit of the books, financial records and related documents of the City in accordance with generally accepted auditing standards, shall submit to the City Council a report on the audit for the preceding fiscal year on or before the first regular meeting in February, unless an extension is granted by the Council. Staff was granted an extension of this date to the first meeting in March due to delays resulting from the implementation of new Government Accounting Standards Board pronouncement 87 (GASB 87).

### DISCUSSION:

Although at the issuance of this agenda report final review by CLA is not complete, in addition to the unmodified (clean) audit opinions noted above, staff does not anticipate any management findings, material weaknesses or significant deficiencies to report during the audit of the ACFR.

Prepared by:

  
Barbara Martin, Administrative Services Director

Approved and recommended by:

  
Mark Sorensen, City Manager

### ATTACHMENTS:

- ATTACHMENT A – DRAFT City of Chico Annual Comprehensive Financial Report
- ATTACHMENT B – DRAFT Single Audit Report
- ATTACHMENT C – DRAFT City of Chico Passenger Facility Charges Report
- ATTACHMENT D – DRAFT Chico Urban Area Joint Powers Financing Authority Report
- ATTACHMENT E – FINAL Appropriations Limit Report

### DISTRIBUTION:

City Clerk (3)

**CITY OF CHICO, CALIFORNIA**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2022**

DRAFT

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**INTRODUCTORY SECTION**

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## ADMINISTRATIVE SERVICES DEPARTMENT

411 Main Street – 1<sup>st</sup> Floor (530) 879-7300  
 P.O. Box 3420 Fax (530) 895-4656  
 Chico, CA 95927 <http://www.ci.chico.ca.us>

February 10, 2022

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Chico:

The City of Chico (City) submits to you its Annual Financial Report (AFR) for the year ended June 30, 2022. The Administrative Services Department publishes the AFR to provide information about the City to its citizens, the investment community, the general public, and others who may have an interest in the financial well-being of the City. The data presented is designed to help readers assess our financial condition and understand the services we provide to the citizens of the City of Chico. This letter of transmittal is designed to be read with and complement the Management's Discussion and Analysis (MD&A). The MD&A can be found immediately following the report of the independent auditor.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Chico. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and fairly represent the financial position and changes in financial position of the City. Disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

The City has a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse and compile sufficient reliable information for the preparation of the City's financial statements. Because the cost of internal controls should not outweigh their benefits, the City's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

The Charter of the City of Chico requires an annual audit to be conducted by an independent auditor employed by the City Council. The audit report is to be prepared in accordance with auditing standards generally accepted in the United States of America (GAAP) and submitted to the City Council on or before the first regular City Council meeting in February. CliftonLarsonAllen LLP, a firm of licensed certified public accountants, has audited the attached financial statements. Based on the results of the audit, the City of Chico's financial statements for the fiscal year ended June 30, 2022, received an unmodified ("clean") opinion in the independent auditor's report (which is presented as the first component of the financial section of this report).

### **Profile of Chico**

The City of Chico was founded in 1860 by General John Bidwell, and incorporated on February 5, 1872, with a population of approximately 1,000 persons in an area of 6.6 square miles. The incorporated area of the City of Chico has grown to over 30 square miles, with a population of 102,892.

Chico is the largest city in Butte County, located in the Northern Sacramento Valley approximately 90 miles north of Sacramento, and serves as the commercial center for a three-county regional market area. Chico supports a diverse range of industries including agriculture, recreation,

tourism, education, medical, and manufacturing. Chico is also the home of the second oldest institution in the California State University system, enrolling over 15,000 students annually.

Residents and visitors alike can sample locally grown almonds, bicycle in Bidwell Park (one of the largest municipally owned parks in the United States), tour the historic Bidwell Mansion, and take in the beauty of the California State University, Chico campus without having to stray too far from Chico's quaint and thriving downtown business district. A municipal airport and industrial park are situated in northern Chico.

The City is governed by a charter and operates under a Council-Manager form of government. The City Council consists of seven members representing seven separate geographical districts, elected to staggered four-year terms. An election held each November in even numbered years chooses either three or four council members. The Council selects a mayor and vice mayor from among its members to serve two-year terms. The mayor presides over the Council meetings, which are held on the first and third Tuesdays of each month. The City Council appoints a City Manager to implement its policies and directives, a City Clerk to maintain public records and manage the elections process, and a City Attorney to serve as its legal counsel.

The City provides a broad range of services including police and fire protection; construction and maintenance of streets and infrastructure; community development, including planning and zoning, building and safety, and housing activities; park and recreational activities; municipal airport; and general administrative services.

The budget serves as the foundation for financial planning and control for the City of Chico. Budgetary control is maintained to ensure compliance with legal provisions of the annual appropriated budget as approved and modified by the City Council. The City Charter requires the City Manager to present a proposed budget to the City Council by June 1 of each year. Budgetary control is at the department category level.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operated in fiscal year 2021-22.

#### ***COVID-19***

With the gradual emergence out of the global pandemic beginning in early 2021, the City maintained a conservative forecast for fiscal year 2021-22. As the year unfolded, the City's major revenue sources continued to recover and grow.

#### ***American Rescue Plan Act (ARPA)***

The Congressional American Rescue Plan Act approved \$350 billion for state, local, and Tribal governments in form of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF). As an entitlement city, Chico received \$22 million in funding directly from the U.S. Treasury. The funding was received on May 19, 2021 and June 6, 2022, respectively. The City Council approved a plan to use the funds on various economic recovery needs, costs related to a new 177-unit pallet shelter site, a Broadband pilot project, and a new sewer project. \$6,148,332 of the funding was used in fiscal year 2021-22 and the remainder remains available for spending through 2026.

### **Chico's Economic Condition**

#### ***Local Economy***

Chico's local economy continues to make steady positive progress and growth in the areas of economic development, housing market and employment.

One indicator of the local economy is the rate of unemployment. The unemployment rate for Chico decreased from 8% as of June 2021 to 4% at June 2022.

Another indicator of the local economy is community development. During the fiscal year, residential building permits were issued along with commercial building permits. This continues the strong building market that occurred during the year ended June 2022, when 367 residential building and 30 commercial building permits were issued.

The influence of the local economy impacts, including emergence from COVID-19, are evidenced by the following key City revenue sources, which increased during the fiscal year ended June 30, 2022 as follows:

- Sales Tax increased 12%
- Transient Occupancy Tax increased 43%

#### **Sales Tax**

Sales tax revenue, which accounts for over 40% of all General Fund revenue, experienced increases in nearly all major industry groups as follows:

<b>INDUSTRY</b>	<b>PERCENTAGE CHANGE</b>
<b>AUTOS AND TRANSPORTATION</b>	7%
<b>BUILDING AND CONSTRUCTION</b>	12%
<b>BUSINESS AND INDUSTRY</b>	-2%
<b>FOOD AND DRUGS</b>	-2%
<b>GENERAL CONSUMER GOODS</b>	9%
<b>RESTAURANTS AND HOTELS</b>	26%

#### **Property Tax**

Property tax revenue, which accounts for almost 27% of all General Fund revenue, increased nearly 6% from the prior year. Property tax revenue is composed of numerous property related tax categories. Current secured property taxes increased 7.5%. The local housing market is experiencing increased growth in construction of new homes, although growth in the resale of existing homes is easing. Indications are that growth will continue into the next year. Residual property tax revenue came into place following the dissolution of the City's Redevelopment Agency. As the former Redevelopment Agency's obligations are liquidated, the City receives a larger share of this property tax source. This year, the growth in residual property tax increased 7%.

#### ***Relevant Financial Policies***

The City Council has adopted a number of fiscal policies (See Appendix C-8 through C-10 of the City's Annual Budget for the complete set of fiscal policies) designed to preserve the fiscal integrity of the City's resources, some of which are listed below.

- **Operating Reserve** – The City Manager shall endeavor to present a Proposed Budget for the ensuing fiscal year which provides a balance in the General Fund to serve as an operating reserve in the amount of seven and one-half percent of the General Fund operating expenditures, or which the City Manager expects will reach seven and one-half percent by the time the books are closed at the end of the current fiscal year. These funds are available for

allocation to cover unanticipated expenditures or major declines in revenue. This reserve is fully funded as of June 30, 2022.

- **Emergency Reserve** – An Emergency Reserve has been established to help buffer the City from issues such as large fluctuations in revenues or catastrophic events. The desired level of this reserve is established at 20% of the General Fund operating expenditures. The reserve is fully funded as of June 30, 2022.
- **Compensated Absence Reserve** – Compensated absences are defined as paid time off, such as vacation, sick leave and compensatory time off which becomes a City liability when the employee earns their right to the paid time off. This reserve is intended to accumulate funds to cover the City's liability with the intended target of reaching and maintaining a funding level of 50% of the City-wide liability. The balance in this reserve as of June 30, 2022 is \$1,460,000.
- **Replacement Funds** – The City maintains a number of internal replacement funds including a Technology Replacement Fund to accumulate funds for the replacement of technological equipment, a Fleet Replacement Fund for the replacement of the City's vehicle fleet, a Facilities Maintenance Fund for the repair and maintenance of City-owned facilities, and an Infrastructure Replacement Fund dedicated to repairing the City's road infrastructure. Annual contributions are made from the funds owning such equipment or vehicles, based on the estimated cost to replace the item at the end of its useful life. Although the replacement funds are underfunded, the net fund balances of all replacement funds were \$7,123,000 as of June 30, 2022.

### **The Future and Long-term Financial Planning**

The City contracts with CalPERS to provide retirement benefits to retirees. The Net Pension Liability exceeds \$95,000,000 as of June 30, 2022, and is reported on the attached financial statements. CalPERS has provided an estimated repayment schedule for over thirty years. City management has placed emphasis on planning for future repayments of the annual Unfunded Accrued Liability (UAL). In fact, the annual UAL payment is paid in lump sum in July each year to reduce interest costs. These annual prepayments have resulted in over a \$1,500,000 interest savings over the last five years. In addition to prepayments, the City has created a Pension Stabilization Trust to help pay for future retirement payments.

The citizens of Chico passed Measure H in November 2022, which will provide a 1% local Use and Transactions tax beginning April 1, 2023. This will provide General Fund revenue to address the priorities of the Chico City Council and citizens.

Despite the challenges of COVID-19, pension costs, capital infrastructure and resident sheltering challenges; the City is poised to grow and excel. City management will continue to present Council with conservative budgets that provide consideration of City cash flows, and applicable fiscal controls that will ensure the City continues to improve financially.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Chico for its Annual Financial Report for the fiscal year ended June 30, 2020. This was the seventeenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

This Financial Report is the result of the cooperative effort of many people. We wish to convey our appreciation to the members of the Finance team who contributed to and assisted with the successful completion of the audit. We would also like to express our appreciation to all the City departments, who provided assistance and support, and to the City Council for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

  
\_\_\_\_\_  
Mark Sorensen  
City Manager

  
\_\_\_\_\_  
Barbara Martin  
Administrative Services Director

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# DIRECTORY OF CITY OFFICIALS

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**Andrew Coolidge, Mayor**

**Kasey Reynolds, Vice-Mayor**

**Dale Bennett, Councilmember**

**Sean Morgan, Councilmember**

**Deepika Tandon, Councilmember**

**Tom van Overbeek, Councilmember**

**Addison Winslow, Councilmember**

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**Mark Sorensen**  
*City Manager*

**Debbie Presson**  
*City Clerk*

**Vincent C. Ewing**  
*City Attorney*

**Barbara Martin**  
*Administrative Services Director*

**Billy Aldridge**  
*Chief of Police*

**Brendan Vieg**  
*Community Development Director*

**Steve Standridge**  
*Fire Chief*

**Chelsea Phebus**  
*Human Resources and Risk  
Management Director*

**Leigh Ann Sutton**  
*Public Works Director-  
Engineering*

**Erik Gustafson**  
*Public Works Director-  
Operations & Maintenance*



# Citizens of Chico

- BOARDS & COMMISSIONS**
- Airport Commission
  - Architectural Review & Historic Preservation Board
  - Arts Commission
  - Bidwell Park & Playground Commission
  - Climate Action Commission
  - Planning Commission

## City Council

- COUNCIL COMMITTEES**
- Finance Committee
  - Internal Affairs Committee

**City Attorney**

**City Manager**

**City Clerk**

**Administrative Services**

**Community Development**

**Fire**

**Human Resources & Risk**

**Police**

**Public Works - Engineering**

**Public Works - Operations & Maintenance**





Government Finance Officers Association

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Reporting

Presented to

**City of Chico  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

**FINANCIAL SECTION**

DRAFT

Honorable Mayor and City Council  
City of Chico

## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council  
City of Chico, California

### Report on the Audit of the Financial Statements

#### ***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Chico, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Chico and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Chico'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.

Honorable Mayor and City Council  
City of Chico

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Chico'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 of Chico's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net pension liability and related ratios, schedules of pension plan contributions, and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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

Honorable Mayor and City Council  
City of Chico

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

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

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

***Other Reporting Required by Government Auditing Standards***

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

**CliftonLarsonAllen LLP**

Roseville, California

[Report Date]

**CITY OF CHICO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

As management of the City of Chico (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

### **FINANCIAL HIGHLIGHTS**

- The City had a net position at June 30, 2022 of \$583,312,702 (net position). Of this amount, \$457,558,488 is the net investment in capital assets.
- As of June 30, 2022, the City's governmental funds reported combined fund balances of \$160,321,943 an increase of \$1,353,179 in comparison with the prior year. Amounts available for spending include restricted, committed, assigned and unassigned fund balance. Restricted fund balances totaled \$121,658,977. Committed fund balances totaled \$13,780,149. Assigned fund balances totaled \$32,298,270 while unassigned fund balance reported a fund balance of \$(7,467,131).
- At June 30, 2022, the General Fund had a fund balance of \$47,497,571, an increase of \$8,064,813 from June 30, 2021.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components; (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the basic financial statements. In addition to the basic financial statements, this report also includes required supplementary information and other supplementary information.

**Government-wide Financial Statements** are designed to provide readers with a broad overview of City finances in a manner similar to a private-sector business.

The statement of net position presents information on all City assets, deferred outflows of resources, liabilities and deferred inflows 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 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 in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected revenues and unused vacation leave that has been earned).

Both of these 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 portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, parks and recreation, community development and community agencies. The business-type activities of the City include the sewer, parking, private development and airport.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

One component unit is included in our basic financial statements and consists of a legally separate entity for which the City is financially accountable or receives a financial benefit– the Chico Urban Area Joint Powers Financing Authority. Based on the criteria of generally accepted accounting principles, the Chico Urban Area Joint Powers Financing Authority's governing board is composed of two members of the City of Chico Council and two members of the Butte County Board of Supervisors but is reported as a discretely presented component unit due to the significance of the economic resources the City receives from it. City of Chico Council and two members of the Butte County Board of Supervisors but is reported as a discretely presented component unit due to the significance of the economic resources the City receives from it.

Complete financial statements of the Chico Urban Area Joint Powers Financing Authority may be obtained from the Finance Department of the City of Chico at 411 Main Street, Chico, California 95928.

**Fund Financial Statements** are groupings of related accounts that are 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 finance-related legal compliance. All of the funds of the City can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary 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 expendable resources*, as well as on *balances of expendable resources* available at the end of the fiscal year. 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 City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintained several individual governmental funds at June 30, 2022. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, CDBG and HOME Housing Fund, Public Facilities Impact Fees, Capital Grants Fund, and the Low and Moderate Income Housing Asset Fund. 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* found elsewhere in this report.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Proprietary funds** are generally used to account for activities for which the City charges a fee to either its external or internal customers. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains the following two types of proprietary funds:

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its sewer, parking, private development and airport operations, which are considered to be major funds of the City.

*Internal service funds* are used to report activities that provide goods and services for certain City programs and activities. The City uses internal service funds to account for its self-insurance, central garage, municipal building maintenance, retirement funding and information services functions. Because these services benefit primarily governmental functions, they have been included within *governmental activities* in the government-wide financial statements. The City's five internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. These statements include one Private-purpose Trust Fund that includes the activity of the Successor Agency to the Chico Redevelopment Agency and three Custodial Funds that account for the assets held by the City as an agent for bonded assessment districts.

**Notes to Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information** is presented in addition to the basic financial statements and accompanying notes. A Schedule of Changes in Net Pension Liability and Related Ratios is included along with a Schedule of Contributions relating to the CalPERS Retirement Plans. Budget Schedules for the General Fund and Major Special Revenue funds are also presented as required supplementary information.

**Other Information** includes the combining and individual fund statements and schedules referred to earlier. Specifically included is information for the Capital Grants Fund budget, nonmajor governmental funds and internal service funds and Custodial Funds. These statements and schedules are presented immediately following the required supplementary information.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$583,312,702 at the close of the most recent fiscal year.



**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

The largest portion of the City's net position, \$457,558,488, or 78%, reflects its investment in capital assets (e.g. land, buildings, improvements, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used by the City to provide services to the citizens. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental and Business-type Activities assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position as of June 30, are presented in the following table:

**Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total		Dollar Change
	2021	2022	2021	2022	2021	2022	
<b>Assets:</b>							
Current and Other Assets	\$ 203,446,276	227,857,954	\$ 52,349,955	54,736,886	\$ 255,796,231	\$ 282,594,840	\$ 26,798,609
Capital Assets	325,628,722	347,636,245	139,189,844	139,933,435	464,818,566	487,569,680	22,751,114
Total Assets	529,074,998	575,494,199	191,539,799	194,670,321	720,614,797	770,164,520	49,549,723
<b>Deferred Outflows of Resources:</b>							
Deferred Outflows Related to Pensions	16,966,506	13,733,332	2,144,100	1,989,641	19,110,606	15,722,973	(3,387,633)
<b>Liabilities:</b>							
Current and Other Liabilities	143,484,019	26,742,416	29,092,551	2,162,806	172,576,570	28,905,222	(143,671,348)
Long-Term Liabilities	13,082,335	97,758,152	16,883,724	33,849,070	29,966,059	131,607,222	101,641,163
Total Liabilities	156,566,354	124,500,568	45,976,275	36,011,876	202,542,629	160,512,444	(42,030,185)
<b>Deferred Inflows of Resources:</b>							
Deferred Inflows Related to Pensions	949,995	31,264,308	165,246	4,957,880	1,115,241	36,222,188	35,106,947
<b>Net Position:</b>							
Net Investment in Capital Assets	323,630,848	337,304,415	114,578,515	120,254,073	438,209,363	457,558,488	19,349,125
Restricted	116,537,658	148,208,382	-	-	116,537,658	148,208,382	31,670,724
Unrestricted	(51,643,351)	(53,711,457)	32,963,863	31,257,289	(18,679,488)	(22,454,168)	(3,774,680)
Total Net Position	\$ 388,525,155	\$ 431,801,340	\$ 147,542,378	\$ 151,511,362	\$ 536,067,533	\$ 583,312,702	\$ 47,245,169

**Governmental Activities. Primary changes in governmental activities are summarized below:**

**Assets.** Total assets increased by \$46,419,201. The primary causes of the increase were an increase in restricted and unrestricted cash of approximately \$13 million and in capital asset purchases of approximately \$23 million due to increased capital project activity.

**Deferred Outflows of Resources.** This classification balance, although similar to "assets," is set apart because these items do not meet the technical definition of being a City asset on the date of these financial statements. In other words, these amounts are not available to pay liabilities in the way assets are available. When all the recognition criteria are met, the deferred outflow of resources will become an expense.

**CITY OF CHICO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

The most significant deferred outflows of resources reported are related to the implementation of GASB Statement No. 68 and GASB No. 71 for net pension liability reporting. GASB No. 68 requires that contributions made to the retirement system subsequent to the measurement date be reported as deferred outflows of resources. Differences between projected and actual earnings on pension plan investments are also reported as deferred outflows and amortized over several years. The City has reported deferred outflows of resources for pension contributions and differences between actual and estimated earnings of pension plan investments totaling \$13,733,332 for governmental activities at June 30, 2022. The deferred outflows of resources will be reflected in the change in the net pension liability in the next fiscal year.

**Liabilities.** Governmental activities liabilities decreased by \$32,065,786 primarily due to a decrease in the net pension liability of \$49,595,338.

**Deferred Inflows of Resources.** Deferred inflows of resources are the counterpart to deferred outflows of resources on the Statement of Net Position. Deferred inflows of resources are not technically liabilities of the City as of the date of the financial statements. When all the recognition criteria are met, the deferred inflows of resources will become revenue or an increase to net position.

Deferred inflows of resources related to pensions represent a net amount attributable to the various components that impact pension changes and can include the differences between actual and expected experience and changes in assumptions. The City has reported deferred inflows of resources for pensions totaling \$31,264,308 for government activities at June 30, 2022.

**Net Position.** Governmental activities net position increased \$43,276,185 due primarily to an increase in both operating and capital grants and contributions, an increase in tax revenue, as well as a decrease in general government expenses.

**Business-type Activities.** Primary changes in business-type activities are summarized below:

**Assets.** Total assets increased by \$3,130,522 due to standard acquisitions of equipment.

**Deferred Outflows of Resources.** GASB Statement No. 68 requires that contributions made subsequent to the measurement date be reported as deferred outflows of resources. Differences between projected and actual earnings on pension plan investments are also reported as deferred outflows and amortized over several years. The City has reported deferred inflows of resources for pensions totaling \$1,989,641 for government activities at June 30, 2022.

**Liabilities.** Business-type activities liabilities decreased by \$9,964,399 primarily due to the payment of long-term debt related to the Sewer Fund and a decrease in the total net pension liability.

**Deferred Inflows of Resources.** As discussed above, deferred inflows of resources are the counterpart to deferred outflows of resources on the Statement of Net Position. Deferred inflows of resources related to pensions represent a net amount attributable to the various components that impact pension changes and can include the differences between actual and expected experience and changes in assumptions. The City has reported deferred inflows of resources for deferred pensions totaling \$4,957,880 for business-type activities at June 30, 2022.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Net Position.** Business-type activities net position increase of \$3,968,984 primarily due to the decrease in liabilities mentioned above.

The following table indicates the changes in net position for governmental and business-type activities for the year ended June 30:

**Condensed Statement of Activities**

	Governmental Activities		Business-Type Activities		Total		Dollar Change
	2021	2022	2021	2022	2021	2022	
<b>Program Revenues:</b>							
Charges for Services	\$ 13,501,962	\$ 13,916,850	\$ 24,172,344	\$ 22,848,668	\$ 37,674,306	\$ 36,765,518	\$ (908,788)
Operating Grants and Contributions	9,060,513	14,614,735	-	174,746	9,060,513	14,789,481	5,728,968
Capital Grants and Contributions	8,423,875	23,877,343	11,223,156	3,128,625	19,647,031	27,005,968	7,358,937
General Revenues and Special Items:							
Taxes	63,968,788	70,580,257	-	-	63,968,788	70,580,257	6,611,469
Grants and Contributions Not Restricted to Specific Programs	2,072,665	-	-	-	2,072,665	-	(2,072,665)
Unrestricted Investment Earnings	928,992	(3,870,646)	360,576	(1,688,041)	1,289,568	(5,558,687)	(6,848,255)
Miscellaneous	781,732	510,112	-	15,595	781,732	525,707	(256,025)
Bond Proceeds from Private- Purpose Trust Fund	-	-	-	-	-	-	-
Total Revenues	98,738,527	119,628,651	35,756,076	24,479,593	134,494,603	144,108,244	9,613,641
<b>Expenses:</b>							
General Government	18,655,283	10,464,965	-	-	18,655,283	10,464,965	(8,190,318)
Public Safety	34,360,882	37,538,974	-	-	34,360,882	37,538,974	3,178,092
Public Works	17,822,977	17,400,703	-	-	17,822,977	17,400,703	(422,274)
Parks and Recreation	3,728,252	3,604,276	-	-	3,728,252	3,604,276	(123,976)
Arts and Culture	-	34,669	-	-	-	34,669	34,669
Community Development	8,361,864	6,002,560	-	-	8,361,864	6,002,560	(2,359,304)
Community Agencies	3,508	-	-	-	3,508	-	(3,508)
Health & Human Services	-	302,524	-	-	-	302,524	302,524
Interest on Long-Term Debt	80,732	64,644	-	-	80,732	64,644	(16,088)
Loss on Disposition of:							
Sewer	-	-	11,635,625	13,255,319	11,635,625	13,255,319	1,619,694
Parking	-	-	947,957	1,543,123	947,957	1,543,123	595,166
Private Development	-	-	4,365,232	4,297,258	4,365,232	4,297,258	(67,974)
Airport	-	-	2,043,302	1,910,686	2,043,302	1,910,686	(132,616)
City Recreation	-	-	-	443,374	-	443,374	443,374
Total Expenses	83,013,498	75,413,315	18,992,116	21,449,760	102,005,614	96,863,075	(5,888,437)
<b>Increase (Decrease) in Net Position Before Transfers</b>	15,725,029	44,215,336	16,763,960	3,029,833	32,488,989	47,245,169	15,502,078
Transfers	(1,942,237)	(939,151)	1,942,237	939,151	-	-	-
<b>Change in Net Position</b>	13,782,792	43,276,185	18,706,197	3,968,984	32,488,989	47,245,169	15,502,078
Net Position - Beginning of Year	374,742,364	388,525,155	128,836,181	147,542,378	503,578,545	536,067,533	32,488,988
<b>Net Position - End of Year</b>	\$ 388,525,156	\$ 431,801,340	\$ 147,542,378	\$ 151,511,362	\$ 536,067,534	\$ 583,312,702	\$ 47,991,066

**Governmental Activities.** Governmental activities increased the City's net position by \$43,276,184 due to an increase in capital grants as well as taxes.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Revenues.** Total revenues for governmental activities increased 21% from the prior year:

- **Taxes** increased \$6,611,469 due to increases in sales tax revenue and property tax revenue as the economy and housing market continue to move in a modestly positive direction.
- **Capital grants and contributions** increased by \$15,453,468 due primarily to the start of a large infrastructure project.
- **Intergovernmental Revenue** increased \$5,554,222 due primarily to ARPA funding.

**Expenses.** Total expenses for governmental activities decreased \$7,600,183 from the prior year:

The decrease in expenses is due to the timing of use of Coronavirus relief funding.

**Business-type Activities.** Business-type activities increased the City's net position by \$3,968,984. Overall revenue compared to expenses increased net position. The operations of individual enterprise funds are presented more thoroughly in the Proprietary Funds section.

## **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

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

**Governmental funds.** The general government functions are contained in the General, Special Revenue and Capital Projects Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the City's financing requirements. In particular, restricted, committed, assigned and unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2022, the City's governmental funds reported combined fund balances of \$160,321,943, an increase of \$1,353,179 compared to the prior year. While the City reported \$121,658,977 of restricted fund balance, \$65,567,838 is composed of long-term loans receivable. By nature, restricted resources are restricted for specific purposes.

Nonspendable fund balance is composed of \$51,681 in prepaid items.

Committed fund balance is composed of: \$1,460,109 for compensated absences, \$342,107 in donations, \$11,058,877 for emergency contingencies, and \$919,377.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

Total assigned fund balance is \$32,298,270. It is specifically assigned for capital projects and subsequent year's budget.

The changes in fund balance as of June 30, is presented in the following table:

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds**

	Major Funds				
	General Fund	CDBG and HOME Housing	Public Facilities Impact Fees	Capital Grants	Low and Moderate Income Housing Asset
Revenues	\$ 78,236,279	\$ 3,803,928	\$ 7,518,702	\$ 5,487,645	\$ 245,708
Expenditures	(71,378,307)	(1,207,984)	(7,773,624)	(16,439,133)	(399,316)
Other Financing Sources (Uses), Net	1,206,841	37,958	(87,655)	-	(37,958)
Change in Fund Balances	8,064,813	2,633,902	(342,577)	(10,951,488)	(191,566)
Fund Balances (Deficits) - Beginning of Year	39,432,758	7,646,405	32,395,488	(834,334)	56,102,408
Fund Balances (Deficits) - End of Year	<u>\$ 47,497,571</u>	<u>\$ 10,280,307</u>	<u>\$ 32,052,911</u>	<u>\$ (11,785,822)</u>	<u>\$ 55,910,842</u>
	Nonmajor Funds		2022	2021	
	Special Revenue Funds	Capital Projects Funds	Total Governmental Funds	Total Governmental Funds	
Revenues	\$ 10,878,089	\$ 354,727	\$ 106,525,078	\$ 96,795,699	
Expenditures	(7,438,269)	(4,463,399)	(109,100,032)	(78,705,539)	
Other Financing Sources (Uses), Net	(1,808,308)	4,617,255	3,928,133	(1,364,068)	
Change in Fund Balances	1,631,512	508,583	1,353,179	16,726,092	
Fund Balances (Deficits) - Beginning of Year	15,611,055	8,614,984	158,968,764	142,242,672	
Fund Balances (Deficits) - End of Year	<u>\$ 17,242,567</u>	<u>\$ 9,123,567</u>	<u>\$ 160,321,943</u>	<u>\$ 158,968,764</u>	

Revenues for governmental funds overall totaled \$106,525,078 an increase of 10.1% from the prior fiscal year, and expenditures for governmental funds totaled \$109,100,032 an increase of 38.6% from the prior fiscal year. Revenue increases were due primarily to increases in intergovernmental revenues. Expenditures increases are largely due to an increase in capital projects funded by grants.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

General Fund revenue increased \$9,606,008 due to an increase in Intergovernmental revenues of over \$5.1 million due primarily to ARPA revenue as well as a 5.7 % increase in property taxes and an 11.7% increase in sales and use taxes. Current year General Fund expenditures increased by \$15,925,935. The primary increases includes \$4,446,970 in leased P25 radios for safety personnel and \$5,868,235 in ARPA funded expenses.

CDBG & HOME Housing fund increased by \$2,633,902 primarily due to federal program draws in both Community Development Block Grant and HOME funds for new loans.

Revenue in the Capital Grants Fund exceeded expenditures by \$10,951,488 due to timing of receipts for reimbursements of 2021-2022 expenditures. At year end, \$11,549,136 of revenue was unavailable.

The Low and Moderate Income Housing Asset Fund's change in fund balance consists mostly of loans receivable received from the Successor Agency to the Chico Redevelopment Agency. Otherwise, there is very little activity occurring within this Fund as the revenue is considered restricted as most of it is composed of long-term loan receivables.

Public Facility Impact Fee funds have been consolidated into one reporting fund. It is reported as a Major Capital Projects Fund. Fund balance in this fund fluctuates with building activity within the City limits.

**Proprietary funds.** The City's proprietary funds provide the same type of information found in the government- wide financial statements, but in more detail.

The following table shows actual revenues, expenses and results of operations of proprietary funds for the current fiscal year:

	Sewer	Parking	Private Development	Airport	Total
Operating Revenues	\$ 15,041,654	\$ 861,412	\$ 5,840,562	\$ 794,698	\$ 22,538,326
Operating Expenses	13,195,779	1,543,123	4,297,258	1,910,686	20,946,846
Operating Income (Loss)	1,845,875	(681,711)	1,543,304	(1,115,988)	1,591,480
Nonoperating Revenues (Expenses), Net	(1,434,860)	(72,346)	(193,407)	152,899	(1,547,714)
Income (Loss) Before Contributions and Transfers	411,015	(754,057)	1,349,897	(963,089)	43,766
Contributions and Transfers	4,977	288,243	303,146	3,171,410	3,767,776
Change in Net Position	<u>\$ 415,992</u>	<u>\$ (465,814)</u>	<u>\$ 1,653,043</u>	<u>\$ 2,208,321</u>	<u>\$ 3,811,542</u>

- Sewer Fund revenues decreased over the prior year due to decreased Water Pollution Control Plant capacity development fees collected.
- Parking Fund revenues increased by \$488,220 over the prior year as the City started collection of Parking fees after halting collections during the COVID pandemic.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

- The Private Development Fund had an increase in net position of \$1,653,043, due in large part to the reduction in net pension liability. Operations in the fund reflected additional activity in the building industry in Chico during the year ended June 30, 2022.
- Airport Fund operating revenues increased \$62,919 primarily due to additional rental charges for airport related facilities. The City is working to revitalize the airport and its industrial park.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Budget to actual information for the General Fund is presented as part of required supplementary information in this report. The City Council amended the budget several times during the period. These amendments, generally, were to adjust for actual beginning balances and carryovers after closing the prior fiscal year and for new sources and uses realized during the fiscal year.

Overall, actual revenue was under budgeted revenue by \$8,582,637 primarily due to ARPA revenue recognized and market value of investments creating a loss on investment income. Property tax revenues were over budget by \$845,929 while sales and use taxes revenue exceeded budget by \$813,939. Other taxes including transient and occupancy taxes (TOT) were over budget by \$1,700,474.

Overall, budgeted expenditures were under budget by \$14,509,995. Most departments recognized actual expenditures under budget and budgeted capital projects were delayed beyond fiscal year end..

In spite of City Council budgetary amendments, variances between actual amounts and the final budget occur. Generally, all of the variances were positive (i.e., actual revenue exceeded budgeted revenue and actual expenditures were less than budgeted expenditures) due to the fact that a conservative budgetary approach was utilized.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital assets**

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2022 amounted to \$487,569,68 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, and construction in progress. Total current year depreciation expense was \$18,910,645. Net does not include depreciation.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

Capital assets, net of depreciation, for the governmental and business-type activities are presented on the next page to illustrate changes from the prior year:

	Governmental Activities		Business-Type Activities	
	2021	2022	2021	2022
Land	\$ 31,561,925	\$ 33,114,506	\$ 2,154,341	\$ 2,154,341
Buildings	8,529,383	8,028,413	4,187,118	3,682,378
Improvements	8,319,818	8,280,749	107,734,478	119,826,585
Equipment	8,955,391	13,933,299	492,863	1,121,995
Infrastructure	242,601,613	248,898,493	-	-
Construction in Progress	25,660,592	35,380,785	24,621,042	13,148,136
<b>Total, Net</b>	<b>\$ 325,628,722</b>	<b>\$ 347,636,245</b>	<b>\$ 139,189,842</b>	<b>\$ 139,933,435</b>

	Total		Dollar Change	Percentage Change
	2021	2022		
Land	\$ 33,716,266	\$ 35,268,847	\$ 1,552,581	0.05 %
Buildings	12,716,501	11,710,791	(1,005,710)	(0.08)
Improvements	116,054,296	128,107,334	12,053,038	0.10
Equipment	9,448,254	15,055,294	5,607,040	0.59
Infrastructure	242,601,613	248,898,493	6,296,880	0.03
Construction in Progress	50,281,634	48,528,921	(1,752,713)	(0.03)
<b>Total, Net</b>	<b>\$ 464,818,564</b>	<b>\$ 487,569,680</b>	<b>\$ 22,751,116</b>	

Major capital asset events during the current fiscal year included the following:

- Land – Increase is due to several land acquisitions for City bikeway project.
- Buildings – Decrease is due primarily to depreciation expense. No significant capitalized construction to building category occurred.
- Improvements – Increase is due primarily to the completion of the Sewer Fund nitrate projects.
- Equipment – Increases reflect acquisitions of safety radios and upgraded software for several departments.
- Infrastructure – Increased as several large street projects were completed.
- Construction in progress (CIP) – Decrease is due to the completion of many projects in the current year.

Additional information on the City's capital assets can be found in Note 5 of this report.

#### GASB Statement No. 87 - Leases

This pronouncement became effective for fiscal years beginning after June 15, 2021 and was included in the City's financial statements for the first time with FY 2021-22. As such, GASB 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. 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



**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the governments' leasing activities. More detail is provided under Note 5 and Note 7 in the Financial Statements that follow.

### **Long-term liabilities**

At June 30, 2022, the City had total long-term liabilities outstanding of \$36,552,787 an overall increase of \$1,418,661 from June 30, 2021. Additional information related to the City's long-term liabilities can be found in Note 6 of this report.

### **Economic Factors and Next Year's Budget**

The Chico City Council adopted the fiscal year 2022-23 budget on June 7, 2022, with a total Operating Budget of \$113,673,599, which is a \$15,139,633 increase from the prior fiscal year's Council adopted budget. The adopted Capital Improvement Budget totaled \$97,438,109. Total General Fund revenue and transfers in total of \$67,089,574, which is lower than budgeted expenditures and transfers out of \$74,930,245. The City has also assigned fund balance from June 30, 2022 of \$11,708,033 to cover expenditures in the fiscal year 2022-23 budget.

During this time of continued economic uncertainty, brought on by the coronavirus pandemic and the associated economic fallout, the fiscal year 2022-23 budget continues the City's record of strong fiscal management using sound fiscal policies. This fiscal year budget maintains a well-resourced City government, which is prepared to respond to the needs of our residents. The City does not currently anticipate any significant cash flow or liquidity issues in the near term because of COVID-19 but continues to monitor that risk. This City cannot predict the extent to which consequences arising from this uncertain economic period will impact financial conditions, operations, reserves and liquidity, but management is dedicated to monitor the unfolding impacts to ensure residents at all income levels a safe place to live and work.

### **Local Revenue Base**

Chico's local economy show steady growth in spite of economic pressures. Noted revenue percentage increases include:

- Property tax revenue increased by almost 6%
- Sales tax revenue increased 12%
- Transient occupancy tax decreased 43%

Other key economic factors reflect slow but steady growth for the City. The City is seeing a continued increase in local construction as evidenced by an increase in building permits issued, planning fees, and sales of new and existing homes.

The City will continue to budget conservatively as these continue to be unprecedented economic times.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Requests for Information**

Questions concerning any of the information provided in this report or requests for additional financial information may be requested as follows:

**US Mail**

City of Chico  
Administrative Services Director  
P.O. Box 3420  
Chico, California 95927

**Phone**

(530) 879-7349

**Email:**

[Barbara.Martin@chicoca.gov](mailto:Barbara.Martin@chicoca.gov)

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Chico Urban Area Joint Powers Financing Authority
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 118,295,043	\$ 37,166,084	\$ 155,461,127	\$ -
Restricted Cash and Investments	3,733,852	10,062,785	13,796,637	2,764,809
Receivables:				
Interest	12,380,304	-	12,380,304	-
Property Taxes	647,566	4,704	652,270	-
Accounts	2,201,919	3,162,668	5,364,587	-
Intergovernmental	21,980,474	48,460	22,028,934	-
Loans	65,567,838	-	65,567,838	-
Long-Term	1,093,092	-	1,093,092	-
Leases	1,692,800	4,292,185	5,984,985	-
Prepays	73,401	-	73,401	-
Inventory	83,748	-	83,748	-
Noncurrent Assets:				
Lease Assets, Net	107,917	-	107,917	-
Capital Assets:				
Nondepreciable	68,495,291	15,302,477	83,797,768	-
Depreciable, Net	279,140,954	124,630,958	403,771,912	-
Total Assets	575,494,199	194,670,321	770,164,520	2,764,809
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows Related to Pensions	13,733,332	1,989,641	15,722,973	-
Total Deferred Outflows of Resources	13,733,332	1,989,641	15,722,973	-
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	8,170,186	1,237,485	9,407,671	-
Accrued Salaries and Benefits	1,521,847	198,120	1,719,967	-
Intergovernmental Payable	29,358	-	29,358	-
Retention Payable	-	-	-	-
Interest Payable	-	9,004	9,004	-
Deposits	29,173	16,812	45,985	-
Unearned Revenue	16,642,508	701,385	17,343,893	-
Other Accrued Liabilities	349,344	-	349,344	-
Long-Term Liabilities:				
Due Within One Year	3,915,474	1,746,908	5,662,382	-
Due in More Than One Year	12,893,922	17,996,483	30,890,405	22,720,070
Total Pension Liability	80,948,756	14,105,679	95,054,435	-
Total Liabilities	124,500,568	36,011,876	160,512,444	22,720,070
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows Related to Pensions	31,264,308	4,957,880	36,222,188	-
Deferred Inflows Related to Leases	1,661,315	4,178,844	5,840,159	-
Total Deferred Inflows of Resources	32,925,623	9,136,724	42,062,347	-
<b>NET POSITION</b>				
Net Investment in Capital Assets	337,304,415	120,254,073	457,558,488	-
Restricted for:				
Capital Projects	61,539,792	-	61,539,792	-
Housing	78,879,310	-	78,879,310	-
Maintenance Districts	4,521,047	-	4,521,047	-
Other Government Programs	646,219	-	646,219	-
Public Safety	2,622,014	-	2,622,014	-
Unrestricted	(53,711,457)	31,257,289	(22,454,168)	(19,955,261)
Total Net Position	\$ 431,801,340	\$ 151,511,362	\$ 583,312,702	\$ (19,955,261)

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Program Revenues			Net Revenue (Expense) and Changes in Net Position			Component Unit Chico Urban Area Joint Powers Financing Authority		
	Direct Expenses	Indirect Expenses	Total Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contribution		Governmental Activities	Business-Type Activities
<b>PRIMARY GOVERNMENT</b>									
Governmental Activities:									
General Government	\$ 10,464,965	\$ -	\$ 10,464,965	\$ 2,697,750	\$ 1,596,604	\$ 11,626,008	\$ 5,455,397	\$ -	\$ 5,455,397
Public Safety	37,538,974	-	37,538,974	60,858	403,981	-	(37,074,135)	-	(37,074,135)
Public Works	17,400,703	-	17,400,703	2,333,536	8,816,394	12,251,335	6,000,562	-	6,000,562
Parks and Recreation	3,604,276	-	3,604,276	47,610	-	-	(3,556,666)	-	(3,556,666)
Arts and Culture	34,669	-	34,669	-	-	-	(34,669)	-	(34,669)
Community Development	6,002,560	-	6,002,560	8,777,096	3,797,756	-	6,572,292	-	6,572,292
Community Agencies	-	-	-	-	-	-	-	-	-
Health & Human Services	302,524	-	302,524	-	-	-	(302,524)	-	(302,524)
Interest on Long-Term Debt	64,644	-	64,644	-	-	-	(64,644)	-	(64,644)
Total Governmental Activities	75,413,315	-	75,413,315	13,916,850	14,614,735	23,877,343	(23,004,387)	-	(23,004,387)
Business-Type Activities:									
Sewer	12,767,285	488,034	13,255,319	15,041,654	-	148,027	-	1,934,362	1,934,362
Parking	1,452,084	91,039	1,543,123	861,412	-	-	-	(681,711)	(681,711)
Private Development	3,938,383	358,875	4,297,258	5,840,562	-	-	-	1,543,304	1,543,304
Airport	1,716,008	194,678	1,910,686	794,698	174,746	2,980,598	-	2,039,356	2,039,356
City Recreation	443,374	-	443,374	310,342	-	-	-	(133,032)	(133,032)
Total Business-Type Activities	20,317,134	1,132,626	21,449,760	22,848,668	174,746	3,128,625	-	4,702,279	4,702,279
Total Primary Government	\$ 95,730,449	\$ 1,132,626	\$ 96,863,075	\$ 36,765,518	\$ 14,789,481	\$ 27,005,968	\$ (23,004,387)	4,702,279	(18,302,108)
<b>COMPONENT UNIT</b>									
Chico Urban Area Joint Powers Financing Authority									
	\$ 179,563	\$ -	\$ 179,563	\$ -	\$ -	\$ 1,900,000			\$ 1,720,437
<b>GENERAL REVENUES</b>									
Taxes:									
Property Taxes							21,002,149	-	21,002,149
Sales and Use Taxes							31,483,939	-	31,483,939
Transient Occupancy Tax							3,913,104	-	3,913,104
Utility Users tax							8,800,948	-	8,800,948
Franchise Fees							4,037,572	-	4,037,572
Other Taxes							1,342,545	-	1,342,545
Grants Not Restricted to Specific Programs							-	-	-
Unrestricted Investment Earnings							(3,870,646)	(1,688,041)	(5,558,687)
Miscellaneous							510,112	15,595	525,707
Transfers							(939,151)	939,151	-
Total General Revenues and Transfers							66,280,572	(733,295)	65,547,277
<b>CHANGE IN NET POSITION</b>									
							43,276,185	3,968,984	47,245,169
Net position - Beginning of Year							388,525,155	147,542,378	536,067,533
<b>NET POSITION - END OF YEAR</b>							<b>\$ 431,801,340</b>	<b>\$ 151,511,362</b>	<b>\$ 583,312,702</b>
									<b>\$ (19,955,261)</b>

See accompanying Notes to Financial Statements.

**FUND FINANCIAL STATEMENTS**

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## FUND FINANCIAL STATEMENTS

### Governmental Fund Types

Governmental funds consist of the General Fund, special revenue funds and capital projects funds.

Major Governmental Funds include:

- **General**  
The City's primary operating fund. Accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **CDBG and HOME Housing**  
Accounts for the Community Development Block Grant (CDBG) annual federal grant program and the state and federal HOME grant programs. The CDBG program provides for development of viable urban community by providing a suitable living environment and expansion of economic opportunities, principally for low- and moderate-income residents. The HOME program provides for the development of affordable housing and mortgage subsidy programs and housing rehabilitation to benefit low-income households. Use of CDBG and HOME funding is restricted per federal guidelines.
- **Capital Grants**  
Accounts for receipts and disbursements of a variety of governmental fund capital grants.
- **Low and Moderate Income Housing Asset Fund**  
The Low- and Moderate-Income Housing Special Revenue Fund accounts for all activities resulting from the elimination of the Redevelopment Agency's low- and moderate income housing function. Primarily, this Fund utilizes program income from loan payments restricted for the development and assistance for low-income households. Use of Housing Funds is restricted according to the provisions contained in California State Assembly Bill 1X26 and California State Assembly Bill 1484.

### Proprietary Fund Types

Proprietary funds consist of the enterprise funds and the internal service funds. Major enterprise funds include:

- **Sewer**  
Accounts for sanitary sewer collection system and Water Pollution Control Plant operations including major repair and replacement of the City's Water Pollution Control Plant facilities.
- **Parking**  
Accounts for parking facilities operations and improvements, and debt service on the 1994 Parking Revenue Bonds issued to finance the downtown parking structure.
- **Private Development**  
Accounts for private development planning and building inspection and subdivision planning and inspection.

**Proprietary Fund Types (Continued)**

- **Airport**  
Accounts for airport operations and improvements.

**Fiduciary Fund Type**

Fiduciary funds include:

- **Private-Purpose Trust Fund**  
Accounts for the assets, liabilities and activities of the Successor Agency to the Chico Redevelopment Agency.
- **Custodial Fund**  
Accounts for assets held in an agency capacity for parties outside the City. The resources of this fund cannot be used to support the City's own programs. The Fund accounts for assets held by the City as an agent for bonded assessment districts.

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**CITY OF CHICO, CALIFORNIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	General Fund	CDBG & HOME Housing	Public Facilities Impact Fees	Capital Grants	Low and Moderate Income Housing Housing Asset Funds	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 45,467,735	\$ -	\$ 33,892,317	\$ -	\$ 1,123,609	\$ 25,272,379	\$ 105,756,040
Restricted Cash and Investments	3,146,752	-	-	-	-	102,100	3,248,852
Receivables:							
Interest	315,713	976,293	-	-	11,088,114	184	12,380,304
Property Taxes	613,704	-	-	-	-	33,862	647,566
Accounts	1,955,697	-	-	-	-	52,353	2,008,050
Intergovernmental	7,068,643	1,419,303	-	11,767,116	-	1,692,946	21,948,008
Loans	-	10,093,227	-	-	55,456,582	18,029	65,567,838
Long-Term Leases	1,692,800	-	1,093,092	-	-	-	1,093,092
Due from Other Funds	11,046,789	-	-	-	-	-	11,046,789
Prepaid Items	51,681	-	-	-	-	-	51,681
Advances to Other Funds	-	-	38,377	-	-	-	38,377
<b>Total Assets</b>	<b>\$ 71,359,514</b>	<b>\$ 12,488,823</b>	<b>\$ 35,023,786</b>	<b>\$ 11,767,116</b>	<b>\$ 67,668,305</b>	<b>\$ 27,171,853</b>	<b>\$ 225,479,397</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 3,266,446	\$ 158,160	\$ 1,877,783	\$ 1,557,262	\$ 20,276	\$ 495,446	\$ 7,375,373
Accrued Salaries and Benefits	1,372,732	10,000	-	-	5,319	49,264	1,437,315
Deposits	9,173	-	-	-	20,000	-	29,173
Intergovernmental Payable	26,303	3,055	-	-	-	-	29,358
Due to Other Funds	-	1,061,008	-	9,942,039	-	42,239	11,045,286
Unearned Revenue	15,957,614	-	-	504,501	-	180,393	16,642,508
Other Accrued Liabilities	349,344	-	-	-	-	-	349,344
Advances from Other Funds	-	-	-	-	-	38,377	38,377
<b>Total Liabilities</b>	<b>20,981,612</b>	<b>1,232,223</b>	<b>1,877,783</b>	<b>12,003,802</b>	<b>45,595</b>	<b>805,719</b>	<b>36,946,734</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Housing Loan Interest Revenue	-	976,293	-	-	11,088,114	-	12,064,407
Unavailable Revenue	1,219,016	-	1,093,092	11,549,136	623,754	-	14,484,998
Deferred Lease Revenue	1,661,315	-	-	-	-	-	1,661,315
<b>Total Deferred Inflows of Resources</b>	<b>2,880,331</b>	<b>976,293</b>	<b>1,093,092</b>	<b>11,549,136</b>	<b>11,711,868</b>	<b>-</b>	<b>28,210,720</b>
<b>FUND BALANCES</b>							
Nonspendable	51,681	-	-	-	-	-	51,681
Restricted	2,660,960	10,280,307	32,052,911	-	55,910,842	20,753,957	121,658,977
Committed	13,780,149	-	-	-	-	-	13,780,149
Assigned	26,454,678	-	-	-	-	5,843,592	32,298,270
Unassigned	4,550,103	-	-	(11,785,822)	-	(231,415)	(7,467,134)
<b>Total Fund Balances</b>	<b>47,497,571</b>	<b>10,280,307</b>	<b>32,052,911</b>	<b>(11,785,822)</b>	<b>55,910,842</b>	<b>26,366,134</b>	<b>160,321,943</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 71,359,514</b>	<b>\$ 12,488,823</b>	<b>\$ 35,023,786</b>	<b>\$ 11,767,116</b>	<b>\$ 67,668,305</b>	<b>\$ 27,171,853</b>	<b>\$ 225,479,397</b>

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2022**

Total Fund Balances (Deficit) - Total Governmental Funds \$ 160,321,943

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

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		347,584,974
Deferred outflows of resources reported in the statement of net position related to pension.		12,859,722
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenues in the fund statements.		26,549,405
Interest payable on long-term debt does not require current financial resources, therefore, interest payable is not reported as a liability in the fund statements.		-
Deferred inflows of resources reported in the statement of net position related to pension		(29,087,407)
Internal service funds are used by management to charge the costs of activities to individual funds. The assets and liabilities are included of internal service funds are included in governmental activities in the statement of net position.		(2,611,898)
Some liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements.		
Net Pension Liability	\$ (74,755,249)	
Capital Lease Payable	(6,001,056)	
Compensated Absences	(3,059,094)	(83,815,399)
Net Position of Governmental Activities		\$ 431,801,340

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	General Fund	CDBG and HOME Housing	Public Facilities Impact Fees	Capital Grants	Low and Moderate Income Housing Asset Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>							
Property Taxes	\$ 21,002,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,002,149
Sales and Use Taxes	31,483,939	-	-	-	-	-	31,483,939
Franchise Fees	4,037,572	-	-	-	-	-	4,037,572
Transient Occupancy Tax	3,913,104	-	-	-	-	-	3,913,104
Other Taxes	10,133,589	-	-	-	9,904	-	10,143,493
Licenses and Permits	78,903	-	-	-	-	-	78,903
Intergovernmental	7,744,936	3,797,756	-	5,477,676	-	9,220,375	26,240,743
Charges for Services	255,878	-	8,765,474	-	1,517	2,668,505	11,691,374
Fines, Forfeitures, and Penalties	753,266	-	-	-	-	60,858	814,124
Use of Money and Property	(1,584,476)	6,172	(1,246,772)	-	230,287	(782,103)	(3,376,892)
Miscellaneous	417,419	-	-	9,969	4,000	65,181	496,569
Total Revenues	78,236,279	3,803,928	7,518,702	5,487,645	245,708	11,232,816	106,525,078
<b>EXPENDITURES</b>							
Current:							
General Government	4,704,823	-	-	423,257	-	1,113,629	6,241,709
Public Safety	45,328,840	-	-	-	-	622,358	45,951,198
Public Works	4,796,020	-	-	-	-	5,206,756	10,002,776
Parks and Recreation	3,647,963	-	-	-	-	124,344	3,772,307
Arts and Culture	34,669	-	-	-	-	-	34,669
Community Development	1,274,870	1,207,984	3,501,302	-	399,316	-	6,383,472
Health & Human Services	302,524	-	-	-	-	-	302,524
Capital Outlay:							
Capital Outlay - Operations	10,782,276	-	4,272,322	16,015,876	-	4,832,471	35,902,945
Debt Services:							
Principal Retirement	443,788	-	-	-	-	-	443,788
Interest and Fiscal Charges	62,534	-	-	-	-	2,110	64,644
Total Expenditures	71,378,307	1,207,984	7,773,624	16,439,133	399,316	11,901,668	109,100,032
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	6,857,972	2,595,944	(254,922)	(10,951,488)	(153,608)	(668,852)	(2,574,954)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	2,748,940	37,958	-	-	-	5,000,035	7,786,933
Transfers Out	(5,989,069)	-	(87,655)	-	(37,958)	(2,191,088)	(8,305,770)
Debt Issued	4,446,970	-	-	-	-	-	4,446,970
Total Other Financing Sources (Uses)	1,206,841	37,958	(87,655)	-	(37,958)	2,808,947	3,928,133
<b>NET CHANGE IN FUND BALANCES</b>	8,064,813	2,633,902	(342,577)	(10,951,488)	(191,566)	2,140,095	1,353,179
Fund Balances - Beginning of Year	39,432,758	7,646,405	32,395,488	(834,334)	56,102,408	24,226,039	158,968,764
<b>FUND BALANCES - END OF YEAR</b>	\$ 47,497,571	\$ 10,280,307	\$ 32,052,911	\$ (11,785,822)	\$ 55,910,842	\$ 26,366,134	\$ 160,321,943

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ 1,353,179

Amounts reported for governmental activities in the statement of revenues, expenditures, and changes in fund balances were different because:

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

Capital Outlay	\$ 33,459,080	
Depreciation Expense	<u>(12,463,641)</u>	20,995,439

The net effect of various miscellaneous transactions involving capital assets (i.e., disposals, transfers, donations, etc.) was to increase (decrease) net position.

Capital Contributions		1,013,822
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Unavailable Revenues		12,330,606
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal Retirement		443,788
Issuance of Debt		<u>(4,446,970)</u>

Some expenses reported in the statement of activities do not require the use of current financial resources. Therefore, they are not reported as expenditures in governmental funds:

Change in Net Pension Liability	(10,174,351)	
Change in Compensated Absences	<u>(277,210)</u>	10,451,561

Internal service funds were used by management to charge the costs of certain activities to individual funds. A portion of the net revenue (expense) of internal service funds is reported with governmental activities.

		<u>1,134,760</u>
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Change in Net Position of Governmental Activities		<u>\$ 43,276,185</u>
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See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities Internal Service Funds
	Sewer	Parking	Private Development	Airport	Non Major City Recreation		
<b>ASSETS</b>							
Current Assets:							
Cash and Investments	\$ 26,292,989	\$ 2,228,075	\$ 6,013,904	\$ 2,473,604	\$ 157,512	\$ 37,166,084	\$ 12,539,003
Receivables:							
Accounts	2,705,268	2,661	341,338	113,401	-	3,162,668	193,869
Intergovernmental	166	-	-	48,294	-	48,460	32,466
Taxes	4,704	-	-	-	-	4,704	-
Leases	-	-	-	4,292,185	-	4,292,185	-
Due from Other Funds	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	83,748
Prepaid Expenses	-	-	-	-	-	-	21,720
Total Current Assets	<u>29,003,127</u>	<u>2,230,736</u>	<u>6,355,242</u>	<u>6,927,484</u>	<u>157,512</u>	<u>44,674,101</u>	<u>12,870,806</u>
Noncurrent Assets:							
Lease Assets, Net	-	-	-	-	-	-	107,917
Cash and Investments with Agent	10,062,785	-	-	-	-	10,062,785	485,000
Capital Assets:							
Land and Construction in Progress	6,942,166	1,239,403	-	7,120,908	-	15,302,477	30,391
Other Capital Assets, Net of Accumulated Depreciation	110,205,421	1,243,187	37,125	13,145,225	-	124,630,958	20,880
Total Noncurrent Assets	<u>127,210,372</u>	<u>2,482,590</u>	<u>37,125</u>	<u>20,266,133</u>	<u>-</u>	<u>149,996,220</u>	<u>644,188</u>
Total Assets	<u>156,213,499</u>	<u>4,713,326</u>	<u>6,392,367</u>	<u>27,193,617</u>	<u>157,512</u>	<u>194,670,321</u>	<u>13,514,994</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred Outflows Related to Pensions	921,967	140,617	827,161	99,896	-	1,989,641	873,610
<b>LIABILITIES</b>							
Current Liabilities:							
Accounts Payable	407,708	464,916	311,713	53,078	70	1,237,485	794,813
Due to Other Cash Funds	-	-	-	-	-	-	1,503
Accrued Salaries and Benefits Payable	97,134	11,881	78,764	10,341	-	198,120	84,532
Interest Payable	9,004	-	-	-	-	9,004	-
Deposits	-	-	16,812	-	-	16,812	-
Compensated Absences - Current Portion	23,449	1,202	25,117	2,140	-	51,908	20,254
Lease Liability - Current	-	-	-	-	-	-	52,536
Claims Liability - Current Portion	-	-	-	-	-	-	2,667,710
Revenue Bonds Payable - Current Portion	1,695,000	-	-	-	-	1,695,000	-
Unearned Revenue	-	-	701,385	-	-	701,385	-
Total Current Liabilities	<u>2,232,295</u>	<u>477,999</u>	<u>1,133,791</u>	<u>65,559</u>	<u>70</u>	<u>3,909,714</u>	<u>3,621,348</u>
Noncurrent Liabilities:							
Revenue Bonds Payable, Net	17,544,312	-	-	-	-	17,544,312	-
Compensated Absences	204,258	10,468	218,802	18,643	-	452,171	176,430
Lease Liability	-	-	-	-	-	-	58,225
Claims Liability	-	-	-	-	-	-	4,774,091
Net Pension Liability	6,536,338	996,916	5,864,209	708,216	-	14,105,679	6,193,507
Total Noncurrent Liabilities	<u>24,284,908</u>	<u>1,007,384</u>	<u>6,083,011</u>	<u>726,859</u>	<u>-</u>	<u>32,102,162</u>	<u>11,202,253</u>
Total Liabilities	<u>26,517,203</u>	<u>1,485,383</u>	<u>7,216,802</u>	<u>792,418</u>	<u>70</u>	<u>36,011,876</u>	<u>14,823,601</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred Inflows Related to Pensions	2,297,399	350,397	2,061,159	248,925	-	4,957,880	2,176,901
	-	-	-	4,178,844	-	4,178,844	-
Total Deferred Inflows of Resources	<u>2,297,399</u>	<u>350,397</u>	<u>2,061,159</u>	<u>4,427,769</u>	<u>-</u>	<u>9,136,724</u>	<u>2,176,901</u>
<b>NET POSITION</b>							
Net Investment in Capital Assets	97,908,275	2,042,540	37,125	20,266,133	-	120,254,073	48,427
Unrestricted	30,412,589	975,623	(2,095,558)	1,807,193	157,442	31,257,289	(2,660,325)
Total Net Position	<u>\$ 128,320,864</u>	<u>\$ 3,018,163</u>	<u>\$ (2,058,433)</u>	<u>\$ 22,073,326</u>	<u>\$ 157,442</u>	<u>\$ 151,511,362</u>	<u>\$ (2,611,898)</u>

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental
	Sewer	Parking	Private Development	Airport	Non Major City Recreation		Activities Internal Service Funds
<b>OPERATING REVENUES</b>							
Charges for Services	\$ 15,017,656	\$ 861,412	\$ 3,108,262	\$ 96,356	\$ 310,342	\$ 19,394,028	\$ 23,136,253
Licenses and Permits	-	-	2,732,300	-	-	2,732,300	-
Rental Charges	23,998	-	-	698,342	-	722,340	62,787
Total Operating Revenues	15,041,654	861,412	5,840,562	794,698	310,342	22,848,668	23,199,040
<b>OPERATING EXPENSES</b>							
Salaries and Benefits	3,280,942	288,529	2,124,835	115,825	23,114	5,833,245	2,533,849
Materials and Supplies	1,024,100	41,501	27,576	15,173	27,840	1,136,190	576,463
Purchased Services	1,079,706	155,478	1,017,110	128,522	392,420	2,773,236	4,291,560
Amortization	-	-	-	-	-	-	51,801
Other Expenses	2,784,409	926,123	1,126,123	363,890	-	5,200,545	13,947,699
Depreciation	5,026,622	131,492	1,614	1,287,276	-	6,447,004	1,740
Total Operating Expenses	13,195,779	1,543,123	4,297,258	1,910,686	443,374	21,390,220	21,403,112
<b>OPERATING INCOME (LOSS)</b>	1,845,875	(681,711)	1,543,304	(1,115,988)	(133,032)	1,458,448	1,795,928
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Intergovernmental	-	-	-	174,746	-	174,746	-
Investment Expense	(1,375,320)	(77,346)	(196,647)	(29,202)	(9,526)	(1,688,041)	(254,397)
Interest Expense	(59,540)	-	-	-	-	(59,540)	-
Miscellaneous Revenue (Expense)	-	5,000	3,240	7,355	-	15,595	13,543
Total Nonoperating Revenues (Expenses)	(1,434,860)	(72,346)	(193,407)	152,899	(9,526)	(1,557,240)	(240,854)
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	411,015	(754,057)	1,349,897	(963,089)	(142,558)	(98,792)	1,555,074
Capital Contributions	148,027	-	-	2,980,598	-	3,128,625	-
Transfers In	-	291,843	570,957	256,732	300,000	1,419,532	-
Transfers Out	(143,050)	(3,600)	(267,811)	(65,920)	-	(480,381)	(420,314)
<b>CHANGE IN NET POSITION</b>	415,992	(465,814)	1,653,043	2,208,321	157,442	3,968,984	1,134,760
Net Position - Beginning of Year	127,904,872	3,483,977	(3,711,476)	19,865,005	-	147,542,378	(3,746,658)
<b>NET POSITION - END OF YEAR</b>	\$ 128,320,864	\$ 3,018,163	\$ (2,058,433)	\$ 22,073,326	\$ 157,442	\$ 151,511,362	\$ (2,611,898)

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Sewer	Parking	Private Development	Airport	Nonmajor City Recreation		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from Customers and Users	\$ 14,896,087	\$ 861,412	\$ 5,854,772	\$ 3,841,928	310,342	\$ 25,764,541	\$ -
Receipts from Interfund Services Provided	-	-	-	-	-	-	23,177,780
Payments to Suppliers and Claimants	(4,621,684)	(446,646)	(2,068,085)	(3,485,526)	(420,190)	(11,042,131)	(18,719,891)
Payments to Employees	(2,965,970)	(568,511)	(2,634,482)	(320,011)	(23,114)	(6,512,088)	(2,787,614)
Payments for Interfund Services Used	-	-	-	-	-	-	-
Net Cash Provided (Used) by Operating Activities	7,308,433	(153,745)	1,152,205	36,391	(132,962)	8,210,322	1,670,275
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Interfund Borrowings	-	-	-	-	-	-	2,641,426
Grants and Subsidies from Other Governmental Agencies	-	5,000	3,239	(2,798,498)	-	(2,790,259)	-
Transfers In	-	291,843	570,957	256,732	300,000	1,419,532	-
Transfers Out	(143,050)	(3,600)	(267,811)	(65,920)	-	(480,381)	(420,314)
Net Cash Provided (Used) by Noncapital Financing Activities	(143,050)	293,243	306,385	(2,607,686)	300,000	(1,851,108)	2,221,112
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Acquisition and Construction of Capital Assets	(4,194,982)	-	(38,739)	(171,141)	-	(4,404,862)	-
Principal Paid on Long-Term Debt	(2,340,997)	-	-	-	-	(2,340,997)	-
Interest Paid	(59,544)	-	-	-	-	(59,544)	-
Capital Grants Received	148,027	-	-	2,980,598	-	3,128,625	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(6,447,496)	-	(38,739)	2,809,457	-	(3,676,778)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest Paid	(1,375,320)	(77,346)	(196,647)	(29,202)	(9,526)	(1,688,041)	(254,396)
Other noncapital revenues	-	-	-	-	-	-	-
Net Cash Provided (Used) by Investing Activities	(1,375,320)	(77,346)	(196,647)	(29,202)	(9,526)	(1,688,041)	(254,396)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(657,433)	62,152	1,223,204	208,960	157,512	994,395	3,636,991
Cash and Cash Equivalents - Beginning of Year	37,013,207	2,165,923	4,790,700	2,264,644	-	46,234,474	9,387,012
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 36,355,774	\$ 2,228,075	\$ 6,013,904	\$ 2,473,604	157,512	\$ 47,228,869	\$ 13,024,003
<b>RECONCILIATION TO STATEMENT OF NET POSITION</b>							
Cash and Investments	\$ 26,292,989	\$ 2,228,075	\$ 6,013,904	\$ 2,473,604	\$ 157,512	\$ 37,008,572	\$ 13,024,003
Cash and Investments with Agent	10,062,785	-	-	-	-	10,062,785	20,125,570
<b>CASH AND INVESTMENTS - END OF YEAR</b>	\$ 36,355,774	\$ 2,228,075	\$ 6,013,904	\$ 2,473,604	\$ 157,512	\$ 47,071,357	\$ 33,149,573

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities Internal Service Funds
	Sewer	Parking	Private Development	Airport	Nonmajor City Recreation		
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>							
Operating Income (Loss)	\$ 1,845,875	\$ (681,711)	\$ 1,543,304	\$ (1,115,988)	(133,032)	\$ 1,458,448	\$ 1,795,928
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Depreciation and amortization	5,026,622	131,492	1,614	1,287,276	-	6,447,004	53,541
Decrease (increase) in:							
Accounts Receivable	(147,602)	-	(115,352)	(57,963)	-	(320,917)	-
Intergovernmental Receivable	2,035	-	-	3,218,534	-	3,220,569	(21,260)
Inventory and other assets	-	-	-	-	-	-	(57,016)
Disposal of capital assets	95,879	98,986	-	-	-	194,865	-
Leases	-	-	-	(113,341)	-	(113,341)	(48,957)
Deferred outflow pension	2,151	25,943	96,957	29,408	-	154,459	71,692
Increase (decrease) in:							
Accounts payable	232,365	455,605	102,724	(2,977,941)	70	(2,187,177)	347,452
Accrued Liabilities	(41,148)	2,752	5,598	3,041	-	(29,757)	15,134
Claims liability	-	-	-	-	-	-	(145,648)
Compensated absences	9,466	7,073	13,377	2,681	-	32,597	35,976
Unearned Revenue	-	-	132,792	-	-	132,792	-
Deposits	-	-	(3,230)	-	-	(3,230)	-
Net pension liability	(1,943,387)	(531,445)	(2,615,516)	(478,276)	-	(5,568,624)	(2,480,614)
Deferred inflow pension	2,226,177	337,560	1,989,937	238,960	-	4,792,634	2,104,047
Total Adjustments	<u>5,462,558</u>	<u>527,966</u>	<u>(391,099)</u>	<u>1,152,379</u>	<u>70</u>	<u>6,751,874</u>	<u>(125,653)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,308,433</u>	<u>\$ (153,745)</u>	<u>\$ 1,152,205</u>	<u>\$ 36,391</u>	<u>(132,962)</u>	<u>\$ 8,210,322</u>	<u>\$ 1,670,275</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>							
Contributions of capital assets	<u>\$ 1,078,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 1,078,078</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.



**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF CUSTODIAL NET POSITION**  
**CUSTODIAL FUNDS**  
**JUNE 30, 2022**

	Private-purpose Trust Fund	Custodial Funds
<b>ASSETS</b>		
Restricted Cash and Investments	\$ 6,032,318	\$ 542,439
Receivables:		
Loans	500,473	19,863
Capital Assets - Land	1,667,105	-
Total Assets	8,199,896	562,302
<b>LIABILITIES</b>		
Accounts Payable	494	-
Special Assessment Deposits	-	562,302
Long-Term Liabilities:		
Due Within One Year	4,795,000	-
Due in More Than One Year	48,598,389	-
Total Liabilities	53,393,883	562,302
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Amount on Bond Refunding	325,543	-
<b>NET POSITION</b>		
Total Net Position (Deficit) Held in Trust	\$ (45,519,530)	\$ -

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF CHANGES IN CUSTODIAL NET POSITION**  
**CUSTODIAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Private-Purpose Trust Fund	Custodial Funds
<b>ADDITIONS</b>		
Property Taxes	\$ 8,252,785	\$ -
Sale of Capital Asset	-	-
Use of Money and Property	(110,320)	(2,119)
Reimbursements	-	35,545
Total Additions	8,142,465	33,426
<b>DEDUCTIONS</b>		
Redevelopment Obligations	1,900,000	5,447
Interest on Bonds Payable	1,636,305	1,174
Distribution of Sales Proceeds	-	-
City Administrative Expenses	143,145	26,805
Total Deductions	3,679,450	33,426
<b>CHANGE IN NET POSITION</b>	4,463,015	-
Net Position - Beginning of Year	(49,982,545)	-
<b>NET POSITION - END OF YEAR</b>	\$ (45,519,530)	\$ -

See accompanying Notes to Financial Statements.

**NOTES TO FINANCIAL STATEMENTS**

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**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. The Financial Reporting Entity**

The City of Chico, California (City) was incorporated on February 5, 1872, under the laws of the state of California. The City is a charter city and is governed by a seven-member City Council. The City provides a full range of services including police and fire protection; sanitation; parking, and transportation services; the construction and maintenance of highways, streets and infrastructure; and recreational activities and cultural events. The City's reporting entity includes all of the funds of the City, as well as the Chico Urban Area Joint Powers Financing Authority (JPFA) which is reported as a discretely presented component unit as the economic resources of the JPFA directly benefit the City and its inclusion is considered necessary to ensure complete financial reporting.

**B. Discretely Presented Component Unit**

Chico Urban Area Joint Powers Financing Authority

In August 2005, the governing boards of the Chico Redevelopment Agency, which due to State Assembly Bill 1X 26 is now known as the Successor Agency to the Chico Redevelopment Agency, and the County of Butte, established a joint powers agency known as the Chico Urban Area Joint Powers Financing Authority (JPFA) to facilitate the financing, construction, and installation of sewer facilities and improvements in the greater Chico urban area. The JPFA was formed pursuant to the provisions of the joint powers' laws of the state of California, as set forth in Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Government Code Section 6500). Subsequent to dissolution of the Chico Redevelopment Agency, the governing Board of the JPFA is composed of two members of the Butte County Board of Supervisors and two members of the Chico City Council. The JPFA is authorized to obtain state or federal loans for the purpose of financing the construction and installation of sewer facilities and improvements. The financial activity of the JPFA is included in the City of Chico's financial statements as a discretely presented component unit as the JPFA provides a financial benefit by contributing to the City's Sewer Enterprise Fund. Complete financial statements of the JPFA may be obtained from the Administrative Services Department of the City of Chico at 411 Main Street, Chico, California 95928.

**C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**C. Government-Wide and Fund Financial Statements (Continued)**

For the most part, the effect of interfund activity has been removed from 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, investment earnings, and other items, which are excluded from program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter 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.

The City reports the following major governmental funds:

**General Fund**

The General Fund 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.

**CDBG and HOME Housing Special Revenue Fund**

The CDBG and HOME Housing Special Revenue Fund accounts for the Community Development Block Grant (CDBG) annual federal grant program and the state and federal HOME grant programs. The CDBG program provides for the development of a viable urban community by providing a suitable living environment and expansion of economic opportunities, principally for low- and moderate-income residents. The HOME program provides for the development of affordable housing and mortgage subsidy programs and housing rehabilitation to benefit low-income households. Use of CDBG and HOME funding is restricted per federal guidelines.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**C. Government-Wide and Fund Financial Statements (Continued)**

**Public Facilities Impact Fee Capital Projects Fund**

The Public Facilities Impact Fee Capital Projects Fund accounts for the collection of and expenditures of fees imposed as a condition of new development within the City. Impact fees have been established for each of the following types of public facilities:

- Bikeway Improvement
- Street Facility Improvement
- Storm Drainage Facility
- Sewer Trunk Line Capacity
- Water Pollution Control Plant Capacity
- Sewer Lift Stations
- Community Parks
- Bidwell Park Land Acquisition
- Major Maintenance Equipment
- Administrative Building
- Fire Protection Building and Equipment
- Police Protection Building and Equipment
- Neighborhood Parks

**Capital Grants Capital Projects Fund**

The Capital Grants Capital Projects Fund accounts for the receipts and disbursements for a variety of governmental fund capital grants.

**Low and Moderate Income Housing Asset Special Revenue Fund**

The Low and Moderate Income Housing Asset Special Revenue Fund accounts for all activities resulting from the elimination of the Redevelopment Agency's low and moderate housing function. Primarily, this Fund utilizes program income from loan payments restricted for the development and assistance for low-income households. New loans conveyed to the Fund from the Successor Agency are recorded as other transfers from the private-purpose trust fund. Use of these Housing Funds is restricted according to the provisions contained in California State Assembly Bill 1X26 and California State Assembly Bill 1484.

The City reports the following major proprietary funds:

**Sewer Enterprise Fund**

The Sewer Enterprise Fund accounts for sanitary sewer collection system and Water Pollution Control Plant operations, including major repair and replacement of the City's Water Pollution Control Plant facilities.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**C. Government-Wide and Fund Financial Statements (Continued)**

**Parking Enterprise Fund**

The Parking Enterprise Fund accounts for parking facilities operations and improvements.

**Private Development Enterprise Fund**

The Private Development Enterprise Fund accounts for private development planning and building inspection and subdivision planning and inspection.

**Airport Enterprise Fund**

The Airport Enterprise Fund accounts for airport operations and improvements.

Additionally, the City reports the following fund types:

**Internal Service Funds**

Internal Service Funds account for self-insurance, central garage, municipal building maintenance, pension funding, and information services provided to other departments or agencies of the City on a cost-reimbursement basis.

**Private-Purpose Trust Fund**

The Private-Purpose Trust Fund is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, deferred inflows, liabilities, and activities of the Successor Agency of the City of Chico Redevelopment Agency (Successor Agency) and the Chico Public Financing Authority which is also included within the Successor Agency's fiscal activity.

**Custodial Fund**

The Custodial Fund is custodial in nature and does not involve measurement of results of operations. The Fund accounts for assets held by the City as an agent for bonded assessment districts.

**D. Basis of Presentation, Basis of Accounting, and Measurement Focus**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**D. Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales tax true up payments, which the City considers to be available if they are collected within seven months of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, certain expenditures, such as principal, interest, and compensated absences, are recorded as fund liabilities only when they become due and payable. The City includes certain indirect costs as program expenses, which are reported in the City's functional activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are exchange or exchange-like transactions between functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. Fiduciary funds report the Private Purpose Trust Funds and Custodial Funds.

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



**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity**

Cash and Investments

Cash and investments (including restricted assets) held in the City's investment pool are reported as cash and cash equivalents in the statements of cash flows of the proprietary fund types.

Investments are recorded at fair value. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Restricted Cash and Investments

Restricted cash and investments represent amounts that are restricted for debt service, capital projects, and other amounts held in connection with the City's self-insurance programs.

Receivables and Payables

Balances representing lending/borrowing transactions between funds outstanding at the end of the fiscal year are reported as either "due from/due to other funds" (amounts due within one year) or "advances to/from other funds" (noncurrent portions of interfund lending/borrowing transactions). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances to other funds are offset by nonspendable fund balance in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All property taxes are collected and allocated by the County of Butte to the various taxing entities. Property taxes are determined annually as of March 1 and attach as an enforceable lien on real property as of January 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The City participates in the County "Teeter Plan" method of property tax distribution. Under the Teeter Plan, the County remits property taxes to the City based on assessments, not on collections. Property tax is recognized when it is measurable and available. The City considers property tax as available if it is received within 60 days after year-end.

Revenue from taxpayer-assessed taxes (sales and use, business license, transient occupancy, utility users, gas, and franchise fees) are accrued in the governmental funds when they are both measurable and available. The City considers these revenues available if they are received during the period when settlement of prior fiscal year accounts payable occurs. Historically, the majority of these taxes are received within 60 days of the fiscal year-end; therefore, revenue from taxpayer-assessed taxes is accrued if it is received by August 31.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Receivables and Payables (Continued)

The City records its receivables as follows:

1. Interest receivable represents interest earned by the City's cash and investment pool at year end and available within the 60-day availability period. In addition, interest receivable also includes interest from loans receivable with the portion available within 60 days recorded as revenue and the portion not available within 60 days recorded as unavailable revenue or deferred inflows of resources.
2. Property taxes receivable represents property taxes received from Butte County within the 60-day availability period.
3. Accounts receivable represents amounts due from nongovernmental entities for revenue earned and available at year-end. These include transient occupancy taxes, franchise fees, and utility user taxes.
4. Intergovernmental receivables represent amounts due from governmental entities for revenue earned and available at year-end and within the 60-day availability period. These include sales taxes, grants, and other revenue from federal, state, and county sources.

Grant and entitlement revenues are recorded as receivables in the funds when they are susceptible to accrual (i.e., when all eligibility requirements have been met). The corresponding governmental fund revenues are recorded when they become measurable and available, with the differences recorded as deferred inflows of resources. The corresponding proprietary fund grant revenues are recorded as nonoperating revenues when the receivables are recorded.

Inventories

Inventories consist of expendable supplies held for consumption and are valued at cost using the first-in/first-out (FIFO) method. The cost is recorded as inventory when items are purchased and as expenses when the items are used.

Capital Assets

Capital assets, which include land, easements, buildings, improvements, equipment, and infrastructure are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as equipment with an initial individual cost of more than \$20,000 and all other capital assets with an initial individual cost of more than \$100,000 and an estimated useful life in excess of one year.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Capital Assets (Continued)

In addition, the City capitalizes all capital assets with an individual cost of \$5,000 for all assets acquired with federal funds. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets, which include land, easements, buildings, improvements, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as equipment with an initial individual cost of more than \$20,000 and all other capital assets with an initial individual cost of more than \$100,000 and an estimated useful life in excess of one year. In addition, the City capitalizes all capital assets with an individual cost of \$5,000 for all assets acquired with federal funds. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is recorded using the straight-line method over the following estimated useful lives of the assets:

Buildings	30 to 40 Years
Improvements Other Than Buildings	20 to 50 Years
Equipment, Furniture, and Vehicles	3 to 30 Years
Roadways	50 Years
Bridges	30 to 50 Years
Drainage	50 Years

Capital leases are recorded as an asset and an obligation at an amount equal to the present value at the beginning of the lease term of future minimum lease payments during the lease term.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation, sick leave, and compensatory time. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. The City's liability for compensated absences is recorded in various governmental funds or proprietary funds as appropriate. For all governmental funds, amounts expected to be paid out of current financial resources are recorded as fund liabilities; as these liabilities represent the matured value due to retirement or resignations; the long-term portion is recorded in the statement of net position.

Compensated absences are liquidated by the fund that has recorded the liability only when matured. The long-term portion of governmental activities is liquidated primarily by the General Fund.

Long-Term Debt

In the government-wide financial statements, proprietary fund types, and fiduciary fund types in the fund financial statements, long-term debt, along with other long-term obligations are reported as long-term liabilities. 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.

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 financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are expensed in the period incurred.

Fund Balance

In the fund financial statements, the City's Governmental Funds report the following fund balances:

*Nonspendable Fund Balances* – These are not expected to be converted to cash within the next operating cycle and are typically comprised of long-term receivables, prepaid items, and advances to other funds.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Fund Balance (Continued)

*Restricted Fund Balances* – These include amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Restrictions are also recorded for long-term loans receivable that originate from funding sources that are externally restricted.

*Committed Fund Balances* – These include amounts that can be used only for the specific purposes determined by a formal action of the City Council. The City Council has authority to establish, modify, or rescind a fund balance commitment through a City Resolution.

*Assigned Fund Balances* – These include amounts that are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed. As contained in the City's budget policies, the City Council has authorized the City Manager to establish, modify, or rescind a fund balance assignment made within the confines of the budget policies.

*Unassigned Fund Balance* – This is the residual classification for the City's funds and includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that may report a positive unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

Net Position

In the government-wide statements, the City's net position is classified in the following categories:

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

*Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Net Position (Continued)

*Unrestricted Net Position* – This category represents the net position of the City, which is not restricted or invested in capital assets net of related debt for any project or other purpose.

When both restricted and unrestricted resources are available for use, it is the City's practice to use restricted resources first followed by unrestricted resources as they are needed.

Reserve Policies

The City Council has established policies for operating reserves, emergency reserves, and compensated absence reserves. The operating reserve is targeted at 7-1/2% of General Fund operating expenditures. The emergency reserve was established to help buffer the City from issues such as fluctuation in sales tax, changes in state laws that impact City finances, and other catastrophic events. The desired level of the emergency reserve is 20% of General Fund operating expenditures. The compensated absence reserve is targeted at 50% of the citywide liability for leave payouts when employees separate from City employment. The City is meeting desired operating and emergency reserve as of June 30, 2022.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualify for reporting in this category. It is the deferred outflows related to pensions reported in the government-wide statement of net position. This item represents pension contributions made subsequent to the measurement date and is discussed in Notes 12.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has several types of deferred inflows of resources. Deferred inflows related to pensions that are reflected in the statements of net position. These items are further discussed in Notes 12. Two items, unavailable housing loan interest revenue and unavailable revenue, arise only under a modified accrual basis of accounting. Accordingly, these items are reported only in the governmental funds statement of net position and are discussed in Note 4. The Private Purpose Trust fund includes deferred inflow related to the deferred amount on refunding.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**F. 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 and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**G. Other Significant Accounting Policies**

Budgetary Data

The annual operating budget is adopted by the City Council on or before the first meeting in July each year on a basis consistent with accounting principles generally accepted in the United States of America. The appropriated budget is prepared by fund, department, function, and activity. The City Manager is authorized to transfer budget amounts up to \$50,000 between departments without City Council approval. Any budget transfers in excess of \$50,000 must be approved by City Council. All City governmental and proprietary funds have approved budgets. Original appropriations are adjusted by supplemental appropriations and budget modifications approved during the year, creating the modified adopted budget.

Budgetary comparisons and reconciliations are included in Required Supplementary Information as Schedules of Revenue and Changes in Fund Balance – Budget and Actual, for the General Fund, CDBG and HOME Housing Fund, and the Low and Moderate Income Housing Asset Fund. In addition, a budgetary comparison and reconciliation is included in the Supplemental Budgetary Comparisons section as Schedules of Revenue and Changes in Fund Balance – Budget and Actual, for the Capital Grants Fund. Annual budgets are adopted on a budgetary basis.

Interfund Transactions

Interfund transactions between funds are reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivables or payables as appropriate, and are subject to elimination upon consolidation. The City transfers resources among funds in the course of normal operations. Services provided, deemed to be at market or near market rates, such as vehicle maintenance, are accounted for as revenues and expenditures/expenses. Transactions to reimburse a fund for expenditures/expenses initially made from it that are applicable to another fund are recorded as expenditures/expenses in the correct fund and as reductions of expenditures/expenses in the original fund. All other interfund transactions are reported as transfers.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**H. Implementation of New Governmental Accounting Standards**

The Governmental Accounting Standards Board (GASB) releases new accounting and financial reporting standards which may have a significant impact on the City's financial reporting process. New standards applicable to the year ending June 30, 2022, are as follows:

GASB Statement No. 87 – *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, 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. The City implemented this statement.

The City is currently analyzing its accounting and financial reporting practices to determine the potential impact on the financial statements of the following GASB statements:

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement has been implemented.

Statement No. 91, *Conduit Debt Obligations*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2022.

Statement 92, *Omnibus 2020*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022.

Statement 93, *Replacement of Interbank Offered Rates*. The requirement in paragraph 11b will take effect for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 will take effect for financial statements starting with the fiscal year that ends June 30, 2022.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.



**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**H. Implementation of New Governmental Accounting Standards (Continued)**

Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.

**NOTE 2 CASH AND INVESTMENTS**

At June 30, 2022, the City's cash and investments at fair value were as follows:

	Primary Government	Discretely Presented Component Unit	Fiduciary Fund Statement of Net Position	Total
Cash and Investments	\$ 166,630,229	\$ -	\$ -	\$ 166,630,229
Restricted Cash and Investments	2,626,130	2,764,809	6,574,757	11,965,696
Imprest Cash	1,405	-	-	1,405
Total Cash and Investments	<u>\$ 169,257,764</u>	<u>\$ 2,764,809</u>	<u>\$ 6,574,757</u>	<u>\$ 178,597,330</u>

At June 30, 2022, the City's cash and investments consist of the following:

Cash on Hand	\$ 1,405
Deposits with Financial Institutions	29,093,763
Investments	149,502,162
Total	<u>\$ 178,597,330</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Authorized Investments**

The table below identifies the investment types that are authorized by the City's investment policy and California Government Code Section 53601. The City's investment policy is more restrictive than the California Government Code, as the City may not invest in derivatives or reverse repurchase agreements. The City's investment policy limits the amount of funds invested in instruments with maturities over one year to 15%, unless adequate liquidity is available, yield appears favorable, and the City Manager approves the investment in advance. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City rather than the general provisions of the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Rating
U.S. Treasury Securities	5 Years	None	None	None
U.S. Agency Securities	5 Years	None	None	None
Money Market Mutual Funds	N/A	20%	10%	AAA
Collateralized Bank Deposits	N/A	30%	None	None
State and Local Agency Bonds	5 Years	None	5%	None
Repurchase Agreements	5 Years	None	5%	None
Commercial Paper	270 Days	25%	5%	A-1
Corporate Notes	5 Years	30%	5%	A
Supranationals	5 Years	30%	None	AA
Local Agency Investment Fund	N/A	None	None	None
Certificates of Deposit	5 Years	None	5%	None

**Investments Authorized by Debt Agreements**

Investment of debt proceeds held by the bond trustee are governed by the provisions of the debt agreements. These agreements specify that the eligible investments are those that are permitted by California Government Code Section 53601 at the time of the investment.

**Custodial Credit Risk**

The custodial credit risk for deposits is the risk that the City will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. This risk is mitigated in that the City's bank deposits are insured by Federal Depository Insurance Corporation (FDIC). 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 deposits or investments, other than the following provision for deposits and securities lending transactions: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by depository regulated under stated-law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. As of June 30, 2022, the City's balance in financial institutions was \$28,561,557, which was covered by collateral held in the pledging bank's trust department in the name of the City of Chico.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)****Interest Rate**

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 maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City manages its exposure to interest rate risk by investing in the Local Agency Investment Fund (LAIF), which provides the necessary cash flow and liquidity needed for operations, as well as purchasing a combination of shorter-term and longer-term investments so that a portion of the portfolio is maturing or coming close to maturing evenly over time. The City uses the segmented time distribution method for reporting its interest rate risk.

As of 2022, the City's investments distributed by maturity are as follows:

Investment Type	Fair Value	Maturity in Years				
		Less Than 1	1 - 2	2 - 3	3 - 4	4 - 5
With Fiscal Agent:						
Money Market Mutual Funds	\$ 2,614,546	\$ 2,614,546	\$ -	\$ -	\$ -	\$ -
With City Treasury:						
Certificate of Deposit	12,686,000	3,252,748	2,228,192	2,851,198	2,274,097	2,079,765
Corporate	12,725,590	-	-	1,907,556	9,904,316	913,718
Supranational Corporate	8,512,202	-	953,598	968,882	2,849,465	3,740,257
State and Local Bond	10,754,637	-	-	4,975,335	3,049,789	2,729,513
Federal Agency	39,841,725	-	1,005,023	8,420,583	21,373,646	9,042,473
Money Market Mutual Funds	1,053,541	1,053,541	-	-	-	-
CalTrust Investment	50,379	50,379	-	-	-	-
Local Agency Investment Pool (LAIF)	61,263,542	61,263,542	-	-	-	-
<b>Total Investments</b>	<b>\$ 149,502,162</b>	<b>\$ 68,234,756</b>	<b>\$ 4,186,813</b>	<b>\$ 19,123,554</b>	<b>\$ 39,451,313</b>	<b>\$ 18,505,726</b>

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the City's policy to purchase investments with the minimum ratings required by the California Government Code.

<u>S &amp; P Rating</u>	<u>Percentage of Investment Portfolio</u>
AAA	14.45 %
AA+	50.40
AA	2.18
AA-	5.73
A	2.28
A-	2.30
BBB+	5.59
Not Rated	17.07

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Credit Risk (Continued)**

The City invests funds in the State Treasurer's Pooled Money Investment Account (PMIA) through the Local Agency Investment Fund (LAIF), a voluntary program created by statute in 1977. The PMIA has regulatory oversight from the Pooled Money Investment Board and an in-house Investment Committee. LAIF has oversight by the Local Agency Investment Advisory Board. The fair value of the City's position in the pool is based upon the City's pro rata share of the fair value provided by LAIF for the entire pool.

In accordance with authorized investment laws, LAIF invests in various structured notes and mortgage-backed securities, such as collateralized mortgage obligations. LAIF is not registered with the Security and Exchange Commission and is not rated.

**Discretely Presented Component Unit**

Restricted cash and investments held by the JPFA total \$2,764,809.

**Restricted Cash and Investments**

As of June 30, 2022, cash and investments that are restricted by legal or contractual requirements are comprised of the following:

<u>Fair Value Measurements</u>	<u>Amount</u>
Governmental Activities:	
General Fund:	
Restricted Section 115 Pension Plan	\$ 2,039,030
Nonmajor Governmental Funds:	
Restricted Bond Proceeds	102,100
Total Primary Governmental Activities Restricted	
Internal Service Funds:	
Insurance Deposits	485,000
Cash and Investments	<u>2,626,130</u>
Discretely Presented Component Unit:	
Restricted for Capital Projects and Debt Service	2,764,809
Fiduciary Funds:	
Private-Purpose Trust Fund:	
Restricted for Successor Agency Recognized Obligations	6,032,318
Restricted for Debt Service	<u>542,439</u>
Total Fiduciary Fund Restricted Cash and Investments	<u>6,574,757</u>
Total Restricted Cash and Investments	<u>\$ 11,965,696</u>

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Restricted Cash and Investments (Continued)**

Statement No. 72 of the Governmental Accounting Standards Board (GASB), *Fair Value Measurements and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes investment valuation techniques used to measure fair value. The three levels of the fair value hierarchy under GASB 72 are described as follows:

*Level 1* – Inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

*Level 2* – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The determination of what constitutes observable requires judgment by the City's management. City management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market.

The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management's perceived risk of that investment. The following is a description of the valuation methods and assumptions used by the City to estimate the fair value of its investments. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. City management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Restricted Cash and Investments (Continued)**

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. The City's Level 1 investments consist of mutual funds that have values calculated from the daily closing prices of all the underlying assets.

For a large portion of the City's portfolio, the City's custodians generally uses a multi-dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads, and benchmark securities, among others. The City's Level 2 investments primarily consist of investments in certificates of deposit that did not trade on the City's fiscal year-end date.

The City did not have any Level 3 investments at June 30, 2022. The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy.

Investments in money market funds and guaranteed investment contracts are reported at amortized cost. Deposits and withdrawals in governmental investment pools, such as LAIF are made on the basis of \$1 and not fair value. Accordingly, the City's proportionate share in these types of investments is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

As of June 30, 2022, the City has the following fair value measurements:

	Total	Fair Value Measurements at Report Date Using:		
		Quoted Prices		
		in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value:				
Corporate Holdings	\$ 12,725,590	\$ -	\$ 12,725,590	\$ -
Supranationals	8,512,202	-	8,512,202	-
State and Local Securities	10,754,637	-	10,754,637	-
Federal Agency Securities	39,841,725	39,841,725	-	-
Mutual Funds	3,668,087	3,668,087	-	-
Certificates of Deposit	12,686,000	12,686,000	-	-
Total Investments by Fair Value	88,188,241	\$ 56,195,812	\$ 31,992,429	\$ -
Investments Measured at Amortized Costs or Not Subject to Fair Value Hierarchy:				
CalTRUST Trust	50,379			
Local Agency Investment Fund	61,263,542			
Total Investments Measured at Fair Value	\$ 149,502,162			

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 RECEIVABLES**

The following summarizes the City's governmental activities receivables as of June 30, 2022:

	Interest	Property Taxes	Accounts	Inter- governmental	Loans	Long-Term
Governmental Activities:						
General Fund	\$ 315,713	\$ 613,704	\$ 1,955,697	\$ 7,068,643	\$ -	\$ -
CDBG and HOME Housing Fund	976,293	-	-	1,419,303	10,093,227	-
Capital Grants Fund	-	-	-	11,767,116	-	-
Public Facilities Impact Fees	-	-	-	-	-	1,093,092
Low and Moderate Income Housing Asset Fund	11,088,114	-	-	-	55,456,582	-
Other Nonmajor Governmental Funds	184	33,862	52,353	1,692,946	18,029	-
Internal Service Funds	-	-	193,869	32,466	-	-
Total Governmental Activities	<u>\$ 12,380,304</u>	<u>\$ 647,566</u>	<u>\$ 2,201,919</u>	<u>\$ 21,980,474</u>	<u>\$ 65,567,838</u>	<u>\$ 1,093,092</u>

**Loans Receivable**

The loans receivable in the CDBG and HOME Housing Fund and Low and Moderate Income Housing Asset Fund of \$10,093,227 and \$55,456,582, respectively, consist of loans made for low- and moderate-income housing rehabilitation, property improvement, and small business origination. The loans are collateralized by deeds of trust on the improved properties and bear annual interest at 0% - 7.5%. The City considers these long-term loans to be collectible, and the amounts are included in restricted fund balance. Due to the likelihood of collectability, the City has not recorded an allowance for uncollectible accounts. Related accrued interest is recorded as interest receivable and unavailable revenue.

The following summarizes the City's business-type activities receivables as of June 30, 2022:

	Accounts	Inter- governmental	Property Taxes	Total
Business-Type Activities:				
Sewer Fund	\$ 2,705,268	\$ 166	\$ 4,704	\$ 2,710,138
Parking Fund	2,661	-	-	2,661
Private Development Fund	341,338	-	-	341,338
Airport Fund	113,401	48,294	-	161,695
Total Business-Type Activities	<u>\$ 3,162,668</u>	<u>\$ 48,460</u>	<u>\$ 4,704</u>	<u>\$ 3,215,832</u>

Accounts receivable in the Sewer Fund is composed of \$1,138,101 in sewer service fees billed for services rendered on or before June 30, 2022, and received in the months of July and August of 2022, and \$166 in sewer development impact fees owed to the City as of June 30, 2022.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 RECEIVABLES (CONTINUED)**

The intergovernmental receivable of \$48,294 in the Airport Fund represents a receivable for an Airport Improvement Program grant.

Accounts receivable in the Private Development fund are for services provided for community development services provided to developers.

**NOTE 4 UNAVAILABLE REVENUE**

The City recognized deferred inflows of resources in the governmental fund statements. These items are an acquisition of fund balance by the City that is applicable to a future reporting period.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized in the current period. Revenue must also be susceptible to accrual (i.e., measurable and available to finance expenditures of the current period). Government funds report revenues not susceptible to accrual as deferred inflows of resources. The City has two items that are reportable on the government fund statements: the first item relates to housing loan interest receivable and the second relates to grant receivables and development impact fees receivables that are not available for revenue recognition.

Deferred inflows of resources balances for the year ended June 30, 2022, were as follows:

	Unavailable Housing Loan Revenue	Unavailable Revenue	Total
General Fund	\$ -	\$ 1,219,016	\$ 1,219,016
CDBG and HOME Housing Fund	976,293.00	-	976,293
Capital Grants Fund	-	11,549,136	11,549,136
Public Facilities Impact Fees	-	1,093,092	1,093,092
Low and Moderate Income Housing Asset Fund	11,088,114	623,754	11,711,868
Total Governmental Funds	<u>\$ 12,064,407</u>	<u>\$ 14,484,998</u>	<u>\$ 26,549,405</u>



**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 5 CAPITAL AND RIGHT-TO-USE LEASED ASSETS**

Capital assets for governmental activities for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 31,561,925	\$ -	\$ -	\$ 1,552,581	\$ 33,114,506
Construction in Progress	25,660,592	28,801,885	(342,622)	(18,739,070)	35,380,785
Total Capital Assets, Not Being Depreciated	57,222,517	28,801,885	(342,622)	(17,186,489)	68,495,291
Capital Assets, Being Depreciated:					
Buildings	22,360,645	-	-	-	22,360,645
Improvements Other Than Buildings	23,019,024	-	-	542,641	23,561,665
Equipment, Furniture, and Vehicles	22,940,078	4,999,820	(463,327)	1,919,491	29,396,062
Infrastructure	409,477,834	1,013,822	-	14,724,357	425,216,013
Total Capital Assets, Being Depreciated	477,797,581	6,013,642	(463,327)	17,186,489	500,534,385
Less: Accumulated Depreciation for:					
Buildings	(13,831,262)	(500,970)	-	-	(14,332,232)
Improvements Other Than Buildings	(14,699,206)	(581,710)	-	-	(15,280,916)
Equipment, Furniture, and Vehicles	(13,984,687)	(1,941,402)	463,326	-	(15,462,763)
Infrastructure	(166,876,221)	(9,441,299)	-	-	(176,317,520)
Total Accumulated Depreciation	(209,391,376)	(12,465,381)	463,326	-	(221,393,431)
Total Capital Assets, Being Depreciated, Net	268,406,205	(6,451,739)	(1)	17,186,489	279,140,954
Right-to-Use Assets, Being Amortized:					
Equipment	159,718	-	-	-	159,718
Total Right-to-Use Assets, Being Depreciated	159,718	-	-	-	159,718
Less: Accumulated Amortization for:					
Equipment	-	(51,801)	-	-	(51,801)
Total Accumulated Amortization	-	(51,801)	-	-	(51,801)
Total Right-to-Use Assets, Being Amortized, Net	159,718	(51,801)	-	-	107,917
Governmental Activities Capital Assets, Net	<u>\$ 325,788,440</u>	<u>\$ 22,298,345</u>	<u>\$ (342,623)</u>	<u>\$ -</u>	<u>\$ 347,744,162</u>

**Reconciliation of Governmental activities capital asset increases:**

Total Capital Assets, Not Being Depreciated - Increases	\$ 28,801,885
Total Capital Assets, Being Depreciated - Increases	6,013,642
Governmental Activities Capital Asset Increases	<u>\$ 34,815,527</u>
Governmental Funds - Capital Outlay	\$ 33,801,705
Donations and Contributed Capital *	1,013,822
Transfer from Internal Service Fund	-
Governmental Activities Capital Asset Increases	<u>\$ 34,815,527</u>

\*Donations and contributed capital represents infrastructure conveyed to the City as a result of completed subdivisions, easements, and infrastructure donated through developer agreements.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Capital assets for business-type activities for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Business-Type Activities:</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 2,154,341	\$ -	\$ -	\$ -	\$ 2,154,341
Construction in Progress	24,621,042	7,198,694	(194,866)	(18,476,734)	13,148,136
Total Capital Assets, Not Being Depreciated	26,775,383	7,198,694	(194,866)	(18,476,734)	15,302,477
Capital Assets, Being Depreciated:					
Buildings	19,412,388	-	-	-	19,412,388
Improvements Other Than Buildings	196,867,808	148,030	-	17,741,950	214,757,788
Equipment, Furniture, and Vehicles	2,984,308	38,739	-	734,784	3,757,831
Total Capital Assets, Being Depreciated	219,264,504	186,769	-	18,476,734	237,928,007
Less: Accumulated Depreciation for:					
Buildings	(15,225,270)	(504,742)	-	-	(15,730,012)
Improvements Other Than Buildings	(89,133,330)	(5,797,870)	-	-	(94,931,200)
Equipment, Furniture, and Vehicles	(2,491,445)	(144,392)	-	-	(2,635,837)
Total Accumulated Depreciation	(106,850,045)	(6,447,004)	-	-	(113,297,049)
Total Capital Assets, Being Depreciated, Net	112,414,459	(6,260,235)	-	18,476,734	124,630,958
Business-Type Activities Capital Assets, Net	<u>\$ 139,189,842</u>	<u>\$ 938,459</u>	<u>\$ (194,866)</u>	<u>\$ -</u>	<u>\$ 139,933,435</u>

Reconciliation of business-type activities capital asset increases:

Total Capital Assets, Not Being Depreciated - Increases	\$ 7,198,694
Total Capital Assets, Being Depreciated - Increases	186,769
Business-Type Activities Capital Asset Increases	<u>\$ 7,385,463</u>
Business-Type Activities - Capital Outlay	\$ 6,307,385
Donations and Contributed Capital *	1,078,078
Business-Type Activities Capital Asset Increases	<u>\$ 7,385,463</u>

\* Donations and contributed capital represent the conveyance of sewer infrastructure from the JPFA to the City's Sewer Fund as well as completed subdivisions, easements, and infrastructure donated through developer agreements.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 5 CAPITAL AND RIGHT-TO-USE ASSETS (CONTINUED)**

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:

General Government	\$ 824,721
Public Safety	1,302,818
Public Works	9,890,149
Parks and Recreation	423,154
Education	22,799
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions Based on Their Usage of the Assets	1,740
Total Depreciation Expense - Governmental Activities	<u>\$ 12,465,381</u>

Business-Type Activities:

Sewer	\$ 5,026,622
Parking	131,492
Private Development	1,614
Airport	1,287,276
Total Depreciation Expense - Business-Type Activities	<u>\$ 6,447,004</u>

**NOTE 6 LONG-TERM LIABILITIES**

Changes in long-term liabilities for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Direct borrowings Notes Payable-Direct Financing	\$ 1,997,874	\$ 4,446,970	\$ (443,788)	\$ 6,001,056	\$ 859,955
Compensated Absences	3,497,012	1,730,068	(1,971,302)	3,255,778	335,273
Self-Insurance Claims and Settlements	7,587,449	2,632,000	(2,777,648)	7,441,801	2,667,710
Lease Liability	159,718	-	(48,957)	110,761	52,536
Total Governmental Activities Long-Term Liabilities	<u>\$ 13,242,053</u>	<u>\$ 8,809,038</u>	<u>\$ (5,241,695)</u>	<u>\$ 16,809,396</u>	<u>\$ 3,915,474</u>
Business-Type Activities:					
Direct Borrowings Loans Payable	\$ 17,850,000	\$ -	\$ (1,610,000)	\$ 16,240,000	\$ 1,695,000
Compensated Absences	471,482	357,713	(325,116)	504,079	51,908
Total Before Premium	18,321,482	357,713	(1,935,116)	16,744,079	1,746,908
Premium - Net	3,730,309	-	(730,997)	2,999,312	-
Total Business-Type Activities Long-Term Liabilities	<u>\$ 22,051,791</u>	<u>\$ 357,713</u>	<u>\$ (2,666,113)</u>	<u>\$ 19,743,391</u>	<u>\$ 1,746,908</u>

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

The City's outstanding capital leases from direct borrowings, secured by equipment, related to governmental activities of \$6,001,056 contain provisions that in an event of default, outstanding amounts become immediately due if the City is unable to make a payment, if the City is unable to pay the full balance all equipment is to be returned at the expense of the City.

The City's outstanding loans from direct borrowings related to business-type activities of \$16,240,000 contain a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due.

Type of Indebtedness (Purpose)	Maturity	Interest Rates	Annual Installments	Original Issue Amount	Outstanding at June 30, 2022
Governmental Activities:					
Notes Payable:					
Oshkosh Capital	7/25/2024	2.46%	\$ 136,868	\$ 1,200,359	\$ 390,897
Oshkosh Capital	4/25/2025	2.80%	224,132	1,931,551	636,427
Motorola Solutions, Inc.	11/1/2025	4.06%	145,322	870,306	526,762
Motorola Solutions, Inc.	10/1/2031	2.19%	499,999	4,446,970	4,446,970
Total Governmental Activities Capital Lease				<u>\$ 8,449,186</u>	<u>\$ 6,001,056</u>
Business-Type Activities:					
Loans Payable:					
Bank of America	12/1/2029	2.60%	\$ 2,276,673	\$ 33,613,142	\$ 16,240,000
Total Business-Type Activities Loans Payable				<u>\$ 33,613,142</u>	<u>\$ 16,240,000</u>

Description	Amount
Governmental Activities:	
Direct Financing Notes Payable:	
Note payable to Oshkosh Capital for a Pierce Arrow XT Quint Aerial Truck for the fire department, interest at 2.46%, due in annual installments on July 25, in the amount of \$136,868, including interest through July 25, 2024. Original lease amount was \$1,200,359. Payments to be made from General Fund.	\$ 390,897
Note payable to Oshkosh Capital for three Pierce Velocity Pumpers for the Fire Department, interest at 2.80%, due in annual installments on April 22, in the amount of \$224,132, including interest through April 25, 2025. Original lease amount was \$1,931,551. Payments to be made from General Fund.	636,427
Note payable to Motorola, Inc. for All Band Digital Portable Radios for the police department, interest at 4.060%, due in annual installments on November 1, in the amount of \$145,323. Original lease amount was \$870,305.76. Payments to be made from the General Fund.	526,762
Note payable to Motorola, Inc. for P25 Radio System for the safety personnel, interest at 2.190%, due in annual installments on October 1, in the amount of \$499,999. Original lease amount was \$4,446,970. Payments to be made from the General Fund.	<u>4,446,970</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 6,001,056</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

<u>Description</u>	<u>Amount</u>
Business-Type Activities:	
Direct Borrowings Loans Payable:	
Loan payable to the BofA Securities, Inc. for the Sewer Revenue Refunding Bonds, Series 2020, interest at 5%, due in annual installments on December 1 and June 1, including interest through December 1, 2029. Original loan amount was \$19,735,000.	\$ 16,240,000
Total Business-Type Activities Long-Term Liabilities	<u>\$ 16,240,000</u>

In September of 2020, the City entered into a Bond Purchase Agreement with Bank of America Securities to issue \$19,735,000 in Bonds. Proceeds from the sale of the Bonds were used to prepay, in full, amounts due to the California State Water Resources Control Board for the Sewer Fund, pursuant to a state revolving fund loan agreement from 2008 and to pay the costs of issuing the Bonds.

The refunding was undertaken to reduce total debt service payments by, approximately \$1,799,136 over the term and resulted in an economic gain of \$1,741,109.

Debt service requirements at June 30, 2022, are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Notes Payable from</u>		<u>Loans from</u>	
	<u>Direct Financing</u>		<u>Direct Borrowings</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 859,955	\$ 146,366	\$ 1,695,000	\$ 727,250
2024	882,758	123,563	1,780,000	638,250
2025	906,200	100,121	1,870,000	544,750
2026	569,300	76,022	1,965,000	446,500
2027	439,056	60,943	2,070,000	103,500
2028-2031	2,343,787	156,208	6,860,000	343,000
Total	<u>\$ 6,001,056</u>	<u>\$ 663,223</u>	<u>\$ 16,240,000</u>	<u>\$ 2,803,250</u>

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 7 LEASES**City as Lessor

The City leases out several of its buildings, land, and airport lots. Lease terms may vary, with current agreements going out until fiscal year 2099-2100. For agreements with renewal options, the City has included the renewal periods in the lease term when it is reasonably certain that the renewal option(s) will be exercised. For contracts that contain termination options for either party to exercise (cancellable period), these periods are excluded from the lease receivable calculation. The City's lease arrangements do not contain any material residual value guarantees.

When the borrowing rate is not stated in the contract, or readily available, the City will refer to the interest rate received on the most recent debt borrowed by the City. The agreements currently use a discount rate of 2.19% to measure the present value of the lease payments expected to be received during the lease term period.

Minimum lease payments receivable on leases of properties as of June 30, 2022, are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 99,005	\$ 35,819	\$ 108,734	\$ 90,237
2024	97,102	33,635	110,450	87,823
2025	92,422	31,609	114,998	85,352
2026	96,923	29,535	21,915	83,936
2027	101,591	27,360	16,586	83,576
2028-2032	540,133	101,285	48,952	413,092
2033 and Thereafter	665,624	71,957	3,870,550	5,783,854
<b>Total Minimum Lease Payments</b>	<b>\$ 1,692,800</b>	<b>\$ 331,200</b>	<b>\$ 4,292,185</b>	<b>\$ 6,627,870</b>

The total amount of revenue (inflows of resources) relating to leases recognized in the current fiscal year is as follows:

<u>June 30, 2022</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Lease Revenue	\$ 125,978	\$ 213,893
Lease Interest	37,938	94,610

The City did not have any leases of assets that are investments, regulated leases, sublease transactions, sale-leaseback transactions, or lease-leaseback transactions requiring disclosure.

City as Lessee

The City leases copiers for operational use under a long-term, noncancelable lease agreement. The lease expires in fiscal year 2024-25.

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Total future minimum lease payments under lease agreement are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 52,536	\$ 1,801
2024	53,697	639
2025	4,528	-
Total Minimum Lease Payments	<u>\$ 110,761</u>	<u>\$ 2,440</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class:

	<u>Governmental</u>
	<u>Activities</u>
Equipment	\$ 159,718
Less: Accumulated Amortization	(51,801)
	<u>\$ 107,917</u>

**NOTE 8 INTERFUND ACTIVITY**

**Due From/To Other Funds**

Amounts due from/to other funds at June 30, 2022:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Grants Fund	\$ 9,942,039
	CDBG and HOME Housing Fund	1,061,008
	Operating Grants Fund	42,239
	Central Garage Fund	1,503
	Total Due To/From	<u>\$ 11,046,789</u>

Due from/to other funds typically result from the lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, or (4) revenue earned by the Fund is not received until just after the end of the fiscal year, normally 60 days. All of these due from/to balances are anticipated to be paid back completely within the next fiscal year.

**Advances To/From Other Funds**

Advances to/from other funds at June 30, 2022:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Public Infrastructure Impact Fees	Nonmajor Governmental Funds	<u>\$ 38,377</u>

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All advances are due to cash deficits as listed for each payable fund. In addition, no formal borrowing arrangements exist. Finally, all payable funds may be unable to repay the advance within the next fiscal year.

**Transfers From/To Other Funds**

The following is a schedule of interfund transfers from/to other funds as of June 30, 2022:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 4,678,882
	Parking Fund	291,843
	Private Development Fund	461,612
	Airport Fund	256,732
	Nonmajor Enterprise Fund	300,000
	Subtotal	<u>5,989,069</u>
Public Facilities Impact	Private Development Fund	87,655
Low and Moderate Income Housing Asset Fund	CDBG and HOME Housing Fund	37,958
Nonmajor Governmental Funds	General Fund	2,191,088
Sewer Fund	Private Development Fund	21,690
	Nonmajor Governmental Funds	<u>121,360</u>
		143,050
Parking Fund	Nonmajor Governmental Funds	3,600
Private Development Fund	General Fund	242,501
	Nonmajor Governmental Funds	<u>25,310</u>
		267,811
Airport Fund	Nonmajor Governmental Funds	65,920
Internal Service Funds	General Fund	315,351
	Nonmajor Governmental Funds	<u>104,963</u>
	Subtotal	<u>420,314</u>
	Total Transfers	<u>\$ 9,206,465</u>

Transfers are indicative of funding for capital projects, lease payments, or debt service, subsidies of various City operations and re-allocations of special revenue.



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**NOTE 9 RESTRICTED NET POSITION/FUND BALANCES****A. Fund Balances**

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned. The following is a detailed schedule of the Governmental Funds fund balance classifications as of June 30, 2022:

	General	CDBG and HOME Housing	Public Facilities Impact Fees	Capital Grants	Low and Moderate Income Housing Asset Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Fund Balances (Deficit):</b>							
<b>Nonspendable:</b>							
Prepaid Items	\$ 51,681	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,681
	51,681	-	-	-	-	-	51,681
<b>Restricted:</b>							
Housing	-	10,280,307	-	-	55,910,842	-	66,191,149
Transportation	-	-	-	-	-	-	-
Related Projects	-	-	32,052,911	-	-	15,625,637	47,678,548
Maintenance	-	-	-	-	-	-	-
Districts	-	-	-	-	-	4,521,047	4,521,047
Other Purposes	38,946	-	-	-	-	607,273	646,219
Section 115 Trust	2,622,014	-	-	-	-	-	2,622,014
	2,660,960	10,280,307	32,052,911	-	55,910,842	20,753,957	121,658,977
<b>Committed:</b>							
Compensated							
Absences	1,460,109	-	-	-	-	-	1,460,109
Donations	341,836	-	-	-	-	-	341,836
Emergency							
Contingencies	11,978,204	-	-	-	-	-	11,978,204
	13,780,149	-	-	-	-	-	13,780,149
<b>Assigned:</b>							
Capital Projects	26,454,678	-	-	-	-	5,843,592	32,298,270
	26,454,678	-	-	-	-	5,843,592	32,298,270
<b>Unassigned:</b>							
General Fund	4,550,103	-	-	-	-	(231,415)	4,318,688
Capital Projects Funds	-	-	-	(11,785,822)	-	-	(11,785,822)
	4,550,103	-	-	(11,785,822)	-	(231,415)	(7,467,134)
<b>Total Fund Balances (Deficit)</b>	<b>\$ 90,445,039</b>	<b>\$ 20,560,614</b>	<b>\$ 64,105,822</b>	<b>\$ (11,785,822)</b>	<b>\$ 111,821,684</b>	<b>\$ 52,963,683</b>	<b>\$ 328,111,020</b>

**B. Deficit Fund Equity**

The General Fund departments listed below reported deficit fund balances or net position on June 30, 2022:

Fund	Deficit Fund Balance
Operating Grants Fund	\$ (231,415)
Capital Grants Fund	(11,785,822)
Central Garage Fund	(2,213,291)
Municipal Building Maintenance Fund	(1,871,509)
Information Services Fund	(3,485,131)
Private Development Fund	(2,058,433)
<b>Total Deficit Funds</b>	<b>\$ (21,645,601)</b>

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**NOTE 9 RESTRICTED NET POSITION/FUND BALANCES (CONTINUED)**

**B. Deficit Fund Equity (Continued)**

Private Development Fund

The net position of the Private Development Fund has a deficit largely due to the recording of the net pension liability under GASB No. 68.

Capital Grants Fund Deficit

The Capital Grants Capital Projects Fund deficit represents grant expenditures that had not been reimbursed by granting agencies within the 60 day period of availability for which corresponding revenues have not been recognized. The deficit amount is recorded as a deferred inflow of resources on the Fund's Balance Sheet. Projects are invoiced at completion and expenditures are subject to audit by the granting agencies. Collection of reimbursements can take several years.

Central Garage, Municipal Building Maintenance, Self-Insurance, and Information Service Internal Service Funds

The net position of Internal Service Funds have a deficit largely due to the recording of the net pension liability under GASB No. 68. Actuarial estimates for future claims reserve contributed to a deficit in the Self Insurance Fund.

Other Deficits

The remaining fund deficits represent development impact fee funds that have constructed infrastructure projects prior to the collection of impact fees. These funds by their nature are created in a way that total fees collected/earned over the life of each fund should be adequate to cover total expenses. As a result, future revenue should cover the deficits over the life of each impact fee fund. However, failure by each fund to recover future revenue necessary to reduce each fund deficits may result in remaining deficits becoming an obligation of the General Fund.

**C. Other Fund Disclosures**

The following funds had an excess of expenditures over appropriations on June 30, 2022:

<u>Fund/Department</u>	<u>Expenditures Over Appropriations</u>
General Fund: Public Works Department	\$ 559,270
Community Maintenance District Funds	309,228
Total Deficit Funds	<u>\$ 868,498</u>

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**NOTE 9 RESTRICTED NET POSITION/FUND BALANCES (CONTINUED)****D. Restricted Components of Net Position**

The restricted components of net position are assets that are subject to constraints either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

## Restricted for Capital Projects:

Public Facility Impact Fees	\$ 32,052,911
Transportation	5,359,287
Gas Tax	6,986,375
Bond Proceeds	101,141
Public Infrastructure Replacement	3,178,834
Unavailable Revenue	<u>13,861,244</u>
Total	61,539,792

## Restricted for Housing:

Affordable Housing Loans	55,910,842
CDBG Housing Loans	10,280,307
Unavailable Revenue	<u>12,688,161</u>
Total	78,879,310

## Restricted for Maintenance Districts:

Maintenance Districts	4,521,047
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## Restricted for Other Government Programs:

Grants and Donations	38,946
Other	<u>607,273</u>
Total	646,219

## Restricted for Public Safety:

Section 115 Trust	<u>2,622,014</u>
Total	<u>2,622,014</u>

## Total Restricted Component of Net Position -

Governmental Activities	<u><u>\$ 148,208,382</u></u>
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**NOTE 10 RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City established the general liability and workers' compensation liability funds (self-insurance funds) to account for and finance its uninsured risks of loss. Under this program, the general liability program provides coverage for up to a maximum of \$500,000 for each

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general liability claim, and the workers' compensation program provides coverage for up to a maximum of \$750,000 for each workers' compensation claim.

**Workers' Compensation Insurance**

The workers' compensation program provides coverage for up to a maximum of \$750,000 per occurrence. The City purchases excess insurance to cover losses over \$750,000 up to State statutory limits.

The claims liability reported in the self-insurance fund at June 30, 2022, is based on the requirements of GASB Statements No. 10 and No. 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The City's provision of \$5,637,816 for insurance losses through June 30, 2022, represents the estimated cost of settling self-insurance liability claims. The provision for insurance losses was established by an outside actuary using accepted actuarial methods. These methods consider case-basis reserves established by the City, the rate of loss development on older claims, the effects of IBNR claims and the effects of inflation and other economic factors to determine ultimate cost.

Changes in the workers' compensation claims liability are as follows:

	Claims Liability July 1,	Current Year Claims and Changes in Estimates	Current Year Payments	Claims Liability June 30,	Current Portion
2020-21	\$ 5,592,972	\$ 1,765,000	\$ (1,762,778)	\$ 5,595,194	\$ 1,793,378
2021-22	5,595,194	1,836,000	(1,793,378)	5,637,816	1,834,089

**General Liability Insurance**

The City is a member of the California Joint Powers Risk Management Authority (Authority) for liability insurance purposes. The Authority is comprised of California member cities and special districts organized under a joint-powers agreement pursuant to the California Government Code. The purpose of the Authority is to arrange and administer programs of self-insurance and insurance for the pooling of losses and to purchase excess liability coverage. The Board of Directors consists of representatives from each member entity, with an Executive Committee consisting of the President and Vice President elected by the Directors every two years, and Executive Committee nonofficer positions filled by a permanent rotation list every two years. Annual deposits are paid by member entities and may be adjusted retrospectively to cover costs. The City self-insures the first \$500,000 of each loss.

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**NOTE 10 RISK MANAGEMENT (CONTINUED)****General Liability Insurance (Continued)**

Participating entities share in loss occurrences in excess of \$500,000 or \$1,000,000 and up to \$5,000,000, and purchase insurance to provide additional coverage up to \$40,000,000. The auto/general liability program of the Authority provides coverage for comprehensive general liability, personal injury, employment practices liability (\$6,000,000 sublimit), contractual liability, errors and omissions, and auto liability. The City also participates in the Authority's auto physical damage program which provides property damage coverage for vehicles, with a \$10,000 deductible for vehicles, and in the Authority's property insurance program which provides property, and boiler and machinery coverage with a \$25,000 deductible per occurrence.

Premium payments by member entities are planned to match expenses of insurance premiums for coverage in excess of the self-insured amount, estimated claims resulting from self-insurance programs and Authority operating expenses. Total premiums paid to the Authority during the year ended June 30, 2022, were \$925,167.

The claims liability reported in the Self Insurance Internal Service Fund at June 30, 2022, was also based on the requirements of GASB Statement No. 10, as described. The City's provision of \$1,803,985 for insurance losses represents the estimated cost of settling self-insurance liability claims.

Changes in the claims' liability are as follows:

	Claims Liability July 1,	Current Year Claims and Changes in Estimates	Current Year Payments	Claims Liability June 30,	Current Portion
2020-21	\$ 2,498,786	\$ 765,000	\$ (1,271,531)	\$ 1,992,255	\$ 984,270
2021-22	1,992,255	796,000	(984,270)	1,803,985	833,621

**NOTE 11 CONTINGENCIES AND COMMITMENTS****Litigation**

The City is a defendant in a number of lawsuits and has other claims pending, some of which seek substantial monetary damages. Some claims may not be covered under the City's excess liability insurance policy; however, management is of the opinion that the potential liability would not have a significant adverse effect on the City's financial position.

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**NOTE 11 CONTINGENCIES AND COMMITMENTS (CONTINUED)****Grant Programs**

The City participates in a number of federal and state-assisted grant programs. These programs are subject to financial and compliance audits by grantors or their representatives. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the City's management does not expect such amounts, if any, to be material.

**NOTE 12 DEFINED BENEFIT PENSION PLAN****A. Summary of Pension Plan Balances**

Pension related balances presented on the statement of net position as of June 30, 2022, by individual plan are described in the following table:

	Deferred Outflows - Pension	Net Pension Liability	Deferred Inflows - Pension	Pension Expense
CALPERS Miscellaneous Agent Multiple Employer Plan	\$ 6,362,778	\$ 45,109,300	\$ 15,855,067	\$ 657,351
CALPERS Safety Agent Multiple Employer Plan	9,360,195	49,945,134	20,367,120	2,991,723
Total	<u>\$ 15,722,973</u>	<u>\$ 95,054,434</u>	<u>\$ 36,222,187</u>	<u>\$ 3,649,074</u>

**B. General Information about the Pension Plans****Plan Descriptions**

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

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**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)****B. General Information about the Pension Plans (Continued)**Benefits Provided

CalPERS provides 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. Classic and PEPRA safety CalPERS members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA CalPERS miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

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

	Miscellaneous		
	Classic	Classic	PEPRA - On or After January 1, 2013
Hire Date	Classic	Classic	PEPRA - On or After January 1, 2013
Formula	2% @ 55	3% @ 60	2% @ 62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	55	60	62
Monthly Benefits, as a Percentage of Annual Salary	2.000%	3.000%	2.000%
Required Employee Contribution Rates	8.000%	8.000%	6.750%
Required Employer Contribution Rates	13.500%	13.500%	13.500%
		Safety	
		Classic	PEPRA - On or After January 1, 2013
Hire Date		Classic	PEPRA - On or After January 1, 2013
Formula		3% @ 60	2% @ 57
Benefit Vesting Schedule		5 Years of Service	5 Years of Service
Benefit Payments		Monthly for Life	Monthly for Life
Retirement Age		50	57
Monthly Benefits, as a Percentage of Annual Salary		3.000%	2.700%
Required Employee Contribution Rates		9.000%	12.750%
Required Employer Contribution Rates		22.420%	22.420%

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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**B. General Information about the Pension Plans (Continued)**

Employees Covered

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

	<u>Miscellaneous</u>	<u>Safety</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	358	241
Inactive Employees Entitled to But Not Yet Receiving Benefits	212	73
Active Employees	220	153
Total	<u>790</u>	<u>467</u>

Contributions

Section 20814(c) of the California Public Employees' Retirement law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. The total plan contributions are determined through CalPERS' annual actuarial valuations process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions by the City for the Miscellaneous Plan were \$6,123,998 and for the Safety Plan \$7,675,945.

**C. Net Pension Liability**

The City's net pension liability for each plan was measured as of June 30, 2021, and the total pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021. Pension liabilities are paid out of the operating funds based on a percentage of covered payroll.



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**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**C. Net Pension Liability (Continued)**

Actuarial Assumptions

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

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	2.88%	2.75
Projected Salary Increase	3.30% to 14.20%	3.30% to 14.20% (1)
Investment Rate of Return	7.250%	7.250%

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2021, valuation were based on the results of a CalPERS experience study for the period of 1997 to 2007. Pre-retirement and Post-retirement mortality rates include five years of projected mortality improvement using Scale AA published by the Society of Actuaries.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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 on pension plan investments, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical rates of the funds' asset classes, expected compound (geometric) 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 target allocation and best estimates of arithmetic real rates of return for each major asset class are the same for each Plan and are summarized in the table on the next page.

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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**C. Net Pension Liability (Continued)**

Long-Term Expected Rate of Return (Continued)

Asset Class	Assumed Allocation	Real Return Years 1-10	Real Return Years 11+
Global Equity	50 %	4.80 %	5.98 %
Global Fixed Income	28	1.00	2.62
Inflation Sensitive	-	0.77	1.81
Private Equity	8	6.30	7.23
Real Estate	13	3.75	4.93
Liquidity	1	-	(0.92)
Total	<u>100 %</u>		

Discount Rate

The discount rate used to measure the total pension liability was 7.15%, unchanged from the June 30, 2021, measurement date. To determine whether the municipal bond rates should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.15% discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB No. 68 section. 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.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)****D. Changes in the Net Pension Liability**

The changes in the Net Pension Liability for each Plan for the measurement date of June 30, 2021, are as follows:

	Miscellaneous Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance - June 30, 2021	\$ 200,766,110	\$ 133,732,712	\$ 67,033,398
Changes in the Year:			
Service Cost	2,804,965	-	2,804,965
Interest on the Total Pension Liability	13,985,658	-	13,985,658
Differences Between Actual and Expected Experience	(789,082)	-	(789,082)
Contribution - Employer	-	6,108,120	(6,108,120)
Contribution - Employee	-	1,676,572	(1,676,572)
Projected Earnings on Investments	-	30,274,538	(30,274,538)
Administrative Expenses	-	(133,591)	133,591
Benefit Payments, Including Refunds of Employee Contributions	(11,551,802)	(11,551,802)	-
Net Changes	<u>4,449,739</u>	<u>26,373,837</u>	<u>(21,924,098)</u>
Balance - June 30, 2022	<u>\$ 205,215,849</u>	<u>\$ 160,106,549</u>	<u>\$ 45,109,300</u>
	Safety Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance - June 30, 2021	\$ 244,670,487	\$ 167,054,113	\$ 77,616,374
Changes in the Year:			
Service Cost	4,466,679	-	4,466,679
Interest on the Total Pension Liability	17,076,960	-	17,076,960
Differences Between Actual and Expected Experience	(1,937,728)	-	(1,937,728)
Contribution - Employer	-	7,662,670	(7,662,670)
Contribution - Employee	-	1,846,839	(1,846,839)
Projected Earnings on Investments	-	37,934,519	(37,934,519)
Administrative Expenses	-	(166,877)	166,877
Benefit Payments, Including Refunds of Employee Contributions	(12,254,988)	(12,254,988)	-
Net Changes	<u>7,350,923</u>	<u>35,022,163</u>	<u>(27,671,240)</u>
Balance - June 30, 2022	<u>\$ 252,021,410</u>	<u>\$ 202,076,276</u>	<u>\$ 49,945,134</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)****D. Changes in the Net Pension Liability (Continued)**Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point-lower or 1-percentage-point-higher than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
1% Decrease	6.15%	6.15%	12.30%
Net Pension Liability	\$ 69,793,654	\$ 84,903,083	\$ 154,696,737
Current Discount Rate	7.15%	7.15%	14.30%
Net Pension Liability	\$ 45,109,300	\$ 49,945,134	\$ 95,054,434
1% Increase	8.15%	8.15%	16.30%
Net Pension Liability	\$ 24,477,161	\$ 21,384,698	\$ 45,861,859

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2022, the City recognized pension expense of \$3,649,074. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to Measurement Date	\$ 6,362,778	\$ -
Differences Between Actual and Expected Experience	-	(684,502)
Net Difference Between Projected and Actual Earnings on Plan Investments	-	(15,170,565)
Total	<u>\$ 6,362,778</u>	<u>\$ (15,855,067)</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)****E. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

	Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 8,416,207	\$ -
Differences Between Actual and Expected Experience	943,988	(1,453,296)
Change in Assumption	-	-
Net Difference Between Projected and Actual Earnings on Plan Investments	-	(18,913,824)
Total	<u>\$ 9,360,195</u>	<u>\$ (20,367,120)</u>

The amounts of \$6,362,778 for the Miscellaneous plan, and \$8,416,207 for the safety plan reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Miscellaneous	Safety	Total
2023	\$ (4,334,372)	\$ (4,678,392)	\$ (9,012,764)
2024	(3,715,725)	(4,496,328)	(8,212,053)
2025	(3,633,748)	(5,028,289)	(8,662,037)
2026	(4,171,222)	(5,220,123)	(9,391,345)
Total	<u>\$ (15,855,067)</u>	<u>\$ (19,423,132)</u>	<u>\$ (35,278,199)</u>

**NOTE 13 SUCCESSOR AGENCY TRUST FOR ASSETS AND OBLIGATIONS OF THE FORMER REDEVELOPMENT AGENCY**

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26 (the Bill) that provides for the dissolution of all redevelopment agencies in the state of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

Due to the dissolution of the City's Redevelopment Agency, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 13 SUCCESSOR AGENCY TRUST FOR ASSETS AND OBLIGATIONS OF THE FORMER REDEVELOPMENT AGENCY (CONTINUED)**

The following components of this footnote document the Successor Agency's capital assets and long-term liabilities as of June 30, 2022.

**Capital Assets - Land**

As of June 30, 2022, the Successor Agency owns six parcels of land with a cost of \$1,667,105. The land will be utilized for a public purpose at a time to be determined by the Successor Agency's Oversight Board.

**Long-Term Liabilities**

As of June 30, 2022, the balances of the Successor Agency long-term obligations are presented below:

	<u>Beginning Balance</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2017 Successor Agency to the Chico RDA Tax Allocation Refunding Bonds Series A	\$ 58,025,000	\$ (4,665,000)	\$ 53,360,000	\$ 4,795,000
Total Successor Agency Long-Term Liabilities	<u>\$ 58,025,000</u>	<u>\$ (4,665,000)</u>	<u>\$ 53,360,000</u>	<u>\$ 4,795,000</u>

**Successor Agency Tax Allocation Refunding Bonds**

A deferred amount on refunding of \$475,793 was recognized with the issuance of the bonds. The unamortized balance at June 30, 2022, was \$325,543 and is reported as a deferred inflow of resources.

**Long-Term Liabilities**

<u>Description</u>	<u>Amount</u>
Successor Agency Long-Term Liabilities	
Direct Placements:	
Revenue Bonds:	
2017 Tax Allocation Refund Bonds Series A (2017 TABS Series A) were issued in the amount of \$65,475,000 for the purpose of refunding the outstanding 2001 Tax Allocation Revenue Bonds, the 2005 Tax Allocation Bonds, and the 2017 Tax Allocation Refunding Bonds. Interest rates for the term of the 2017 TABS Series A is 2.82%. Payments are due in semi-annual installments on October 1 and April 1 through April 1, 2032.	<u>\$ 53,360,000</u>
Total Successor Agency Long-Term Liabilities	<u>\$ 53,360,000</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 13 SUCCESSOR AGENCY TRUST FOR ASSETS AND OBLIGATIONS OF THE FORMER REDEVELOPMENT AGENCY (CONTINUED)**

The following is a schedule of total debt service requirements to maturity as of June 30, 2022, for the tax allocation bonds:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 4,795,000	\$ 1,504,752	\$ 6,299,752
2024	4,925,000	1,369,533	6,294,533
2025	4,830,000	1,230,648	6,060,648
2026	5,095,000	1,094,442	6,189,442
2027	5,240,000	950,763	6,190,763
2028-2032	<u>28,475,000</u>	<u>2,453,964</u>	<u>30,928,964</u>
Total	<u>\$ 53,360,000</u>	<u>\$ 8,604,102</u>	<u>\$ 61,964,102</u>

The Successor Agency's outstanding bond debt from direct placements includes a priority pledge of "Tax Increment Revenues" allocated to the Successor Agency by the Butte County Auditor Controller. The Successor Agency is prohibited from entering any new enforceable obligations which are secured by a lien on this pledged collateral.

**REQUIRED SUPPLEMENTARY INFORMATION**

- Schedule of Changes in Net Pension Liability and Related Ratios – Miscellaneous
- Schedule of Changes in Net Pension Liability and Related Ratios – Safety
- Schedule of Contributions – Miscellaneous
- Schedule of Contributions – Safety
- Schedules of Changes in Net OPEB Liability and Related Ratios
- Schedules of Revenues, Expenditures, and Changes in Fund Balances, Budget to Actual, (General Fund and Major Special Revenue Funds):
  - General Fund
  - CDBG and HOME Housing Fund
  - Low and Moderate Income Housing Asset Fund
- Notes to Required Supplementary Information



**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED)**  
**CALPERS MISCELLANEOUS RETIREMENT PLAN**  
**LAST TEN YEARS\***

Measurement Period	2022	2021	2020	2019	2018	2017	2016	2015
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
<b>Total Pension Liability:</b>								
Service Cost	\$ 2,804,965	\$ 2,739,169	\$ 2,764,446	\$ 2,702,893	\$ 2,762,977	\$ 2,352,654	\$ 2,441,836	\$ 3,139,806
Interest	13,985,658	13,661,442	13,311,689	12,817,844	12,410,522	12,292,564	12,098,168	11,852,134
Differences Between Expected and Actual Experience	(789,082)	(938,361)	933,660	792,512	(3,454,037)	(3,764,124)	(3,748,881)	-
Changes in Assumptions	-	-	-	(1,220,368)	9,955,942	-	(2,850,219)	-
Benefit Payments, Including Refunds of Employee Contributions	(11,551,802)	(10,668,087)	(9,798,874)	(9,357,597)	(8,680,046)	(8,251,225)	(8,129,122)	(7,723,542)
Net Change in Total Pension Liability	4,449,739	4,794,163	7,210,921	5,735,284	12,995,358	2,629,869	(188,218)	7,268,398
Total Pension Liability - Beginning	200,766,110	195,971,947	188,761,026	183,025,742	170,030,384	167,400,515	167,588,733	160,320,335
Total Pension Liability - Ending (a)	205,215,849	200,766,110	195,971,947	188,761,026	183,025,742	170,030,384	167,400,515	167,588,733
<b>Plan Fiduciary Net Position:</b>								
Contributions - Employer	6,108,120	5,721,757	5,289,597	4,892,157	4,835,288	3,774,160	3,273,509	3,326,062
Contributions - Employee	1,676,572	1,550,839	1,452,949	1,211,601	1,042,124	960,903	950,096	991,678
Net Investment Income	30,274,538	6,530,524	8,254,467	10,107,344	12,216,475	574,677	2,533,100	17,333,730
Plan to Plan Resource Movement	-	-	-	(293)	-	(3,366)	3,313	-
Benefit Payments, Including Refunds of Employee Contributions	(11,551,802)	(10,668,087)	(9,798,874)	(9,357,597)	(8,680,046)	(8,251,225)	(8,129,122)	(7,723,542)
Administrative Expense	(133,591)	(184,371)	(89,683)	(185,995)	(162,567)	(68,942)	(127,469)	-
Miscellaneous Income (Expense)	-	-	293	(353,207)	-	-	-	-
Net Change in Plan Fiduciary Net Position	26,373,837	2,950,662	5,108,749	6,314,010	9,251,274	(3,013,793)	(1,496,573)	13,927,928
Plan Fiduciary Net Position - Beginning	133,732,712	130,782,050	125,673,301	119,359,291	110,108,017	113,121,810	114,618,383	100,690,455
Plan Fiduciary Net Position - Ending (b)	160,106,549	133,732,712	130,782,050	125,673,301	119,359,291	110,108,017	113,121,810	114,618,383
Net Pension Liability - Ending (a)-(b)	\$ 45,109,300	\$ 67,033,398	\$ 65,189,897	\$ 63,087,725	\$ 63,666,451	\$ 59,922,367	\$ 54,278,705	\$ 52,970,350
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.02%	66.61%	66.74%	68.39%	65.21%	68.39%	67.58%	68.39%
Covered Payroll	\$ 14,173,649	\$ 13,794,306	\$ 13,266,370	\$ 14,799,933	\$ 12,743,802	\$ 14,799,933	\$ 11,927,104	\$ 14,799,933
Net Pension Liability as a Percentage of Covered Payroll	318.26%	485.95%	491.39%	357.91%	499.59%	357.91%	455.09%	357.91%

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

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED)**  
**CALPERS SAFETY RETIREMENT PLAN**  
**LAST TEN YEARS\***

Measurement Period	2022	2021	2020	2019	2018	2017	2016	2015
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
<b>Total Pension Liability:</b>								
Service Cost	\$ 4,466,679	\$ 4,499,719	\$ 4,380,793	\$ 4,390,653	\$ 4,563,295	\$ 3,944,837	\$ 4,060,125	\$ 4,587,446
Interest	17,076,960	16,551,359	15,784,596	15,059,804	14,578,548	13,926,474	13,452,675	12,801,088
Differences Between Expected and Actual Experience	(1,937,728)	1,473,679	1,094,936	(1,573,264)	105,155	(2,584,243)	(602,213)	-
Changes in Assumptions	-	-	-	(1,049,800)	12,709,578	-	(3,450,890)	-
Benefit Payments, Including Refunds of Employee Contributions	(12,254,988)	(11,236,546)	(10,712,608)	(10,094,391)	(9,308,811)	(8,981,039)	(8,373,881)	(7,428,081)
Net Change in Total Pension Liability	7,350,923	11,288,211	10,547,717	6,733,002	22,647,765	6,306,029	5,085,816	9,960,453
Total Pension Liability - Beginning	244,670,487	233,382,276	222,834,559	216,101,557	193,453,792	187,147,763	182,061,947	172,101,494
Total Pension Liability - Ending (a)	252,021,410	244,670,487	233,382,276	222,834,559	216,101,557	193,453,792	187,147,763	182,061,947
<b>Plan Fiduciary Net Position:</b>								
Contributions - Employer	7,662,670	7,052,348	6,272,865	5,601,393	5,349,238	4,852,766	4,398,219	4,361,304
Contributions - Employee	1,846,839	1,760,356	1,783,895	1,542,571	1,550,187	1,404,504	1,236,718	1,260,761
Net Investment Income	37,934,519	8,073,042	10,107,564	12,224,670	14,750,340	663,425	2,981,880	20,361,356
Plan to Plan Resource Movement	-	-	-	(359)	-	3,366	(3,313)	-
Benefit Payments, Including Refunds of Employee Contributions	(12,254,988)	(11,236,546)	(10,712,608)	(10,094,391)	(9,308,811)	(8,981,039)	(8,373,881)	(7,428,081)
Administrative Expense	(166,877)	(227,863)	(110,105)	(227,002)	(197,150)	(82,684)	(152,694)	-
Miscellaneous Income (Expense)	-	-	359	(431,079)	-	-	-	-
Net Change in Plan Fiduciary Net Position	35,022,163	5,421,337	7,341,970	8,615,803	12,143,804	(2,139,662)	86,929	18,555,340
Plan Fiduciary Net Position - Beginning	167,054,114	161,632,777	154,290,807	145,675,004	133,531,200	135,670,862	135,583,933	117,028,593
Plan Fiduciary Net Position - Ending (b)	202,076,277	167,054,114	161,632,777	154,290,807	145,675,004	133,531,200	135,670,862	135,583,933
Net Pension Liability - Ending (a)-(b)	\$ 49,945,133	\$ 77,616,373	\$ 71,749,499	\$ 68,543,752	\$ 70,426,553	\$ 59,922,592	\$ 51,476,901	\$ 46,478,014
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.18%	68.29%	69.26%	69.24%	67.41%	69.02%	72.49%	74.47%
Covered Payroll	\$ 14,441,252	\$ 14,054,746	\$ 13,801,250	\$ 13,938,580	\$ 14,048,439	\$ 14,048,202	\$ 14,089,826	\$ 15,179,163
Net Pension Liability as a Percentage of Covered Payroll	345.85%	551.88%	519.88%	491.76%	501.31%	426.55%	365.35%	306.20%

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

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF CONTRIBUTIONS (UNAUDITED)  
CALPERS MISCELLANEOUS RETIREMENT PLAN  
LAST NINE YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 6,362,778	\$ 6,123,998	\$ 5,721,757	\$ 5,289,597	\$ 4,892,157	\$ 4,835,288	\$ 3,774,160	\$ 3,273,509	\$ 3,326,062
Contributions in Relation to the Actuarially Determined Contribution	<u>(6,362,778)</u>	<u>(6,123,998)</u>	<u>(5,721,757)</u>	<u>(5,289,597)</u>	<u>(4,892,157)</u>	<u>(4,835,288)</u>	<u>(3,774,160)</u>	<u>(3,273,509)</u>	<u>(3,326,062)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 14,173,649	\$ 13,226,312	\$ 13,794,306	\$ 13,938,580	\$ 12,101,584	\$ 12,743,802	\$ 12,095,926	\$ 11,927,104	\$ 14,709,933
Contributions as a Percentage of Covered Payroll	43.09%	46.30%	41.48%	39.87%	40.43%	37.94%	31.20%	27.45%	22.47%

\* This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF CONTRIBUTIONS (UNAUDITED)  
CALPERS SAFETY RETIREMENT PLAN  
LAST NINE YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 8,416,207	\$ 7,675,945	\$ 7,052,348	\$ 6,272,865	\$ 5,601,393	\$ 5,349,238	\$ 4,852,766	\$ 4,398,219	\$ 4,361,304
Contributions in Relation to the Actuarially Determined Contribution	<u>(8,416,207)</u>	<u>(7,675,945)</u>	<u>(7,052,348)</u>	<u>(6,272,865)</u>	<u>(5,601,393)</u>	<u>(5,349,238)</u>	<u>(4,852,766)</u>	<u>(4,398,219)</u>	<u>(4,361,304)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 14,441,252	\$ 14,339,448	\$ 14,054,746	\$ 13,801,250	\$ 13,938,580	\$ 14,048,439	\$ 14,048,202	\$ 14,089,826	\$ 15,179,163
Contributions as a Percentage of Covered Payroll	53.06%	53.53%	50.18%	45.45%	40.19%	38.08%	34.54%	31.22%	28.73%

\* This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 19,595,713	\$ 20,153,220	\$ 21,002,149	\$ 848,929
Sales and Use Taxes	26,470,000	30,670,000	31,483,939	813,939
Franchise Fees	3,725,000	3,725,000	4,037,572	312,572
Transient Occupancy Taxes	2,800,000	3,700,000	3,913,104	213,104
Other Taxes	7,485,219	8,646,219	10,133,589	1,487,370
Licenses and Permits	89,400	89,400	78,903	(10,497)
Intergovernmental	11,255,735	16,217,965	7,744,936	(8,473,029)
Charges for Services	218,240	218,240	255,878	37,638
Fines, Forfeitures, and Penalties	446,000	446,000	753,266	307,266
Use of Money and Property	2,679,230	2,661,867	(1,584,476)	(4,246,343)
Miscellaneous	273,179	291,005	417,419	126,414
Total Revenues	75,037,716	86,818,916	78,236,279	(8,582,637)
<b>EXPENDITURES</b>				
Current:				
General Government:				
Administrative Services Department	2,822,793	3,917,400	4,054,396	(136,996)
City Attorney Department	640,367	700,367	590,803	109,564
City Clerk Department	876,091	944,053	665,098	278,955
City Council	322,926	322,926	263,596	59,330
City Manager Department	2,103,549	1,532,264	1,272,784	259,480
Less - Indirect Costs	(2,130,959)	(2,130,959)	(2,130,959)	-
Total General Government	4,634,767	5,286,051	4,715,718	570,333
Public Safety:				
Police Department	29,015,500	30,133,018	29,824,045	308,973
Fire Department	14,010,361	15,485,639	15,493,900	(8,261)
Total Public Safety	43,025,861	45,618,657	45,317,945	300,712
Public Works Department	4,205,847	4,236,750	4,796,020	(559,270)
Parks Department	3,548,070	3,686,293	3,647,963	38,330
Arts and Culture	-	34,658	34,669	(11)
Community Development Department	1,267,430	1,279,911	1,274,870	5,041
Community Agencies	30,000	92,485	-	92,485
Health & Human Services	7,822	207,125	302,524	(95,399)
Capital Outlay:				
Capital Outlay - Operations	14,210,456	24,940,050	10,782,276	14,157,774
Debt Service:				
Principal Retirement	4,070,475	430,651	443,788	13,137
Interest and Fiscal Charges	76,806	75,671	62,534	(13,137)
Total Debt Service	4,147,281	506,322	506,322	-
Total Expenditures	75,077,534	85,888,302	71,378,307	14,509,995
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(39,818)	930,614	6,857,972	5,927,358

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ 10,954,329	\$ 10,954,329	2,748,940	\$ (8,205,389)
Transfers Out	(14,309,890)	(14,309,890)	(5,989,069)	8,320,821
Capital Lease Issuance	-	-	4,446,970	4,446,970
Total Other Financing Sources (Uses)	<u>(3,355,561)</u>	<u>(3,355,561)</u>	<u>1,206,841</u>	<u>4,562,402</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(3,395,379)</b>	<b>(2,424,947)</b>	<b>8,064,813</b>	<b>10,489,760</b>
Fund Balance - Beginning of Year	<u>39,432,758</u>	<u>39,432,758</u>	<u>39,432,758</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 36,037,379</b>	<b>\$ 37,007,811</b>	<b>\$ 47,497,571</b>	<b>\$ 10,489,760</b>

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
CDBG AND HOME HOUSING FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 2,587,404	\$ 6,674,504	\$ 3,797,756	\$ (2,876,748)
Use of Money and Property	15,380	-	6,172	6,172
Total Revenues	<u>2,602,784</u>	<u>6,674,504</u>	<u>3,803,928</u>	<u>(2,870,576)</u>
<b>EXPENDITURES</b>				
Current:				
Community Development	2,916,377	6,382,524	1,207,984	5,174,540
Total Expenditures	<u>2,916,377</u>	<u>6,382,524</u>	<u>1,207,984</u>	<u>5,174,540</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(313,593)	291,980	2,595,944	2,303,964
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	31,518	37,958	37,958	-
Total Other Financing Sources (Uses)	<u>31,518</u>	<u>37,958</u>	<u>37,958</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(282,075)	329,938	2,633,902	2,303,964
Fund Balance - Beginning of Year	7,646,405	7,646,405	7,646,405	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 7,364,330</u>	<u>\$ 7,976,343</u>	<u>\$ 10,280,307</u>	<u>\$ 2,303,964</u>

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**LOW AND MODERATE INCOME HOUSING ASSET FUND**  
**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 25,000	\$ 25,000	\$ 9,904	\$ (15,096)
Charges for Services	-	-	1,517	1,517
Use of Money and Property	260,000	330,897	230,287	(100,610)
Miscellaneous	-	-	4,000	4,000
Total Revenues	<u>285,000</u>	<u>355,897</u>	<u>245,708</u>	<u>(110,189)</u>
<b>EXPENDITURES</b>				
Current:				
Community Development	431,445	456,764	399,316	57,448
Capital Outlay	550,000	1,405,000	-	1,405,000
Total Expenditures	<u>981,445</u>	<u>1,861,764</u>	<u>399,316</u>	<u>1,462,448</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(696,445)	(1,505,867)	(153,608)	1,352,259
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(31,518)	(37,958)	(37,958)	-
Total Other Financing Sources (Uses)	<u>(31,518)</u>	<u>(37,958)</u>	<u>(37,958)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(727,963)	(1,543,825)	(191,566)	1,352,259
Fund Balance - Beginning of Year	56,102,408	56,102,408	56,102,408	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 55,374,445</u>	<u>\$ 54,558,583</u>	<u>\$ 55,910,842</u>	<u>\$ 1,352,259</u>

See accompanying Notes to Required Supplementary Information.



**CITY OF CHICO, CALIFORNIA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2022**

The annual operating budget is adopted by the City Council on or before the first meeting in July each year on a basis consistent with accounting principles generally accepted in the United States of America as noted below. The appropriated budget is prepared by fund, function, and activity. The City Manager is authorized to transfer budget amounts between departments within any fund; however, any revision that exceeds the appropriated expenditures on any fund requires approval by the City Council. The legal level of budgetary control is at the department level. Outside of the General Fund, all funds are one department.

Original appropriations are adjusted by supplemental appropriations and budget modifications approved during the year, creating the modified adopted budget.

The General Fund does not budget for noncash transfers including transfers of loans and transfers used to cover other Funds' fund balance deficits and capital lease transactions.

Budgetary comparisons and reconciliations are included in Required Supplementary Information as Schedules of Revenue and Changes in Fund Balance - Budget and Actual, for the General Fund, CDBG and HOME Housing Fund, and the Low and Moderate Income Housing Asset Fund.

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**SUPPLEMENTAL BUDGETARY COMPARISONS  
(MAJOR CAPITAL PROJECTS FUNDS)**

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**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
CAPITAL GRANTS FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 397,317	\$ 60,860,186	\$ 5,477,676	\$ (55,382,510)
Miscellaneous	-	26,000	9,969	(16,031)
Total Revenues	397,317	60,886,186	5,487,645	(55,398,541)
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	423,257	(423,257)
Capital Outlay	397,317	60,238,202	16,015,876	44,222,326
Total Expenditures	397,317	60,238,202	16,439,133	43,799,069
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	647,984	(10,951,488)	(11,599,472)
<b>NET CHANGE IN FUND BALANCE</b>	-	647,984	(10,951,488)	(11,599,472)
Fund Balance - Beginning of Year	(834,334)	(834,334)	(834,334)	-
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ (834,334)</b>	<b>\$ (186,350)</b>	<b>\$ (11,785,822)</b>	<b>\$ (11,599,472)</b>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
PUBLIC FACILITIES IMPACT FEE FUNDS  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 6,907,700	\$ 6,907,700	\$ 8,765,474	\$ 1,857,774
Use of Money and Property	-	-	(1,246,772)	(1,246,772)
Total Revenues	6,907,700	6,907,700	7,518,702	611,002
<b>EXPENDITURES</b>				
Current:				
Community Development	-	-	3,501,302	(3,501,302)
Capital Outlay	10,189,601	25,317,254	4,272,322	21,044,932
Total Expenditures	10,189,601	25,317,254	7,773,624	17,543,630
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(3,281,901)	(18,409,554)	(254,922)	18,154,632
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(69,077)	(92,102)	(87,655)	4,447
Total Other Financing Sources (Uses)	(69,077)	(92,102)	(87,655)	4,447
<b>NET CHANGE IN FUND BALANCE</b>	(3,350,978)	(18,501,656)	(342,577)	18,159,079
Fund Balance - Beginning of Year	32,395,488	32,395,488	32,395,488	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 29,044,510</u>	<u>\$ 13,893,832</u>	<u>\$ 32,052,911</u>	<u>\$ 18,159,079</u>

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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**NONMAJOR GOVERNMENT FUNDS****SPECIAL REVENUE FUNDS**

*Operating Grants* – Accounts for a variety of governmental operating grants, including law enforcement grants. These funds are restricted to be used only for the purpose of the grants.

*Community Maintenance Districts* – Accounts for maintenance and operation of specified public improvements. These funds are restricted to be used only for the maintenance districts.

*Transportation* – Accounts for Transportation Development Act (TDA) funding for the planning, development, construction, and maintenance of street/road and bicycle/pedestrian projects. These funds are restricted to be used only for allowable TDA activities.

*Gas Tax* – Accounts for revenues and expenditures apportioned under the Streets and Highway Code, Sections 2103, 2105, 2106, 2107, and 2107.5 for administration, maintenance, and construction which is street-related and Transportation Congestion Relief monies. Also accounts for federal funds allocated for street maintenance and rehabilitation, and right-of-way acquisition, maintenance, construction, street sweeping, and improvement of street facilities, from the Transportation Equity Act for the 21st Century. All gas tax funds are restricted to be used only as allowed within the Streets and Highway Code and federal regulations.

*Other Special Revenue* – Accounts for comparatively smaller special revenue funds including traffic safety, asset forfeiture, private activity revenue bond reserve administration, and assessment district administration fund. These funds are restricted to be used for allowable activities as listed.

**CAPITAL PROJECTS FUNDS**

*Capital Improvements* – Accounts for various capital improvements - building/facility improvements, passenger facility charges, in lieu offsite improvements, Liberator Street remediation, and sewer main installation.

*Bond Proceeds Fund* – Accounts for the transfer of bond proceeds from the 2001 Chico Public Financing Authority Tax Allocation Revenue Bonds and 2005 Chico Redevelopment Agency Tax Allocation Bond that are to be used by the City for purposes for which all bonds were sold. The transfer and use of the proceeds is allowed by provisions of AB 1484 (Redevelopment Dissolution).

*Fleet Replacement and Facility Maintenance* – Accounts for accumulation of reserves and expenditures for major equipment replacement and major building and facility maintenance.

*Remediation* – Accounts for transactions related to clean up of various remediation sites within the City.

**CITY OF CHICO, CALIFORNIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	Special Revenue				Other Special Revenue Funds	Total Nonmajor Special Revenue Funds
	Operating Grants	Community Maintenance Districts	Transportation	Gas Tax		
<b>ASSETS</b>						
Cash and Investments	\$ -	\$ 4,727,057	\$ 5,513,965	\$ 5,416,656	\$ 538,669	\$ 16,196,347
Restricted Cash and Investments	-	-	-	-	-	-
Receivables:						
Interest	-	-	-	-	-	-
Taxes	-	33,862	-	-	-	33,862
Accounts	-	-	-	-	49,004	49,004
Intergovernmental	26,585	-	1,340	1,650,330	14,691	1,692,946
Loans	-	-	-	-	18,029	18,029
Deposits With Others	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-
Total Assets	<u>\$ 26,585</u>	<u>\$ 4,760,919</u>	<u>\$ 5,515,305</u>	<u>\$ 7,066,986</u>	<u>\$ 620,393</u>	<u>\$ 17,990,188</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 6,005	\$ 201,495	\$ 147,740	\$ 80,611	\$ 9,177	\$ 445,028
Accrued Salaries and Benefits	29,363	-	8,278	-	3,943	41,584
Intergovernmental Payable	-	-	-	-	-	-
Due to Other Funds	42,239	-	-	-	-	42,239
Advances from Other Funds	-	38,377	-	-	-	38,377
Unearned Revenue	180,393	-	-	-	-	180,393
Total Liabilities	<u>258,000</u>	<u>239,872</u>	<u>156,018</u>	<u>80,611</u>	<u>13,120</u>	<u>747,621</u>
<b>FUND BALANCES</b>						
Nonspendable						
Restricted	-	4,521,047	5,359,287	6,986,375	607,273	17,473,982
Assigned						
Unassigned	(231,415)	-	-	-	-	(231,415)
Total Fund Balances	<u>(231,415)</u>	<u>4,521,047</u>	<u>5,359,287</u>	<u>6,986,375</u>	<u>607,273</u>	<u>17,242,567</u>
Total Liabilities, Deferred inflows of Resources, and Fund Balances	<u>\$ 26,585</u>	<u>\$ 4,760,919</u>	<u>\$ 5,515,305</u>	<u>\$ 7,066,986</u>	<u>\$ 620,393</u>	<u>\$ 17,990,188</u>

**CITY OF CHICO, CALIFORNIA  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	Capital Projects Funds					Total Nonmajor Capital Projects Fund	Total Nonmajor Governmental
	Capital Improvements Fund	Bonds Proceeds Funds	Fleet Replacement and Facility Maintenance	Remediation Fund	Public Infrastructure Replacement		
<b>ASSETS</b>							
Cash and Investments	\$ 1,619,516	\$ -	\$ 3,859,109	\$ 418,573	\$ 3,178,834	\$ 9,076,032	\$ 25,272,379
Restricted Cash and Investments	-	102,100	-	-	-	102,100	102,100
Receivables:							
Interest	-	184	-	-	-	184	184
Taxes	-	-	-	-	-	-	33,862
Accounts	3,349	-	-	-	-	3,349	52,353
Intergovernmental	-	-	-	-	-	-	1,692,946
Loans	-	-	-	-	-	-	18,029
Deposits With Others	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,622,865</u>	<u>\$ 102,284</u>	<u>\$ 3,859,109</u>	<u>\$ 418,573</u>	<u>\$ 3,178,834</u>	<u>\$ 9,181,665</u>	<u>\$ 27,171,853</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ -	\$ 1,143	\$ 40,337	\$ 8,938	\$ -	\$ 50,418	\$ 495,446
Accrued Salaries and Benefits	7,680	-	-	-	-	7,680	49,264
Intergovernmental Payable	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	42,239
Advances from Other Funds	-	-	-	-	-	-	38,377
Unearned Revenue	-	-	-	-	-	-	180,393
Total Liabilities	<u>7,680</u>	<u>1,143</u>	<u>40,337</u>	<u>8,938</u>	<u>-</u>	<u>58,098</u>	<u>805,719</u>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	101,141	-	-	3,178,834	3,279,975	20,753,957
Assigned	1,615,185	-	3,818,772	409,635	-	5,843,592	5,843,592
Unassigned	-	-	-	-	-	-	(231,415)
Total Fund Balances	<u>1,615,185</u>	<u>101,141</u>	<u>3,818,772</u>	<u>409,635</u>	<u>3,178,834</u>	<u>9,123,567</u>	<u>26,366,134</u>
Total Liabilities, Deferred inflows of Resources, and Fund Balances	<u>\$ 1,622,865</u>	<u>\$ 102,284</u>	<u>\$ 3,859,109</u>	<u>\$ 418,573</u>	<u>\$ 3,178,834</u>	<u>\$ 9,181,665</u>	<u>\$ 27,171,853</u>



**CITY OF CHICO, CALIFORNIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Special Revenue				Other Special Revenue Funds	Total Nonmajor Special Revenue Funds
	Operating Grants	Community Maintenance Districts	Transportation	Gas Tax		
<b>REVENUES</b>						
Intergovernmental	\$ 403,981	\$ -	\$ 2,750,445	\$ 6,065,949	\$ -	\$ 9,220,375
Property Tax	-	-	-	-	-	-
Charges for Services	-	1,907,572	270	-	234,223	2,142,065
Fines, Forfeitures, and Penalties	-	-	-	-	60,858	60,858
Use of Money and Property	469	(155,193)	(178,313)	(206,085)	(13,262)	(552,384)
Miscellaneous	-	-	-	-	7,175	7,175
Total Revenues	404,450	1,752,379	2,572,402	5,859,864	288,994	10,878,089
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	-	-	474,152	474,152
Public Safety	612,154	-	-	-	10,204	622,358
Public Works	-	1,690,902	1,144,841	550,255	-	3,385,998
Parks and Recreation	124,344	-	-	-	-	124,344
Community Development	-	-	-	-	-	-
Capital Outlay:						
Capital Outlay Operation	99,935	-	559,115	2,152,062	18,195	2,829,307
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	2,110	-	-	-	2,110
Total Expenditures	836,433	1,693,012	1,703,956	2,702,317	502,551	7,438,269
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(431,983)	59,367	868,446	3,157,547	(213,557)	3,439,820
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	49,369	82,771	-	-	250,640	382,780
Transfers Out	(1,800)	-	(100,000)	(2,050,000)	(39,288)	(2,191,088)
Total Other Financing Sources (Uses)	47,569	82,771	(100,000)	(2,050,000)	211,352	(1,808,308)
<b>NET CHANGE IN FUND BALANCES</b>	(384,414)	142,138	768,446	1,107,547	(2,205)	1,631,512
Fund Balances - Beginning of Year	152,999	4,378,909	4,590,841	5,878,828	609,478	15,611,055
<b>FUND BALANCES - END OF YEAR</b>	\$ (231,415)	\$ 4,521,047	\$ 5,359,287	\$ 6,986,375	\$ 607,273	\$ 17,242,567

**CITY OF CHICO, CALIFORNIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Capital Projects Funds					Total Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
	Capital Improvements Fund	Bonds Proceeds Funds	Fleet Replacement and Facility Maintenance	Remediation Fund	Public Infrastructure Replacement		
<b>REVENUES</b>							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,220,375
Property Tax	-	-	-	-	-	-	-
Charges for Services	526,440	-	-	-	-	526,440	2,668,505
Fines, Forfeitures, and Penalties	-	-	-	-	-	-	60,858
Use of Money and Property	46,650	396	(165,904)	(16,653)	(94,208)	(229,719)	(782,103)
Miscellaneous	-	-	58,006	-	-	58,006	65,181
Total Revenues	573,090	396	(107,898)	(16,653)	(94,208)	354,727	11,232,816
<b>EXPENDITURES</b>							
Current:							
General Government	-	-	639,477	-	-	639,477	1,113,629
Public Safety	-	-	-	-	-	-	622,358
Public Works	1,671,571	511	-	74,736	73,940	1,820,758	5,206,756
Parks and Recreation	-	-	-	-	-	-	124,344
Community Development	-	-	-	-	-	-	-
Capital Outlay:							
Capital Outlay Operation	-	23,019	1,280,268	-	699,877	2,003,164	4,832,471
Debt Service:							
Principal Retirement	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	2,110
Total Expenditures	1,671,571	23,530	1,919,745	74,736	773,817	4,463,399	11,901,668
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,098,481)	(23,134)	(2,027,643)	(91,389)	(868,025)	(4,108,672)	(668,852)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	-	-	3,109,820	-	1,507,435	4,617,255	5,000,035
Transfers Out	-	-	-	-	-	-	(2,191,088)
Total Other Financing Sources (Uses)	-	-	3,109,820	-	1,507,435	4,617,255	2,808,947
<b>NET CHANGE IN FUND BALANCES</b>	(1,098,481)	(23,134)	1,082,177	(91,389)	639,410	508,583	2,140,095
Fund Balances - Beginning of Year	2,713,666	124,275	2,736,595	501,024	2,539,424	8,614,984	24,226,039
<b>FUND BALANCES - END OF YEAR</b>	\$ 1,615,185	\$ 101,141	\$ 3,818,772	\$ 409,635	\$ 3,178,834	\$ 9,123,567	\$ 26,366,134

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
OPERATING GRANTS SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 170,912	\$ 1,330,496	\$ 403,981	\$ (926,515)
Use of Money and Property	-	-	469	469
Total Revenues	170,912	1,330,496	404,450	(926,046)
<b>EXPENDITURES</b>				
Current:				
General Government	-	500	-	500
Public Safety	1,052,421	1,052,421	612,154	440,267
Parks and Recreation	222,882	222,346	124,344	98,002
Capital Outlay	52,479	132,063	99,935	32,128
Total Expenditures	1,327,782	1,407,330	836,433	570,897
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,156,870)	(76,834)	(431,983)	(355,149)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	49,369	49,369	49,369	-
Transfers Out	-	(1,800)	(1,800)	-
Total Other Financing Sources (Uses)	49,369	47,569	47,569	-
<b>NET CHANGE IN FUND BALANCE</b>	(1,107,501)	(29,265)	(384,414)	(355,149)
Fund Balance - Beginning of Year	152,999	152,999	152,999	-
<b>FUND BALANCE - END OF YEAR</b>	\$ (954,502)	\$ 123,734	\$ (231,415)	\$ (355,149)

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
COMMUNITY MAINTENANCE DISTRICTS SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 1,793,836	\$ 2,186,355	\$ 1,907,572	\$ (278,783)
Property Tax	1,675	-	-	-
Use of Money and Property	-	-	(155,193)	(155,193)
Total Revenues	<u>1,795,511</u>	<u>2,186,355</u>	<u>1,752,379</u>	<u>(433,976)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	1,397,619	1,381,673	1,690,902	(309,229)
Debt Service:				
Interest	2,111	2,111	2,110	1
Total Expenditures	<u>1,399,730</u>	<u>1,383,784</u>	<u>1,693,012</u>	<u>(309,228)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	395,781	802,571	59,367	(743,204)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	100,073	165,542	82,771	(82,771)
Total Other Financing Sources (Uses)	<u>100,073</u>	<u>165,542</u>	<u>82,771</u>	<u>(82,771)</u>
<b>NET CHANGE IN FUND BALANCE</b>	495,854	968,113	142,138	(825,975)
Fund Balance - Beginning of Year	<u>4,378,909</u>	<u>4,378,909</u>	<u>4,378,909</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 4,874,763</u>	<u>\$ 5,347,022</u>	<u>\$ 4,521,047</u>	<u>\$ (825,975)</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
TRANSPORTATION SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 3,195,056	\$ 3,026,574	\$ 2,750,445	\$ (276,129)
Charges for Services	-	-	270	270
Use of Money and Property	20,820	20,820	(178,313)	(199,133)
Total Revenues	<u>3,215,876</u>	<u>3,047,394</u>	<u>2,572,402</u>	<u>(474,992)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	542,301	598,750	1,144,841	(546,091)
Capital Outlay	2,106,464	5,958,243	559,115	5,399,128
Total Expenditures	<u>2,648,765</u>	<u>6,556,993</u>	<u>1,703,956</u>	<u>4,853,037</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	567,111	(3,509,599)	868,446	4,378,045
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(100,000)	(100,000)	(100,000)	-
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	467,111	(3,609,599)	768,446	4,378,045
Fund Balance - Beginning of Year	<u>4,590,841</u>	<u>4,590,841</u>	<u>4,590,841</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 5,057,952</u>	<u>\$ 981,242</u>	<u>\$ 5,359,287</u>	<u>\$ 4,378,045</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
GAS TAX FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 6,014,541	\$ 6,453,513	\$ 6,065,949	\$ (387,564)
Use of Money and Property	-	38,599	(206,085)	(244,684)
Total Revenues	<u>6,014,541</u>	<u>6,492,112</u>	<u>5,859,864</u>	<u>(632,248)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	550,255	(550,255)
Capital Outlay	4,024,510	7,351,624	2,152,062	5,199,562
Total Expenditures	<u>4,024,510</u>	<u>7,351,624</u>	<u>2,702,317</u>	<u>4,649,307</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,990,031	(859,512)	3,157,547	4,017,059
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(2,050,000)	(2,050,000)	(2,050,000)	-
Total Other Financing Sources (Uses)	<u>(2,050,000)</u>	<u>(2,050,000)</u>	<u>(2,050,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(59,969)	(2,909,512)	1,107,547	4,017,059
Fund Balance - Beginning of Year	<u>5,878,828</u>	<u>5,878,828</u>	<u>5,878,828</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 5,818,859</u>	<u>\$ 2,969,316</u>	<u>\$ 6,986,375</u>	<u>\$ 4,017,059</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
OTHER SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 160,000	\$ 160,000	\$ 234,223	\$ 74,223
Fines, Forfeitures, and Penalties	20,000	43,299	60,858	17,559
Use of Money and Property	1,174	1,321	(13,262)	(14,583)
Miscellaneous	-	-	7,175	7,175
Total Revenues	<u>181,174</u>	<u>204,620</u>	<u>288,994</u>	<u>84,374</u>
<b>EXPENDITURES</b>				
Current:				
General Government	316,334	341,648	474,152	(132,504)
Public Safety	10,204	10,204	10,204	-
Capital Outlay	176,800	227,638	18,195	209,443
Total Expenditures	<u>503,338</u>	<u>579,490</u>	<u>502,551</u>	<u>76,939</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(322,164)	(374,870)	(213,557)	161,313
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	164,070	250,640	250,640	-
Transfers Out	(20,000)	(39,288)	(39,288)	-
Total Other Financing Sources (Uses)	<u>144,070</u>	<u>211,352</u>	<u>211,352</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(178,094)	(163,518)	(2,205)	161,313
Fund Balance - Beginning of Year	<u>609,478</u>	<u>609,478</u>	<u>609,478</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 431,384</u>	<u>\$ 445,960</u>	<u>\$ 607,273</u>	<u>\$ 161,313</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
CAPITAL IMPROVEMENTS FUNDS  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 800,000	\$ 800,000	\$ 526,440	\$ (273,560)
Use of Money and Property	-	-	46,650	46,650
Total Revenues	<u>800,000</u>	<u>800,000</u>	<u>573,090</u>	<u>(226,910)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	3,626,705	3,808,638	1,671,571	2,137,067
Total Expenditures	<u>3,626,705</u>	<u>3,808,638</u>	<u>1,671,571</u>	<u>2,137,067</u>
<b>NET CHANGE IN FUND BALANCE</b>	(2,826,705)	(3,008,638)	(1,098,481)	1,910,157
Fund Balance - Beginning of Year	2,713,666	2,713,666	2,713,666	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ (113,039)</u>	<u>\$ (294,972)</u>	<u>\$ 1,615,185</u>	<u>\$ 1,910,157</u>



**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
BOND PROCEEDS FUNDS  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ 396	\$ 396
Total Revenues	<u>-</u>	<u>-</u>	<u>396</u>	<u>396</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	511	(511)
Capital Outlay	-	62,958	23,019	39,939
Total Expenditures	<u>-</u>	<u>62,958</u>	<u>23,530</u>	<u>39,428</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	(62,958)	(23,134)	39,824
Fund Balance - Beginning of Year	-	124,275	124,275	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 61,317</u>	<u>\$ 101,141</u>	<u>\$ 39,824</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FLEET REPLACEMENT AND FACILITY MAINTENANCE  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ (165,904)	\$ (165,904)
Miscellaneous	-	-	58,006	58,006
Total Revenues	-	-	(107,898)	(107,898)
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	639,477	(639,477)
Capital Outlay	3,858,736	6,556,946	1,280,268	5,276,678
Total Expenditures	3,858,736	6,556,946	1,919,745	4,637,201
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(3,858,736)	(6,556,946)	(2,027,643)	4,529,303
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,720,457	4,049,821	3,109,820	(940,001)
Total Other Financing Sources (Uses)	3,720,457	4,049,821	3,109,820	(940,001)
<b>NET CHANGE IN FUND BALANCE</b>	(138,279)	(2,507,125)	1,082,177	3,589,302
Fund Balance - Beginning of Year	2,736,595	2,736,595	2,736,595	-
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 2,598,316</b>	<b>\$ 229,470</b>	<b>\$ 3,818,772</b>	<b>\$ 3,589,302</b>

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**REMEDATION FUND**  
**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ (16,653)	\$ (16,653)
Total Revenues	<u>-</u>	<u>-</u>	<u>(16,653)</u>	<u>(16,653)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	74,736	(74,736)
Capital Outlay	5,000	506,022	-	506,022
Total Expenditures	<u>5,000</u>	<u>506,022</u>	<u>74,736</u>	<u>431,286</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(5,000)	(506,022)	(91,389)	414,633
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	5,000	5,000	-	(5,000)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	(501,022)	(91,389)	409,633
Fund Balance - Beginning of Year	501,024	501,024	501,024	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 501,024</u>	<u>\$ 2</u>	<u>\$ 409,635</u>	<u>\$ 409,633</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
PUBLIC INFRASTRUCTURE REPLACEMENT  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ (94,208)	\$ (94,208)
Total Revenues	-	-	(94,208)	(94,208)
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	73,940	(73,940)
Capital Outlay	1,800,000	3,010,057	699,877	2,310,180
Total Expenditures	1,800,000	3,010,057	773,817	2,236,240
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,800,000)	(3,010,057)	(868,025)	2,142,032
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,520,000	1,520,000	1,507,435	(12,565)
Total Other Financing Sources (Uses)	1,520,000	1,520,000	1,507,435	(12,565)
<b>NET CHANGE IN FUND BALANCE</b>	(280,000)	(1,490,057)	639,410	2,129,467
Fund Balance - Beginning of Year	2,539,424	2,539,424	2,539,424	-
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 2,259,424</b>	<b>\$ 1,049,367</b>	<b>\$ 3,178,834</b>	<b>\$ 2,129,467</b>

**INTERNAL SERVICE FUNDS**

*Self-Insurance* – Accounts for liability, property, and related insurance program activities; workers' compensation insurance program activities; and unemployment insurance reimbursement transactions to State Unemployment Insurance Fund.

*Central Garage* – Accounts for central garage operating costs which are subsequently distributed to user offices and departments.

*Municipal Building Maintenance* – Accounts for municipal buildings operating costs which are subsequently distributed to user offices and departments.

*Information Services* – Accounts for information and communications systems costs which are subsequently distributed to user offices and departments.

*Retirement Funding* – Accounts for annual payments of CalPERS Unfunded Liability.

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**CITY OF CHICO, CALIFORNIA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2022**

	Self Insurance	Central Garage	Building Maintenance	Information Services	Retirement Funding	Total
<b>ASSETS</b>						
Current Assets:						
Cash and Investments	\$ 7,699,882	\$ -	\$ 85,057	\$ 104,703	\$ 4,649,361	\$ 12,539,003
Receivables:						
Accounts	193,869	-	-	-	-	193,869
Intergovernmental	-	32,466	-	-	-	32,466
Due from Other Cash Funds	-	-	-	-	-	-
Inventories	-	83,748	-	-	-	83,748
Prepaid Items	-	-	-	21,720	-	21,720
Total Current Assets	<u>7,893,751</u>	<u>116,214</u>	<u>85,057</u>	<u>126,423</u>	<u>4,649,361</u>	<u>12,870,806</u>
Noncurrent Assets:						
Lease Assets, Net	-	-	-	107,917	-	107,917
Restricted Cash and Investments	485,000	-	-	-	-	485,000
Land and Construction in Progress	-	30,391	-	-	-	30,391
Net of Accumulated Depreciation	-	20,880	-	-	-	20,880
Total Noncurrent Assets	<u>485,000</u>	<u>51,271</u>	<u>-</u>	<u>107,917</u>	<u>-</u>	<u>644,188</u>
Total Assets	<u>8,378,751</u>	<u>167,485</u>	<u>85,057</u>	<u>234,340</u>	<u>4,649,361</u>	<u>13,514,994</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred Amounts Related to Pension	-	260,874	212,517	400,219	-	873,610
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	628,278	56,364	60,951	49,220	-	794,813
Due to Other Cash Funds	-	1,503	-	-	-	1,503
Accrued Salaries and Benefits	-	26,859	18,454	39,219	-	84,532
Compensated Absences - Current	-	5,909	5,506	8,839	-	20,254
Lease Liability - Current	-	-	-	52,536	-	52,536
Claims Liability - Current Portion	2,667,710	-	-	-	-	2,667,710
Total Current Liabilities	<u>3,295,988</u>	<u>90,635</u>	<u>84,911</u>	<u>149,814</u>	<u>-</u>	<u>3,621,348</u>
Noncurrent Liabilities:						
Compensated Absences	-	51,476	47,962	76,992	-	176,430
Lease Liability	-	-	-	58,225	-	58,225
Claims Liability	4,774,091	-	-	-	-	4,774,091
Net Pension Liability	-	1,849,481	1,506,651	2,837,375	-	6,193,507
Total Noncurrent Liabilities	<u>4,774,091</u>	<u>1,900,957</u>	<u>1,554,613</u>	<u>2,972,592</u>	<u>-</u>	<u>11,202,253</u>
Total Liabilities	<u>8,070,079</u>	<u>1,991,592</u>	<u>1,639,524</u>	<u>3,122,406</u>	<u>-</u>	<u>14,823,601</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Amounts Related to Pension	-	650,058	529,559	997,284	-	2,176,901
<b>NET POSITION</b>						
Net Investment in Capital Assets	-	51,271	-	(2,844)	-	48,427
Unrestricted	308,672	(2,264,562)	(1,871,509)	(3,482,287)	4,649,361	(2,660,325)
Total Net Position	<u>\$ 308,672</u>	<u>\$ (2,213,291)</u>	<u>\$ (1,871,509)</u>	<u>\$ (3,485,131)</u>	<u>\$ 4,649,361</u>	<u>\$ (2,611,898)</u>

**CITY OF CHICO, CALIFORNIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Self Insurance	Central Garage	Municipal Building Maintenance	Information Services	Retirement Funding	Total
<b>OPERATING REVENUES</b>						
Charges for Services - Internal	\$ 5,187,769	\$ 2,208,759	\$ 1,483,179	\$ 2,332,144	\$ 11,924,402	\$ 23,136,253
Charges for Services - External	-	62,787	-	-	-	62,787
Total Operating Revenues	<u>5,187,769</u>	<u>2,271,546</u>	<u>1,483,179</u>	<u>2,332,144</u>	<u>11,924,402</u>	<u>23,199,040</u>
<b>OPERATING EXPENSES</b>						
Salaries and Benefits	-	687,164	795,307	1,051,378	-	2,533,849
Materials and Supplies	1,038	433,529	94,211	47,685	-	576,463
Purchased Services	2,999,341	107,746	359,067	825,406	-	4,291,560
Amortization	-	-	-	51,801	-	51,801
Other Expenses	1,801,901	893,553	349,152	300,917	10,602,176	13,947,699
Depreciation	-	1,740	-	-	-	1,740
Total Operating Expenses	<u>4,802,280</u>	<u>2,123,732</u>	<u>1,597,737</u>	<u>2,277,187</u>	<u>10,602,176</u>	<u>21,403,112</u>
<b>OPERATING INCOME (LOSS)</b>	385,489	147,814	(114,558)	54,957	1,322,226	1,795,928
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment Earnings	(272,272)	-	-	-	17,875	(254,397)
Miscellaneous	13,543	-	-	-	-	13,543
Miscellaneous Expense	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(258,729)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,875</u>	<u>(240,854)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	126,760	147,814	(114,558)	54,957	1,340,101	1,555,074
Transfers In	-	-	-	-	-	-
Transfers Out	(364,369)	(20,149)	(35,796)	-	-	(420,314)
<b>CHANGE IN NET POSITION</b>	(237,609)	127,665	(150,354)	54,957	1,340,101	1,134,760
Net Position - Beginning of Year	546,281	(2,340,956)	(1,721,155)	(3,540,088)	3,309,260	(3,746,658)
<b>NET POSITION (DEFICIT) - END OF YEAR</b>	<u>\$ 308,672</u>	<u>\$ (2,213,291)</u>	<u>\$ (1,871,509)</u>	<u>\$ (3,485,131)</u>	<u>\$ 4,649,361</u>	<u>\$ (2,611,898)</u>

**CITY OF CHICO, CALIFORNIA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2022**

	Self Insurance	Central Garage	Municipal Building Maintenance	Information Services	Retirement Funding	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from Services Provided	\$ 5,198,975	\$ 2,239,080	\$ 1,483,179	\$ 2,332,144	\$ 11,924,402	\$ 23,177,780
Payments to Suppliers and Claimants	(4,653,161)	(1,444,917)	(800,867)	(1,218,770)	(10,602,176)	(18,719,891)
Payments to Employees	-	(826,097)	(685,125)	(1,276,392)	-	(2,787,614)
Net Cash Provided (Used) by Operating Activities	<u>545,814</u>	<u>(31,934)</u>	<u>(2,813)</u>	<u>(163,018)</u>	<u>1,322,226</u>	<u>1,670,275</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Interfund Borrowings	2,639,923	1,503	-	-	-	2,641,426
Transfers Out	(364,369)	(20,149)	(35,796)	-	-	(420,314)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>2,275,554</u>	<u>(18,646)</u>	<u>(35,796)</u>	<u>-</u>	<u>-</u>	<u>2,221,112</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest Received	(272,272)	1	-	-	17,875	(254,396)
Net Cash Provided (Used) by Investing Activities	<u>(272,272)</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>17,875</u>	<u>(254,396)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,549,096	(50,579)	(38,609)	(163,018)	1,340,101	3,636,991
Cash and Cash Equivalents - Beginning of Year	<u>5,635,786</u>	<u>50,579</u>	<u>123,666</u>	<u>267,721</u>	<u>3,309,260</u>	<u>9,387,012</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 8,184,882</u>	<u>\$ -</u>	<u>\$ 85,057</u>	<u>\$ 104,703</u>	<u>\$ 4,649,361</u>	<u>\$ 13,024,003</u>
<b>RECONCILIATION TO STATEMENT OF NET POSITION</b>						
Cash and Investments	\$ 7,699,882	\$ -	\$ 85,057	\$ 104,703	\$ 4,649,361	\$ 12,539,003
Restricted Cash and Investments	<u>485,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>485,000</u>
<b>CASH AND INVESTMENTS - END OF YEAR</b>	<u>\$ 8,184,882</u>	<u>\$ -</u>	<u>\$ 85,057</u>	<u>\$ 104,703</u>	<u>\$ 4,649,361</u>	<u>\$ 13,024,003</u>



**CITY OF CHICO, CALIFORNIA  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2022**

	Self Insurance	Central Garage	Municipal Building Maintenance	Information Services	Retirement Funding	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>						
Operating Income (Loss)	\$ 385,489	\$ 147,814	\$ (114,558)	\$ 54,957	\$ 1,322,226	\$ 1,795,928
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation and amortization	-	1,740	-	51,801	-	53,541
Decrease (increase) in:						
Intergovernmental Receivable	11,206	(32,466)	-	-	-	(21,260)
Inventory and other assets	1,307	(36,603)	-	(21,720)	-	(57,016)
Leases	-	-	-	(48,957)	-	(48,957)
Deferred outflow pension	-	29,876	(4,317)	46,133	-	71,692
Increase (decrease) in:						
Accounts payable	293,460	26,514	1,563	25,915	-	347,452
Accrued salaries and benefits	-	9,025	(496)	6,605	-	15,134
Claims liability	(145,648)	-	-	-	-	(145,648)
Compensated absences	-	12,964	5,282	17,730	-	35,976
Net pension liability	-	(818,448)	(403,800)	(1,258,366)	-	(2,480,614)
Deferred inflow pension	-	627,650	513,513	962,884	-	2,104,047
Total Adjustments	<u>160,325</u>	<u>(179,748)</u>	<u>111,745</u>	<u>(217,975)</u>	<u>-</u>	<u>(125,653)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 545,814</u>	<u>\$ (31,934)</u>	<u>\$ (2,813)</u>	<u>\$ (163,018)</u>	<u>\$ 1,322,226</u>	<u>\$ 1,670,275</u>

**STATISTICAL SECTION (UNAUDITED)**

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

<b>Contents</b>	<b>Page</b>
<i>Financial Trends</i>	100 – 104
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	105 – 109
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
<i>Debt Capacity</i>	110 – 113
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
<i>Demographic and Economic Information</i>	114 – 118
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
<i>Operating Information</i>	119 – 120
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**City of Chico, California**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 305,769	\$ 306,134	\$ 311,705	\$ 313,120	\$ 314,106	\$ 311,573	\$ 312,439	\$ 323,203	\$ 323,631	\$ 337,304
Restricted	69,526	82,485	89,720	87,015	91,661	94,268	98,771	111,599	116,538	145,717
Unrestricted	(11,653)	(3,972)	(92,205)	(82,202)	(77,226)	(77,247)	(70,952)	(60,059)	(51,643)	(51,220)
Total governmental activities net position	<u>\$ 363,642</u>	<u>\$ 384,647</u>	<u>\$ 309,220</u>	<u>\$ 317,933</u>	<u>\$ 328,541</u>	<u>\$ 328,595</u>	<u>\$ 340,258</u>	<u>\$ 374,742</u>	<u>\$ 388,525</u>	<u>\$ 431,801</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 75,135	\$ 79,617	\$ 85,684	\$ 85,451	\$ 90,874	\$ 94,581	\$ 95,524	\$ 105,603	\$ 114,579	\$ 120,254
Restricted	5,230	6,857	8,804	10,641	12,519	14,427	15,311	17,283	-	-
Unrestricted	12,553	12,621	(743)	1,786	3	4	2,807	5,951	32,964	31,257
Total business-type activities net position	<u>\$ 92,918</u>	<u>\$ 99,095</u>	<u>\$ 93,745</u>	<u>\$ 97,878</u>	<u>\$ 103,396</u>	<u>\$ 109,012</u>	<u>\$ 113,642</u>	<u>\$ 128,836</u>	<u>\$ 147,542</u>	<u>\$ 151,511</u>
<b>Primary government</b>										
Net investment in capital assets	\$ 380,904	\$ 385,751	\$ 397,389	\$ 398,571	\$ 404,980	\$ 406,155	\$ 407,963	\$ 428,806	\$ 438,209	\$ 457,558
Restricted	74,756	89,342	98,524	97,656	104,180	108,695	114,082	128,881	116,538	145,717
Unrestricted	900	8,649	(92,948)	(80,416)	(77,223)	(77,243)	(68,145)	(54,108)	(18,679)	(19,963)
Total primary government net position	<u>\$ 456,560</u>	<u>\$ 483,742</u>	<u>\$ 402,965</u>	<u>\$ 415,811</u>	<u>\$ 431,936</u>	<u>\$ 437,607</u>	<u>\$ 453,899</u>	<u>\$ 503,579</u>	<u>\$ 536,068</u>	<u>\$ 583,313</u>

**City of Chico, California**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual bases of accounting)**  
**(amounts expressed in thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 2,667	\$ 2,636	\$ 3,218	\$ 3,972	\$ 4,577	\$ 5,059	\$ 5,160	\$ 7,182	\$ 18,655	\$ 10,465
Public safety	37,797	34,599	36,709	39,324	41,972	41,214	42,712	45,845	34,361	37,539
Public works	19,555	16,823	18,954	18,530	18,589	19,763	20,062	18,097	17,823	17,401
Parks and recreation	3,531	3,360	3,582	3,388	3,537	3,567	3,849	3,901	3,728	3,604
Arts and culture	-	-	-	-	-	-	-	28	-	35
Community development	2,575	2,654	2,296	2,588	3,360	2,432	2,207	2,679	8,362	6,003
Community agencies	323	162	53	99	100	50	2	10	4	-
Health and Human Services	-	-	-	-	-	-	-	-	-	303
Interest on long-term debt	3	3	3	85	80	82	140	46	81	65
Total governmental activities expenses	<u>66,451</u>	<u>60,237</u>	<u>64,815</u>	<u>67,986</u>	<u>72,215</u>	<u>72,167</u>	<u>74,131</u>	<u>77,788</u>	<u>83,013</u>	<u>75,413</u>
Business-type activities:										
Sewer	12,161	12,235	11,428	10,986	11,451	12,092	11,867	13,340	11,636	13,255
Parking	1,017	825	714	839	849	1,027	1,333	1,093	948	1,543
Private development	1,993	2,479	2,746	3,001	3,488	3,686	4,099	4,648	4,365	4,297
Airport	2,001	2,263	2,036	1,927	104,180	2,167	2,593	2,044	2,043	1,911
City Recreation	-	-	-	-	-	-	-	-	-	443
Total business-type activities expenses	<u>17,172</u>	<u>17,802</u>	<u>16,924</u>	<u>16,753</u>	<u>119,968</u>	<u>18,972</u>	<u>19,892</u>	<u>21,125</u>	<u>18,992</u>	<u>21,450</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	-	-	349	188	247	318	1,226	7,721	772	2,698
Public safety	1,139	962	1,163	1,118	1,176	1,395	1,592	5,215	1,212	61
Public works	3,439	5,641	8,674	9,462	8,715	8,288	5,894	1,389	11,449	2,334
Community development	2	17	1	94	215	237	16	67	65	8,777
Other activities	106	155	86	282	4,487	1,338	56	10	4	48
Operating grants and contributions	9,297	10,874	11,855	10,752	9,976	8,229	5,537	9,677	9,061	14,615
Capital grants and contributions	3,261	2,235	4,565	2,075	929	3,808	6,714	5,790	8,424	23,877
Total governmental activities program revenues	<u>17,244</u>	<u>19,884</u>	<u>26,693</u>	<u>23,971</u>	<u>25,745</u>	<u>23,612</u>	<u>21,034</u>	<u>29,869</u>	<u>30,986</u>	<u>52,409</u>
Business-type activities:										
Charges for services:										
Sewer	14,857	14,942	16,465	14,333	14,737	13,802	14,788	15,433	18,055	15,042
Private development	2,026	2,470	2,539	3,166	3,906	1,876	2,210	5,061	5,099	5,841
Other activities	1,496	1,506	1,453	1,633	1,745	3,923	4,191	2,110	992	1,966
Operating grants and contributions	318	303	-	270	3,252	2,649	2,266	8,817	-	175
Capital grants and contributions	8,713	4,535	7,352	812	1,942	292	77	2,588	11,223	3,129
Total business-type activities program revenues	<u>27,410</u>	<u>23,756</u>	<u>27,809</u>	<u>20,214</u>	<u>25,582</u>	<u>22,543</u>	<u>23,532</u>	<u>34,010</u>	<u>35,369</u>	<u>26,152</u>
Total primary government program revenues	<u>44,654</u>	<u>43,640</u>	<u>54,502</u>	<u>44,185</u>	<u>51,327</u>	<u>46,155</u>	<u>44,567</u>	<u>63,878</u>	<u>66,355</u>	<u>78,561</u>
Net (expenses)/revenue										
Governmental activities	(49,207)	(40,353)	(38,122)	(44,015)	(46,470)	(48,555)	(53,097)	(47,920)	(52,027)	(23,004)
Business-type activities	10,238	5,954	10,885	3,461	(94,385)	3,571	3,641	12,885	16,377	4,702
Total primary government net expense	<u>\$ (38,969)</u>	<u>\$ (34,399)</u>	<u>\$ (27,237)</u>	<u>\$ (40,554)</u>	<u>\$ (140,855)</u>	<u>\$ (44,984)</u>	<u>\$ (49,456)</u>	<u>\$ (35,035)</u>	<u>\$ (35,650)</u>	<u>\$ (18,302)</u>

**City of Chico, California**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual bases of accounting)**  
**(amounts expressed in thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 11,604	\$ 12,327	\$ 13,649	\$ 14,564	\$ 15,169	\$ 15,410	\$ 16,750	\$ 18,616	\$ 19,896	\$ 21,002
Sales and use tax	12,783	13,945	14,597	17,320	21,134	21,832	25,173	24,435	28,177	31,484
Sales tax in-lieu	4,261	4,597	4,812	2,589	-	-	-	-	-	-
Utility users tax	6,241	6,305	6,203	6,552	6,895	7,052	7,200	7,317	8,119	8,801
Other taxes	4,078	4,324	5,536	4,836	5,200	6,332	7,890	7,507	7,777	9,293
Unrestricted grants and contributions	2,483	8,576	8,837	5,854	0	1,776	5,627	14,110	2,073	-
Unrestricted investment earnings	168	136	231	250	109	266	1,162	1,568	929	(3,871)
Miscellaneous	158	921	155	83	182	588	1,180	714	782	510
Loss on disposition of capital assets	(667)	(118)	(545)	-	-	-	-	-	-	-
Loans received from private-purpose trust fund	6,361	4,100	-	-	-	-	-	-	-	-
Bonds received from private-purpose trust fund	-	6,467	-	-	-	-	-	-	-	-
Special item	-	-	-	-	-	-	-	8,012	-	-
Transfers	(9,729)	(222)	(718)	(601)	(370)	(428)	(195)	125	(1,942)	(939)
Business-type activities:										
Unrestricted investment earnings	-	-	-	70	149	322	793	812	361	(1,688)
Special item	-	-	-	-	-	-	-	1,623	41,771	16
Transfers	9,729	222	718	601	370	428	195	(125)	1,942	939
Total business-type activities	9,729	222	718	671	519	750	988	2,310	44,074	(733)
Total primary government	<u>\$ 47,470</u>	<u>\$ 61,580</u>	<u>\$ 53,475</u>	<u>\$ 52,118</u>	<u>\$ 48,838</u>	<u>\$ 750</u>	<u>\$ 65,775</u>	<u>\$ 84,715</u>	<u>\$ 109,883</u>	<u>\$ 65,547</u>
<b>Change in Net Position</b>										
Governmental activities	\$ (11,467)	\$ 21,005	\$ 14,635	\$ 7,432	\$ 10,607	\$ 2,103	\$ 11,663	\$ 34,485	\$ 13,783	\$ 43,276
Business-type activities	19,968	6,177	11,603	4,133	8,409	4,321	4,629	15,194	18,706	3,969
	<u>\$ 8,501</u>	<u>\$ 27,182</u>	<u>\$ 26,235</u>	<u>\$ 11,565</u>	<u>\$ 19,016</u>	<u>\$ 6,423</u>	<u>\$ 16,292</u>	<u>\$ 49,679</u>	<u>\$ 32,489</u>	<u>\$ 47,245</u>

**City of Chico, California**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year Ending June 30									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Fund:										
Nonspendable	\$ 554	\$ 52	\$ 236	\$ 243	\$ 224	\$ 235	\$ 64	\$ 67	\$ 175	\$ 52
Restricted	-	-	-	-	-	-	1,831	2,229	2,250	2,661
Committed	-	-	988	1,025	2,461	3,650	5,017	12,205	12,329	13,780
Assigned	-	-	2,980	678	3,837	4,576	5,602	11,236	9,488	26,455
Unassigned	(8,219)	(2,858)	-	4,643	2,454	3,835	7,770	4,161	15,191	4,550
Total General Fund	<u>\$ (7,665)</u>	<u>\$ (2,806)</u>	<u>\$ 4,204</u>	<u>\$ 6,589</u>	<u>\$ 8,976</u>	<u>\$ 12,296</u>	<u>\$ 20,284</u>	<u>\$ 29,898</u>	<u>\$ 39,433</u>	<u>\$ 47,498</u>
All other Governmental funds:										
Nonspendable	\$ 3,008	\$ 1,841	\$ 757	\$ 55	\$ 41	\$ -	\$ 5	\$ 152	\$ -	\$ -
Restricted	70,020	82,397	84,034	87,431	92,390	94,714	99,757 <sup>1</sup>	109,407 <sup>1</sup>	114,419 <sup>1</sup>	118,998
Committed	-	-	-	-	-	3,650	-	-	-	-
Assigned	848	2,871	4,263	4,429	4,926	9,233	4,232	4,305	5,951	5,844
Unassigned	(7,871)	(4,985)	(4,413)	(3,527)	(6,560)	(1,416)	(2,594)	(1,519)	(834)	(12,017)
Total other Governmental Funds	<u>\$ 66,005</u>	<u>\$ 82,124</u>	<u>\$ 84,641</u>	<u>\$ 88,388</u>	<u>\$ 90,797</u>	<u>\$ 106,180</u>	<u>\$ 101,399</u>	<u>\$ 112,345</u>	<u>\$ 119,536</u>	<u>\$ 112,824</u>

<sup>1</sup> Changes were due reclassification of individual Public Facilities Impact Fees to one fund.

**City of Chico, California**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Revenues</b>										
Property taxes	\$ 11,589	\$ 12,311	\$ 13,649	\$ 14,564	\$ 15,169	\$ 15,410	\$ 16,750	\$ 18,616	\$ 19,896	\$ 21,002
Sales and use taxes	17,044	18,542	19,408	19,908	21,134	21,832	25,174	24,435	28,177	31,484
Other taxes	10,198	10,509	11,739	11,389	12,095	13,383	15,089	14,824	15,896	18,094
Licenses and permits	136	133	131	108	91	147	139	91	91	79
Intergovernmental	10,831	12,215	14,951	12,817	10,137	11,261	15,450	14,472	18,023	26,241
Charges for services	3,118	5,619	7,994	6,875	9,083	8,811	6,118	13,119	11,758	11,691
Fines, forfeitures, and penalties	776	743	854	777	840	806	904	731	492	814
Use of money and property	426	361	528	728	814	989	1,834	2,161	1,682	(3,377)
Miscellaneous	360	1,138	247	216	524	348	1,180	714	782	497
<b>Total revenues</b>	<u>54,478</u>	<u>61,571</u>	<u>69,501</u>	<u>67,382</u>	<u>69,887</u>	<u>72,987</u>	<u>82,638</u>	<u>89,163</u>	<u>96,796</u>	<u>106,525</u>
<b>Expenditures</b>										
General government	2,278	2,232	2,397	3,692	4,265	4,615	4,456	5,636	5,764	6,242
Public safety	35,332	32,853	34,203	37,820	37,896	37,554	39,528	40,552	42,189	45,951
Public works	9,794	7,652	9,119	9,219	9,639	9,982	10,041	8,026	8,300	10,003
Parks and recreation	3,044	2,883	2,976	3,074	3,153	3,022	3,312	3,275	3,344	3,772
Arts and culture							27	28	-	35
Community development	2,468	2,589	2,228	2,657	3,189	2,393	2,131	2,501	8,344	6,383
Community agencies	323	162	53	99	100	50	2	10	4	-
Health and Human Services										303
Capital outlay	4,357	2,581	8,290	7,427	6,793	7,153	7,897	8,537	10,153	35,903
Principal retirement	-	-	-	279	384	381	392	512	528	444
Interest and fiscal charges	3	3	3	85	80	82	90	96	81	65
<b>Total expenditures</b>	<u>57,600</u>	<u>50,956</u>	<u>59,269</u>	<u>64,352</u>	<u>65,498</u>	<u>65,232</u>	<u>67,875</u>	<u>69,174</u>	<u>78,706</u>	<u>109,100</u>
Excess of revenues over (under) expenditures	(3,122)	10,616	10,232	3,030	4,389	138,219	14,763	19,989	18,090	(2,575)
<b>Other financing sources (uses)</b>										
Transfers in	6,424	5,864	5,038	5,620	4,692	4,624	6,596	5,909	7,561	7,787
Transfers out	(16,306)	(6,069)	(5,742)	(5,651)	(4,754)	(5,737)	(6,962)	(5,338)	(8,925)	(8,306)
Capital leases	-	-	-	3,132	473	-	870	-	-	4,447
Issuance of long-term debt	-	-	-	-	-	-	-	-	-	-
Loans received from private-purpose trust fund	6,361	4,100	-	-	-	-	-	-	-	-
Bond Proceeds from private purpose trust fund	-	6,467	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(3,521)</u>	<u>10,362</u>	<u>(704)</u>	<u>3,101</u>	<u>411</u>	<u>(1,113)</u>	<u>505</u>	<u>571</u>	<u>(1,364)</u>	<u>3,928</u>
<b>Net change in fund balance</b>	<u>\$ (6,643)</u>	<u>\$ 20,977</u>	<u>\$ 9,528</u>	<u>\$ 6,131</u>	<u>\$ 4,799</u>	<u>\$ 137,106</u>	<u>\$ 15,267</u>	<u>\$ 20,560</u>	<u>\$ 16,726</u>	<u>\$ 1,353</u>
Debt service as a percentage of noncapital expenditures	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%

For further analysis, please reference the schedule of Changes in Net Position on page 140-141, and

Total Govt Expenditures  
Less Capital Expenditures

Debt Service Expenditures  
Principal retirement  
Interest and fiscal charges  
Bond issuance and fiscal agent fees  
Advanced refunding of bonds  
Total Debt Service Expenditures

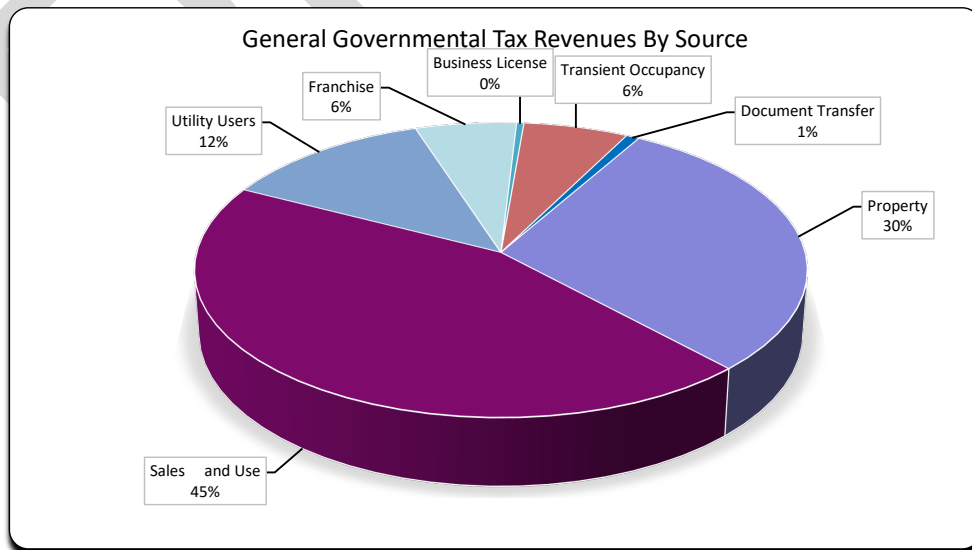
Debt Service Exp as % of Non-Cap Exp

**City of Chico, California**  
**General Governmental Tax Revenues By Source**  
**Last Ten Fiscal Years**  
 (modified accrual basis of accounting)  
 (amounts expressed in thousands)

Fiscal Year	Property	Sales and Use	Utility Users	Other Taxes				Total
				Franchise	Business License	Transient Occupancy	Document Transfer	
2013	11,589	17,044	6,241	1,480	319	2,049	230	38,952
2014	12,311	18,542	6,305	1,548	311	2,219	245	41,481
2015	13,649	19,409	6,203	2,927	304	2,362	288	45,142
2016	14,564	19,909	6,553	1,877	295	2,522	312	46,032
2017	15,169	21,134	6,895	1,998	298	2,712	386	48,592
2018	15,410	21,832	7,052	2,943	296	2,835	441	50,810
2019	16,750	25,174	7,200	3,441	326	3,569	531	56,990
2020	18,616	24,435	7,317	3,737	292	3,000	454	57,851
2021	19,896	28,177	7,360	3,429	386	2,747	532	62,526
2022	21,015	31,484	8,801	4,237	302	4,391	551	70,780

Notes: General Governmental Revenues includes General, Special Revenue, Debt Service and Capital Projects Funds.

Source: City of Chico, Finance Department.





**City of Chico, California**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

**City of Chico**

<b>Fiscal Year</b>	<b>Secured Roll</b>	<b>Utility Roll</b>	<b>Unsecured Roll</b>	<b>Gross Assessed Value</b>	<b>Less Exemptions</b>	<b>Net Assessed Value</b>	<b>Total Direct Tax Rate %</b>
2013	7,051,026	969	474,665	7,526,660	674,431	6,852,229	1.0000
2014	7,300,487	969	474,173	7,775,629	740,734	7,034,895	1.0000
2015	7,506,597	766	496,210	8,003,573	660,197	7,343,376	1.0000
2016	7,974,709	766	497,516	8,472,991	703,805	7,769,186	1.0000
2017	8,334,966	766	527,595	8,863,327	738,780	8,124,547	1.0000
2018	8,805,532	662	560,997	9,367,191	768,498	8,598,694	1.0000
2019	9,336,796	1,057	579,295	9,917,149	803,824	9,113,324	1.0000
2020	9,319,927	527	571,141	9,891,595	1,041,111	9,891,594	1.0000
2021	10,752,282	527	654,294	11,407,103	854,124	10,552,979	1.0000
2022	11,264,533	527	651,791	11,916,851	884,239	11,032,612	1.0000

Source: Butte County Auditor/Controller's Office.

**City of Chico, California**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

Fiscal Year	City of Chico			Overlapping Rates		Total Direct and Overlapping Rates %
	Basic Countywide Levy %	City %	Total Direct Tax Rate %	Chico Unified School District % (1)	Butte College % (2)	
2013	1.00	0.00	1.00	0.0637	0.0209	1.0846
2014	1.00	0.00	1.00	0.0401	0.0209	1.0610
2015	1.00	0.00	1.00	0.0451	0.0209	1.0660
2016	1.00	0.00	1.00	0.0291	0.0209	1.0500
2017	1.00	0.00	1.00	0.0817	0.0466	1.1283
2018	1.00	0.00	1.00	0.0874	0.0413	1.1287
2019	1.00	0.00	1.00	0.0616	0.0413	1.1029
2020	1.00	0.00	1.00	0.0861	0.0411	1.1273
2021	1.00	0.00	1.00	0.0843	0.0414	1.1256
2022	1.00	0.00	1.00	0.0841	0.0331	1.1172

On June 6, 1978, California voters approved an amendment to the Article XIII A of the California Constitution. The amendment, commonly known as Proposition 13, limits the taxing power of California public agencies. The California Legislature enacted legislation to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) providing that local agencies may not levy any property tax except to pay debt service on indebtedness approved by voters prior to July 1, 1978, and that each county will levy the maximum tax permitted of \$1.00 per 100 of full assessed value.

- (1) Chico Unified School District: 1998 Series B, 2012 Chico Refunding and 2012 Measure E Series A.
- (2) Butte-Glenn Community College District: General obligation bonds, Refunded Series A and B, and Series B and C.

Source: Butte County Auditor/Controller's Office.

**City of Chico, California**  
**Principal Secured Property Taxpayers**  
**June 30, 2022**  
**Current Year and Nine Years Ago**  
**(amounts expressed in thousands)**

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation
Sierra Nevada Brewing Company	\$ 100,941	1	0.94%	138,020	1	2.03%
Merle A Webb and Sons LP	94,265	2	0.88%	60,383	2	0.89%
AMCAL Chico LLC	58,975	3	0.55%			
MP Core Chico LLC	58,915	4	0.55%			
Chico Crossroads LP	43,564	5	0.41%	32,375	6	0.48%
North Chico LLC	41,806	6	0.39%			
Comcast	41,338	7	0.39%	\$ 32,591	5	0.48%
EGP Chico LLC	33,423	8	0.31%			
Chico Senior Living LP	32,280	9	0.30%			
ECP TPB1 LLC	31,837	10	0.30%			
Chico Mall Investors LLC				\$ 45,512	3	0.67%
California Water Service				38,925	4	0.57%
Smucker Quality Beverage Inc				31,213	7	0.46%
North Valley Mall LLC				26,590	8	0.39%
Carwood Skypark LLC				24,017	9	0.35%
Safeway Inc				22,497	10	0.33%
Largest Secured Property Valuation	537,345			452,125		
Other Secured Taxpayers	10,197,661			6,353,120		
<b>Total Secured Property Valuation - Net of Exemptions</b>	<b>\$ 10,735,005</b>		<b>100.00%</b>	<b>\$ 6,805,245</b>		<b>100.00%</b>

Source: Butte County Auditor/Controller's Office.  
HdL's " 2021/22 Top Ten Property Taxpayers"  
2013 Comprehensive Annual Financial Report Statistics Table 8

**City of Chico, California**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy		Total Tax Collections	Percent of Total Collections to Tax Levy
			Collected (1)	Delinquent Tax Collections		
2013	\$ 11,589	\$ 11,589	100	-	11,589	100
2014	\$ 12,311	\$ 12,311	100	-	12,311	100
2015	\$ 13,649	\$ 13,649	100	-	13,649	100
2016	\$ 14,564	\$ 14,564	100	-	14,564	100
2017	\$ 15,169	\$ 15,169	100	-	15,169	100
2018	\$ 15,410	\$ 15,410	100	-	15,410	100
2019	\$ 16,750	\$ 16,750	100	-	16,750	100
2020	\$ 18,616	\$ 18,616	100	-	18,616	100
2021	\$ 19,896	\$ 19,896	100	-	19,896	100
2022	\$ 21,015	\$ 21,015	100	-	21,015	100

Source: Butte County Auditor/Controller's Office  
City of Chico, Administrative Services Department

Note: Amounts shown are net of property tax administration fee. The amounts presented include City property taxes and former Chico Redevelopment Agency tax increment. This schedule also includes amounts collected by the City and former Chico Redevelopment Agency that were passed through to other taxing agencies.

(1) The City participates in the County "Teeter Plan" method of property tax distribution. Under the Teeter Plan, the County remits property taxes and assessments to the City based on levy, not on collections.

**City of Chico, California**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
(amounts expressed in thousands, except percentage of personal income)

<b>Fiscal Year</b>	<b>Governmental Activities</b>			<b>Business-Type Activities</b>		<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
	<b>Revenue Bonds</b>	<b>Loans</b>	<b>Capital Leases</b>	<b>Revenue Bonds</b>	<b>Loans</b>			
2013	-	-	-	-	55,746	55,746	0.76	636
2014	-	-	-	-	51,966	51,966	0.66	588
2015	-	-	-	-	48,093	48,093	0.58	537
2016	-	-	2,852	-	44,126	46,978	0.57	508
2017	-	-	2,568	-	40,063	42,631	0.47	457
2018	-	-	2,559	-	35,900	38,459	0.41	351
2019	-	-	3,038	-	31,635	34,673	0.35	314
2020	-	-	2,526	-	27,266	29,792	0.29	323
2021	-	-	1,998	17,850	-	19,848	0.19	215
2022	-	-	6,001	16,240	-	22,241	0.20	216

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: City of Chico, Finance Department  
U.S. Census Bureau  
State of California, Department of Finance, Demographic Research Unit

**City of Chico, California**  
**Direct and Overlapping Government Activities Debt**  
**June 30, 2022**  
**(amounts expressed in thousands)**

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City *	City Share of Debt
Overlapping Debt Repaid with Property Tax:			
Chico Unified School District	\$ 201,075	75.57%	\$ 151,959
Butte-Glenn Community College District	180,520	46.09%	83,205
Subtotal, overlapping debt			<u>235,163</u>
City of Chico direct debt			<u>-</u>
Total direct and overlapping debt			<u>\$ 235,163</u>

\* The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the city's taxable assessed value and dividing it by the Chico Unified School District's and Butte-Glenn Community College District's taxable assessed value.

Chico Unified School District.  
Butte Community College.

**City of Chico, California  
Legal Debt Margin Information  
Last Ten Fiscal Years  
(amounts expressed in thousands)**

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total Assessed Valuation (less other exemptions)	\$ 6,852,229	\$ 7,034,895	\$ 7,343,376	\$ 7,769,186	\$ 8,124,547	\$ 8,598,694	\$ 9,113,324	\$ 9,891,594	\$ 10,552,979	\$ 11,032,612
Debt Limit - 15 Percent of Assessed Valuation (1)	\$ 1,027,834	\$ 1,055,234	\$ 1,101,506	\$ 1,165,378	\$ 1,218,682	\$ 1,289,804	\$ 1,366,999	\$ 1,483,739	\$ 1,582,947	\$ 1,654,892
Amount of Debt Applicable to Debt Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 1,027,834	\$ 1,055,234	\$ 1,101,506	\$ 1,165,378	\$ 1,218,682	\$ 1,289,804	\$ 1,366,999	\$ 1,483,739	\$ 1,582,947	\$ 1,654,892
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Butte County Auditor/Controller's Office

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

**City of Chico, California  
Pledged-Revenue Coverage  
Last Ten Fiscal Years**

<b>Sewer Fund Bonds (1)</b>					
<b>Fiscal Year</b>	<b>Gross Revenue</b>	<b>Operating Expenses</b>	<b>Net Revenue Available for Debt Service</b>	<b>Total Debt Service</b>	<b>% Coverage</b>
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	\$ 18,353,946	\$ 6,652,084	\$ 11,701,862	\$ 2,460,076	4.76
2022	\$ 15,041,654	\$ 8,169,157	\$ 6,872,497	\$ 2,462,250	2.79

Source: City of Chico, Finance Department.

Note: (1) 2020 Sewer Revenue Refunding Bonds:  
- Operating Expenses exclude Depreciation and one-time non-recurring items.



**City of Chico, California  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

Fiscal Year	City of Chico		Chico Metropolitan Statistical Area			
	City of Chico Population (1)	City of Chico Unemploy- ment Rate (3)	Butte County Population (1)	Butte County Personal Income (thousands of dollars) (2)	Butte County Per Capita Personal Income (2)	Butte County Unemploy- ment Rate (3)
2013	87,671	9.3	221,485	7,347,286	33,173	10.0
2014	88,389	7.5	222,316	7,907,991	35,571	8.1
2015	89,634	5.7	224,323	8,250,752	36,781	6.9
2016	92,464	5.6	224,601	8,298,110	36,946	6.7
2017	93,383	5.3	226,404	9,009,925	39,796	6.3
2018	92,348	4.1	227,621	9,465,874	41,586	4.7
2019	112,111	3.6	226,466	9,925,500	43,828	5.0
2020	110,326	9.2	210,291	10,255,376	48,768	9.0
2021	111,490	7.7	202,669	10,490,209	51,760	7.7
2022	102,892	4.0	201,608	11,393,205	56,512	4.0

- (1) Source: State of California, Department of Finance, Demographic Research Unit.  
(2) Source: U.S. Department of Commerce - Bureau of Economic Analysis.  
(3) Source: Employment Development Department - Labor Market Information.

**City of Chico, California  
Principal Employers  
Current Year and Nine Years Ago**

<u>Employer</u>	<u>2022<sup>1</sup></u>			<u>2013<sup>2</sup></u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Enloe Medical Center	2,268	1	5.14%	2,581	1	8.60%
California State University, Chico	1,800	2	4.08	1,800	2	6.00
Chico Unified School District	1,400	3	3.17	1,300	3	4.33
Sierra Nevada Brewery	587	4	1.33	471	5	1.57
Build.com	500	5	1.13	365	6	1.22
City of Chico	406	6	0.92	340	7	1.13
United Health Care	350	7	0.79	500	4	1.67
Costco	350	8	0.79	279	9	0.93
Work Training Center	320	9	0.73	-	-	-
Walmart	276	10	0.63	310	8	1.03
Milestone Technologies				245	10	0.82
<b>Total</b>	<b>8,257</b>		<b>18.71%</b>	<b>8,191</b>		<b>27.31%</b>

<sup>1</sup> No current data available for this statistic, therefore 2022 statistics are carried forward from 2021 except for City of Chico, which represents the actual 2022 amount.

<sup>2</sup> No current data available for this statistic, therefore 2013 statistics are carried from the Fiscal Year 2012 except the City of Chico, which represents the actual 2012 amount. All numbers are estimates except the City of Chico amounts.

Source: City of Chico staff

**City of Chico, California**  
**Full-time and Part-time City of Chico Employees by Function**  
**Last Ten Fiscal Years**

Function	Full-time and Part-time Employees									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General government	42	29	29	31	30	30	31	31	37	39
Public safety										
Police	143 <sup>1</sup>	131 <sup>1</sup>	136 <sup>1</sup>	143 <sup>1</sup>	143 <sup>1</sup>	148 <sup>1</sup>	153 <sup>1</sup>	154 <sup>1</sup>	157 <sup>1</sup>	160
Fire	67	74	74	74	59	59	59	60	62	65
Public works	67	69	69	72	73	73	76	81	87	90
Parks and recreation	21	12	13	13	14	14	13	14	18	18
Community development	36	20	21	22	22	22	24	27	30	32
Sewer	0	0	0	0	0	0	0	0	0	0
Parking	0	0	0	0	0	0	0	0	0	0
Private development	0	0	0	0	0	0	0	0	0	0
Airport	0	0	0	0	2	0	0	2	2	2
<b>Total</b>	<b>376</b>	<b>334</b>	<b>342</b>	<b>355</b>	<b>343</b>	<b>346</b>	<b>356</b>	<b>369</b>	<b>393</b>	<b>406</b>

Note: Numbers shown reflect budgeted Full-Time Equivalent positions. Budget to actuals variance at any time is immaterial. The number of employees may not agree with the Principal Employers table due to timing and methodology differences. Employees

1 - Full Time (Contractual Services) for the Animal Shelter employees are not included.

Source: City of Chico, Annual Budgets.

**City of Chico  
Operating Indicators by Function  
Last Ten Fiscal Years**

Function	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Police										
Calls for service*	132,143	132,030	126,577	131,077	135,013	126,669	128,699	129,340	112,423	120,020
Arrests*	4,762	4,965	5,150	4,696	6,243	7,120	9,386	9,280	5,671	6,086
Fire										
Service calls answered*	827	883	851	969	929	1,026	1037	1134	1312	1601
Medical emergencies*	8,969	8,919	9,390	9,696	9,537	8,751	8,428	5,365	4,868	6,590
Public works										
Street resurfacing (tons of asphalt)	1,070	491	1,092	1,196	1,401	550	323	575	627	458
Community development										
Annexation activity (net acreage)*	16,252	16,252	16,278	16,280	16,288	16,376	16,385	16,798	17,003	17,003
Code violation notices issued	355	361	434	441	175	214	120	462 <sup>2</sup>	123	793
Sewer										
Maximum daily treatment capacity (million gallons)	12	12	12	12	12	12	12	12	12	12
Parking										
Parking meter repairs	769	1090	1366	573 <sup>3</sup>	624	819	620	846	830	765
Private development										
Residential building permits*	211	226	242	317	306	401	348	311 <sup>4</sup>	335	290
Commercial building permits*	51	64	87	81	88	118	125	33 <sup>4</sup>	31	31
Airport										
Passengers per year (loading/unloading) <sup>1</sup>	37,813 <sup>1</sup>	39,246 <sup>1</sup>	16,825 <sup>1</sup>	0	0	0	0	0	0	0

Note: Indicators are not available for general government, parks and recreation, community

Source: City of Chico departments

1 - Represents passengers through December 2, 2014. Commercial air service terminated in its entirety as of this date.

2 - Represents actual letter notices generated and sent. This amount does not

3 - Number of meter repairs is significantly lower due to transition to smart

meters. It is anticipated to return to normal levels in future years.

4 - New Permit system - data tracked by calendar year.

\* These statistics only available on a calendar year basis.

**City of Chico**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>Fiscal Year</b>									
	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>
<b>Police</b>										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	24	24	24	25	25	25	28	33	33	36
<b>Fire</b>										
Fire stations	6	6	6	6	4	4	4	4	4	4
Fire hydrants*	3,322	3,357	3,834	3896	4030	4042	4,148	4,136	4,200	4,283
<b>Public works</b>										
Street (miles)**	258.3	289.2	296.3	293.8	300	300.8	303.7	312.2	318.4	318.7
Traffic signals	99	100	101	102	102	103	103	103	104	104
<b>Parks and recreation</b>										
Park acreage***	3751.2	3679.0	3679.0	3836.0	3836.0	3836.0	3744.0	3744.0	3744.0	3741.0
Sanitary sewer (miles)	213.8	214.6	216.2	217.3	219.32	220.33	221.97	226.64	222.62	222.99
Storm sewer (miles)	222.8	223.4	225.6	226.67	228.4	229.33	230.94	235.55	236.27	236.67
Parking lots	5	5	5	5	5	5	5	5	5	5
Parking structures	1	1	1	1	1	1	1	1	2	2
<b>Airport</b>										
Runway lengths 13L/31R (feet)	6724	6724	6724	6724	6724	6724	6724	6724	6724	6724
Runway lengths 13R/31L (feet)	3005	3005	3000	3000	3000	3000	3000	3000	3000	3000

Note: Indicators are not available for general government, community development, community agencies, redevelopment, private development and

Source: Various City of Chico departments

\*Data available for calendar year only.

\*\* Based on inventory performed for City's Pavement Management Plan (no longer includes Upper Park Rd graded section) (2016).

\*\*\*Does not include greenways, open space or preserves.

**CITY OF CHICO  
SINGLE AUDIT REPORT  
YEAR ENDED JUNE 30, 2022**

DRAFT



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**WEALTH ADVISORY  
OUTSOURCING  
AUDIT, TAX, AND  
CONSULTING**

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

To the Honorable Mayor and City Council  
City of Chico  
Chico, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Chico (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the the City's basic financial statements, and have issued our report thereon dated [DATE].

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of th City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not



The Honorable Mayor and City Council  
City of Chico

an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**CliftonLarsonAllen LLP**

Roseville, California

[DATE]

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

The Honorable Mayor and City Council  
City of Chico  
Chico, California

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

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

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

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Chico's federal programs.

***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of

The Honorable Mayor and City Council  
City of Chico

assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Chico's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not

The Honorable Mayor and City Council  
City of Chico

identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon, dated [DATE], which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

**CliftonLarsonAllen LLP**

Roseville, California

[DATE]

**CITY OF CHICO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Pass Through to Subrecipients
<b><u>U.S. Department of Housing and Urban Development:</u></b>				
Community Development Block Grants (CDBG)	14.218	B-20-MC-06-0031	\$ 1,191,223	\$ 215,463
Community Development Block Grants (CDBG)	14.218	B-20-MW-06-0031	360,593	331,900
Subtotal CDBG Cluster:			1,551,816	547,363
Community Development Black Grants Disaster Recovery (CDBG-DR)	14.228	21-DRMHP-21006	81,937	-
HOME Investment Partnerships Program	14.239	M20-MC-06-0232	199,826	146,543
HOME Investment Partnerships Program	14.239	HOME Loans	7,845,923	-
Subtotal CFDA 14.239:			7,845,749	146,543
<b>Total U.S. Department of Housing and Urban Development:</b>			<b>\$ 9,479,502</b>	<b>\$ 693,906</b>
<b><u>U.S. Economic Development Administration:</u></b>				
Economic Adjustment Assistance Program	11.307	07-79-07584	\$ 6,141,578	\$ -
<b>Total Economic Development Administration</b>			<b>\$ 6,141,578</b>	<b>\$ -</b>
<b><u>U.S. Department of Justice</u></b>				
Justice Assistance Grant (JAG 21) Program	16.738	2021-GG-01211-JAGX	\$ 32,062	\$ -
<b>Total U.S. Department of Justice</b>			<b>\$ 32,062</b>	<b>\$ -</b>
<b><u>U.S. Department of Transportation:</u></b>				
Federal Aviation Administration:				
Airport Improvement Program 40	20.106	3-06-0041-040	\$ 1,378,422	\$ -
Airport Improvement Program 42	20.106	3-06-0041-042	1,773,317	-
Subtotal CFDA 20.106:			3,151,739	-
Highway Planning and Construction:				
Congestion Mitigation Air Quality (CMAQ)	20.205	03-BUT-0-CHC/5037 (027)	308,237	-
Congestion Mitigation Air Quality (CMAQ)	20.205	03-BUT-0-CHC/5037 (040)	178,558	-
Congestion Mitigation Air Quality (CMAQ)	20.205	03-BUT-0-CHC/5037 (037)	282,120	-
Walnut Ave (SR32) Road Diet	20.205	03-BUT-0-CHC/HSIPL-5037 (029)	893,775	-
SHR 99/Eaton Rd Interchange	20.205	03-BUT-1-CHC/HSIPL-5037 (035)	4,491,395	-
W Sac Avenue Upper RR Xing Imp	20.205	03-BUT-0-CHC/STPLR-130L(292)	8,121	-
Passed through California Department of Transportation:				
Salem Street @ LCC	20.205	BRLO-5037 (022)	138,352	-
Guynn Rd @ Lindo Channel	20.205	BRLO-5037 (023)	66,091	-
Pomona Rd @ LCC	20.205	BRLO-5037 (024)	94,008	-
Subtotal Highway Planning and Construction Cluster			6,460,657	-
<b>Total U.S. Department of Transportation</b>			<b>\$ 9,612,396</b>	<b>\$ -</b>
<b><u>U.S. Department of Treasury</u></b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027		\$ 6,159,983	\$ -
Passed through State of California Cotrollers Office				
COVID-19 Coronavirus Relief Fund (CARES)	21.019	NA	82,011	-
<b>Total U.S. Department of Treasury</b>			<b>\$ 6,241,994</b>	<b>\$ -</b>
<b><u>U.S. Department of Homeland Security</u></b>				
CFAA Suppression - Cooperative Fire Protection Agreement	97.044	EMW-2020-FG-12267	\$ 50,455	\$ -
<b>Total U.S. Department of Homeland Security</b>			<b>\$ 50,455</b>	<b>\$ -</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 31,557,987</b>	<b>\$ 693,906</b>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF CHICO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and presents the activity of all federal awards programs of the City of Chico for the year ended June 30, 2022.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of Assistance Listing 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 ASSISTANCE LISTING NUMBER (ALN)**

The Assistance Listing numbers included in this report were determined based on the program name, review of grant or contract information and the Office of Management and Budget's Catalog of Federal Domestic Assistance.

**NOTE 4 INDIRECT COST RATE**

The City did not elect to use the 10 percent de minimis indirect cost rate as covered in 2 CFR §200.414.

**NOTE 5 PASS-THROUGH ENTITIES' IDENTIFYING NUMBER**

When federal awards were received from a pass-through entity, the schedule of expenditures of federal awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

**CITY OF CHICO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 6 LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS**

Outstanding federally-funded program loans, with a continuing compliance requirement, carried balances as of June 30, 2022 as follows:

Federal Assistance Listing No.	Federal Program	Outstanding Loans June 30, 2022	Loans July 1, 2021	New Loans	Federal Awards Expended June 30, 2022
14.239	Home Investment Partnership Program	7,560,733	5,521,983	2,123,940	7,645,923

**CITY OF CHICO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes        x   no

**Identification of Major Federal Programs****Assistance Listing Number(s)**

11.307  
14.218  
21.027

**Name of Federal Program or Cluster**

Economic Adjustment Assistance  
Community Development Block Grants (CDBG)  
COVID-19 Coronavirus State and Local Fiscal  
Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$   946,740  

Auditee qualified as low-risk auditee?

  x   yes      \_\_\_\_\_ no



**CITY OF CHICO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

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**CITY OF CHICO**  
**PASSENGER FACILITY**  
**CHARGES REPORT**  
**YEAR ENDED JUNE 30, 2022**

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**CITY OF CHICO**

**PASSENGER FACILITY  
CHARGES REPORT**

**YEAR ENDED JUNE 30, 2022**

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Honorable Mayor and City Council  
City of Chico

## INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF PASSENGER FACILITY CHARGES

To the Honorable Mayor and City Council  
City of Chico  
Chico, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the City of Chico's (City) compliance with the types of requirements described in the Passenger Facility Charge Audit Guide for Public Agencies (PFC Guide), issued by the Federal Aviation Administration (FAA), applicable to the County's Passenger Facility Charge (PFC) program as of and for the fiscal year ended June 30, 2022.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above as of June 30, 2022.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards defined by the Federal Aviation Administration (FAA) of the U.S. Department of Transportation. Our responsibilities under those standards are further described in the Auditors' 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.

#### ***Emphasis of Matter***

As discussed in Note 1, the schedule of Passenger Facility Charges are intended to present the financial position, and other changes in financial position of only that portion of the City that is attributable to the PFC program. It does not purport to, and does not, present fairly the financial position of the City as of June 30, 2022, the changes in its financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the compliance requirements referred to above, and for the design, implementation, and maintenance of internal control relevant to those compliance requirements.

#### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the City complied with the compliance requirements referred to above related to the PFC program. 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 standards defined by FAA will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for

Honorable Mayor and City Council  
City of Chico

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.

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.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with FAA and which are described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002. Our opinion on the PFC program is not modified with respect to these matters.

### **Schedule of Passenger Facility Charges Revenues and Expenditures**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated REPORT DATE, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Passenger Facility Charge Revenues and Expenditures (PFC Schedule) is presented for the purposes of additional analysis as required by the PFC Guide, issued by the FAA, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the PFC schedule is fairly stated in all material respects in related to the basic financial statements as a whole.

**CliftonLarsonAllen LLP**

Roseville, California  
**REPORT DATE**

**CITY OF CHICO**  
**SCHEDULE OF PASSENGER FACILITY CHARGES**  
**YEAR ENDED JUNE 30, 2022**

<u>Program Description</u>	<u>Beginning PFC Asset Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Ending PFC Asset Balance</u>
FEDERAL AVIATION ADMINISTRATION				
Passenger Facility Charges (PFC): Application No. 10-05-C-00-CIC	\$ 361,225	\$ (12,748)	\$ -	\$ 348,477
Total	<u>\$ 361,225</u>	<u>\$ (12,748)</u>	<u>\$ -</u>	<u>\$ 348,477</u>

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See accompanying Notes to Schedule of Passenger Facility Charges.

**CITY OF CHICO**  
**NOTES TO THE SCHEDULE OF PASSENGER FACILITY CHARGES**  
**JUNE 30, 2022**

**NOTE 1 PROGRAM DESCRIPTION**

The Schedule of Passenger Facility Charges presents only the activity of the Passenger Facility Charges (PFC) Program of the City of Chico.

PFC are fees imposed by the City on enplaned passengers for the purpose of generating revenue for City projects that increase capacity, increase safety and/or mitigate noise impact.

**NOTE 2 BASIS OF ACCOUNTING**

The Schedule of Passenger Facility Charges is prepared using the accrual basis of accounting. Under this basis of accounting, revenues are recorded when earned and expenditures are recognized when the related liability is incurred.

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**CITY OF CHICO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2022**

**2022 – 001**

Type of Finding:

- Significant Deficiency in internal control over Compliance
- Significant Deficiency in internal control over Financial Reporting

**Condition:** We noted the City was not able to produce the SOAR reports for the 2022 audit period.

**Criteria:** Section 158.63 requires that the public agency provide quarterly reports to carriers collecting PFC revenues for the public agency, with a copy to the appropriate Federal Aviation Administration (FAA) airport's office. Per the Passenger Facility Charge Audit Guide for Public Agencies, data from the quarterly reports should reconcile to supporting documentation and accounting records maintained by the public agency.

**Context:** Without the SOAR reports, we are unable to compare the City's records with the FAA's records.

**Effect:** By not submitting the SOAR reports, the City is at risk of noncompliance with section 158.63.

**Cause:** Based on our discussion with City management, the City has reached out to the FAA several times to discuss obtaining and reconciling reports from the SOAR system. The City is awaiting a solution from the FAA on how best to correct the SOAR accounting in order to obtain accurate reports from SOAR to submit by the deadline.

**Recommendation:** This is a repeat finding from the fiscal year 2021 audit. We recommend that the City continue to work with FAA representatives to obtain accurate reports from the FAA SOAR reporting module that reconcile back to the City's accounting records.

**Views of responsible officials and planned corrective actions:** The City has continued multiple discussions with the FAA regarding the status of the FAA SOAR system and the reconciliation differences that occurred in prior years. The City will continue to work with the FAA to adjust the SOAR reporting.



**CITY OF CHICO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2022**

**2022 – 002**

Type of Finding:

- Significant Deficiency in internal control over Compliance
- Significant Deficiency in internal control over Financial Reporting

**Condition:** During our testing of the quarterly reporting requirements, we identified that the City did not submit the fiscal year 2022 quarterly reports timely (within the period stated in Section 158.63).

**Criteria:** Section 158.63 requires that the public agency provide quarterly reports on or before the last day of the calendar month following the calendar quarter or other period agreed by the public agency and collecting carrier.

**Context:** The conditions noted above were identified during our testing of the quarterly reports. We found that none of the fiscal year 2022 quarterly reports were submitted on or before the last day of the calendar month following the calendar quarter end.

**Effect:** By not submitting the quarterly reports by the required dates, the City is at risk of noncompliance with section 158.63.

**Cause:** The City's procedures do not ensure that the quarterly reports are submitted in compliance with Section 158.63 and the City does not have procedures in place to prevent or detect errors on the quarterly report.

**Recommendation:** This is a repeat finding from the 2021 audit. We recommend that the City ensure that the quarterly reports are submitted timely in accordance with section 158.63. In addition, we recommend the quarterly reports are reviewed by a member of management outside of the preparer prior to submission to the FAA.

**Views of responsible officials and planned corrective actions:** The City is exploring options to submit reporting annually since there is no activity in the PFC other than interest earnings.

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
(A Component Unit of the City of Chico, California)

Independent Auditors' Report and  
Financial Statements

June 30, 2022

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**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**June 30, 2022**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Chico Urban Joint Powers Financing Authority  
Chico, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of the Chico Urban Area Joint Powers Financing Authority (the "Authority"), a component unit of the City of Chico, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority'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 financial position of the Authority as of June 30, 2022, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

#### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Board of Directors  
Chico Urban Area Joint Powers Financing Authority

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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.

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.

#### ***Supplementary Information***

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not 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. Our opinion on the basic financial statements is not affected by this missing information.

#### ***Other Information Included in the Annual Report***

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

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

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope

Board of Directors  
Chico Urban Area Joint Powers Financing Authority

of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

**CliftonLarsonAllen LLP**

Roseville, California

**REPORT DATE**

DRAFT

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**

**Statement of Net Position and**  
**Governmental Funds Balance Sheet**  
**June 30, 2022**

	Capital Projects Fund	Adjustments (Note II D)	Statement of Net Position
<b>Assets</b>			
Current assets:			
Restricted cash and investments	\$ 2,764,810	\$ -	\$ 2,764,810
Total assets	<u>\$ 2,764,810</u>	<u>\$ -</u>	<u>\$ 2,764,810</u>
<b>Liabilities</b>			
Loans payable - due within one year	\$ -	\$ 1,195,793	\$ 1,195,793
Noncurrent liabilities:			
Loans payable - due in more than one year	-	21,524,277	21,524,277
Total non-current liabilities	-	21,524,277	21,524,277
Total liabilities	<u>-</u>	<u>22,720,070</u>	<u>22,720,070</u>
<b>Fund Balance/Net Position</b>			
Fund balances:			
Restricted for sewer projects and debt	2,764,810	(2,764,810)	
Total Liabilities and Fund Balance	<u>\$ 2,764,810</u>		
<b>Net Position:</b>			
Unrestricted		(19,955,260)	(19,955,260)
Total net position (deficit)		<u>\$ (19,955,260)</u>	<u>\$ (19,955,260)</u>

See accompanying notes to the financial statements.

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**

**Statement of Activities and  
Governmental Fund Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2022**

	Capital Projects Fund	Adjustments (Note II D)	Statement of Activities
<b>Expenditures:</b>			
Administrative expenses	\$ 36,829	\$ -	\$ 36,829
Principal retirement	1,195,793	(1,195,793)	-
Interest accretion	-	142,734	142,734
	<u>1,232,622</u>	<u>(1,053,059)</u>	<u>179,563</u>
Total expenditures/expenses			
<b>Program revenues:</b>			
Intergovernmental revenue	1,900,000	(1,900,000)	-
Capital grants and contributions	-	1,900,000	1,900,000
Total program revenues	<u>1,900,000</u>	<u>-</u>	<u>1,900,000</u>
Net program (expense) revenue	667,378	1,053,059	1,720,437
<b>General revenues:</b>			
Investment earnings	(235,875)	-	(235,875)
Total general revenues	<u>(235,875)</u>	<u>-</u>	<u>(235,875)</u>
Excess (deficiency) of revenues over expenditures	431,503	1,053,059	1,484,562
Change in fund balance/net position	1,145,154	339,408	1,484,562
<b>Fund balance/net position (deficit):</b>			
Beginning of the year	<u>1,619,656</u>	<u>(23,059,478)</u>	<u>(21,439,822)</u>
End of the year	<u>\$ 2,764,810</u>	<u>\$ (22,720,070)</u>	<u>\$ (19,955,260)</u>

See accompanying notes to the financial statements.



**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. THE FINANCIAL REPORTING ENTITY**

In August 2005, the governing boards of the Chico Redevelopment Agency, which due to State Assembly Bill 1X 26 is now known as the City of Chico, Successor Agency to the Chico Redevelopment Agency (Agency) and the County of Butte established a joint powers agency known as the Chico Urban Area Joint Powers Financing Authority (JPFA) to facilitate the financing, construction and installation of sewer facilities and improvements in the greater Chico urban area. The JPFA was formed pursuant to the provisions of the joint powers laws of the State of California, as set forth in Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Government Code Section 6500). The JPFA is authorized to obtain state or federal loans for the purpose of financing the construction and installation of sewer facilities and improvements. The activity of the JPFA is included in the City of Chico's financial statements as a discretely presented component unit due to the close relationship and financial integration with the City,

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the activities of the JPFA. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Investment earnings and other items which are excluded from program revenues are reported instead as general revenues.

Separate financial statements are provided for the JPFA's major governmental fund and are reported as a separate column in the fund financial statements.

**C. BASIS OF PRESENTATION, BASIS OF ACCOUNTING, AND MEASUREMENT FOCUS**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the JPFA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Investment earnings are considered to be susceptible to accrual and have been recognized as revenue of the current period. Other revenues are considered to be measurable and available only when cash is received by the JPFA.

The activities of the JPFA are accounted for in a capital projects fund.

When both restricted and unrestricted resources are available for use, it is the JPFA's policy to use restricted resources first, then unrestricted resources as they are needed.

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

**D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY**

Capital Assets/Construction Expenses

Although the JPFA's sole purpose is to construct infrastructure to facilitate the installation of sewer connections for residents located in the benefited area, the infrastructure is ultimately conveyed to the City of Chico, and as a result, the construction costs of the sewer infrastructure are shown as construction expenses (not capital assets) in these financial statements. As the construction occurs, the infrastructure is conveyed to the City of Chico's Sewer Enterprise Fund as capital assets.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities and, in the fund financial statements; the face amount of debt issued is reported as other financing sources.

Fund Equity

Restricted fund balances include amounts that can be spent only for the specific purposes stipulated by constitution or external resource providers.

Net Position

Net position is classified as unrestricted net position which is not restricted for any project or any other purpose. Negative net position occurs when liabilities of the JPFA exceed the assets. In the case of the JPFA, it is assuming the debt of the project, but does not own the assets which can create a negative net position.

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**II. DETAILED NOTES**

**A. CASH AND INVESTMENTS**

Cash and investments held for the JPFA are included in and inseparable from the City's pooled cash and investments. See Note 2 of the City of Chico ACFR for more information on the investment policies of the City as well as the related credit, custodial credit, concentration credit, and interest rate risk applicable to the City's pooled Funds.

June 30, 2022 equity in pooled cash and investments is \$ 2,764,810.

**B. PROGRAM REVENUES/ANNUAL CONTRIBUTION**

After formation of the JPFA in August 2007, it obtained a loan (the Loan) from the California State Water Resources Control Board (SWRCB) to finance the construction and installation of sewer facilities and improvements in the Greater Chico Urban Area Redevelopment Project Area. The Agreement with the State obligated the Chico Redevelopment Agency to repay the loan, in the amount of \$1,900,000 per year for each year commencing with the effective date of the Agreement and ending with the fiscal year in which the last payment is due on the Loan. Neither the City nor the County have any obligation to make the loan payments under the Loan Agreement. The Loan Agreement provides that the sole source of contributions to the JPFA is the pledge by the Redevelopment Agency which, post-dissolution is the obligation of the Successor Agency. On December 17, 2013, the State Department of Finance confirmed that the annual \$1,900,000 payments were considered an enforceable obligation. As of June 30, 2022, \$20,900,000 has been received by the JPFA from the Redevelopment Agency and Successor Agency to the Redevelopment Agency.

**C. RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION**

Total governmental fund balance	\$2,764,810
Amounts reported for governmental activities in the statement of net position are different because:	
Loans payable are not due and payable in the current period and, therefore are not reported in the funds.	<u>(22,720,070)</u>
Net position of governmental activities	<u><u>\$(19,955,260)</u></u>

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**II. DETAILED NOTES (Continued)**

**D. RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

Net change in fund balances - total governmental fund	<u>\$1,145,154</u>
Amounts reported for governmental activities in the statement of activities are different because:	
The issuance of long-term debt (e.g. loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, affects net position. This amount is the net effect of differences in the treatment of long-term debt related items.	482,142
Accreted interest on the long-term debt does not provide financial resources to governmental funds, however, it will be due and payable in the Statement of Net Position.	<u>(142,734)</u>
Change in net position of governmental activities	<u><u>\$1,484,562</u></u>

**E. LONG-TERM DEBT**

Loans Payable

A loan in the amount of \$38,000,000, has been approved by the SWRCB for the JPFA's Nitrate Compliance Program. During the life of the project, the Loan Program allows the JPFA to make loan draws at 83.33% of the project cost, while requiring the JPFA to recognize 16.67% as a local match to be included as an additional loan amount payable to the State. The JPFA records the additional loan amount as accreted interest in the Statement of Activities due to the cost of obtaining the 0% loan from the SWRCB. As of June 30, 2022, construction draws on the loan were \$23,915,863, while the local match totals \$3,986,057. Annual payments are due in June each year in the amount of \$1,195,793. The JPFA will use the \$1,900,000 received annually from the Agency to pay the debt when it becomes due.

Changes to the JPFA's long-term debt for the year ended June 30, 2022 were as follows:

	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>Due Within One Year</u>
Loans Payable:					
State Revolving Fund Loan	<u>\$23,059,478</u>	<u>\$856,385</u>	<u>\$(1,195,793)</u>	<u>\$22,720,070</u>	<u>\$1,195,793</u>

Total accumulated accreted interest as of June 30, 2022 was \$3,986,057.

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Capital Projects Fund  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance Final Budget
	Original	Final		
<b>Expenditures:</b>				
Administrative	\$ 36,828	\$ 36,828	\$ 36,829	\$ (1)
Principal retirement	-	1,188,657	1,195,793	(7,136)
Total expenditures	36,828	1,225,485	1,232,622	(7,137)
<b>Program revenues:</b>				
Intergovernmental revenue	1,900,000	1,900,000	1,900,000	-
Net program (expenditure) revenue	1,863,172	674,515	667,378	(7,137)
<b>General revenues:</b>				
Investment earnings	20,000	20,000	(235,875)	(255,875)
Excess (deficiency) of revenues over expenditures	1,883,172	694,515	431,503	(263,012)
<b>Other financing sources (uses):</b>				
Issuance of long-term debt	-	713,651	713,651	-
Change in fund balance/net position	1,883,172	1,408,166	1,145,154	(263,012)
<b>Fund balance:</b>				
Beginning of the year	1,605,751	1,619,656	1,619,656	-
End of the year	\$ 3,488,923	\$ 3,027,822	\$ 2,764,810	\$ (263,012)

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

Board of Directors  
Chico Urban Area Joint Powers Financing Authority  
Chico, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and the major fund information of Chico Urban Area Joint Powers Financing Authority (the "Authority"), a component unit of the City of Chico, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated REPORT DATE.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

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

Board of Directors  
Chico Urban Area Joint Powers Financing Authority

opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**CliftonLarsonAllen LLP**

Roseville, California  
**REPORT DATE**

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Council Members  
City of Chico, California

We have performed the procedures enumerated below on the Appropriations Limit calculation of the City of Chico as of and for the year ended June 30, 2022. The City of Chico management is responsible for the Appropriations Limit calculation.

The City of Chico has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of presenting the Appropriation Limit calculation in accordance with the requirements of Section 1.5 of Article XIII-B of the California Constitution and Proposition 111. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. Obtain the completed Appropriations Limit calculation and compared the limit and annual adjustment factors in the calculation to the limit and annual adjustment factors that were adopted by resolution of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. Compute current year adjustments based on selected population and inflation options, using information provided by the State Department of Finance.

Finding: No exceptions were noted as a result of our procedures.

3. Compare the prior year appropriations limit presented in the Appropriations Limit Calculation to the prior year appropriations limit adopted by the City Council.

Finding: No exceptions were noted as a result of our procedures.

4. Add the results of step two (2) to the prior year Appropriations Limit and compare the resulting amount to the current year approved limit.

Finding: No exceptions were noted as a result of our procedures.

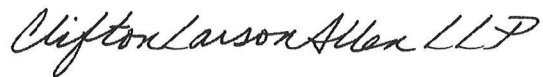


Honorable Mayor and Council Members  
City of Chico, California

We were engaged by the City of Chico to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Appropriations Limit calculation of the City of Chico. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City of Chico and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City of Chico and management of the City of Chico and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Roseville, California  
September 26, 2022

**CITY OF CHICO, CALIFORNIA**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2022**

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**INTRODUCTORY SECTION**

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ADMINISTRATIVE  
SERVICES DEPARTMENT

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411 Main Street – 1<sup>st</sup> Floor (530) 879-7300  
 P.O. Box 3420 Fax (530) 895-4656  
 Chico, CA 95927 <http://www.ci.chico.ca.us>

February 10, 2022

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Chico:

The City of Chico (City) submits to you its Annual Financial Report (AFR) for the year ended June 30, 2022. The Administrative Services Department publishes the AFR to provide information about the City to its citizens, the investment community, the general public, and others who may have an interest in the financial well-being of the City. The data presented is designed to help readers assess our financial condition and understand the services we provide to the citizens of the City of Chico. This letter of transmittal is designed to be read with and complement the Management's Discussion and Analysis (MD&A). The MD&A can be found immediately following the report of the independent auditor.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Chico. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and fairly represent the financial position and changes in financial position of the City. Disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

The City has a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse and compile sufficient reliable information for the preparation of the City's financial statements. Because the cost of internal controls should not outweigh their benefits, the City's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

The Charter of the City of Chico requires an annual audit to be conducted by an independent auditor employed by the City Council. The audit report is to be prepared in accordance with auditing standards generally accepted in the United States of America (GAAP) and submitted to the City Council on or before the first regular City Council meeting in February. CliftonLarsonAllen LLP, a firm of licensed certified public accountants, has audited the attached financial statements. Based on the results of the audit, the City of Chico's financial statements for the fiscal year ended June 30, 2022, received an unmodified ("clean") opinion in the independent auditor's report (which is presented as the first component of the financial section of this report).

### **Profile of Chico**

The City of Chico was founded in 1860 by General John Bidwell, and incorporated on February 5, 1872, with a population of approximately 1,000 persons in an area of 6.6 square miles. The incorporated area of the City of Chico has grown to over 30 square miles, with a population of 102,892.

Chico is the largest city in Butte County, located in the Northern Sacramento Valley approximately 90 miles north of Sacramento, and serves as the commercial center for a three-county regional market area. Chico supports a diverse range of industries including agriculture, recreation,

tourism, education, medical, and manufacturing. Chico is also the home of the second oldest institution in the California State University system, enrolling over 15,000 students annually.

Residents and visitors alike can sample locally grown almonds, bicycle in Bidwell Park (one of the largest municipally owned parks in the United States), tour the historic Bidwell Mansion, and take in the beauty of the California State University, Chico campus without having to stray too far from Chico's quaint and thriving downtown business district. A municipal airport and industrial park are situated in northern Chico.

The City is governed by a charter and operates under a Council-Manager form of government. The City Council consists of seven members representing seven separate geographical districts, elected to staggered four-year terms. An election held each November in even numbered years chooses either three or four council members. The Council selects a mayor and vice mayor from among its members to serve two-year terms. The mayor presides over the Council meetings, which are held on the first and third Tuesdays of each month. The City Council appoints a City Manager to implement its policies and directives, a City Clerk to maintain public records and manage the elections process, and a City Attorney to serve as its legal counsel.

The City provides a broad range of services including police and fire protection; construction and maintenance of streets and infrastructure; community development, including planning and zoning, building and safety, and housing activities; park and recreational activities; municipal airport; and general administrative services.

The budget serves as the foundation for financial planning and control for the City of Chico. Budgetary control is maintained to ensure compliance with legal provisions of the annual appropriated budget as approved and modified by the City Council. The City Charter requires the City Manager to present a proposed budget to the City Council by June 1 of each year. Budgetary control is at the department category level.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operated in fiscal year 2021-22.

#### ***COVID-19***

With the gradual emergence out of the global pandemic beginning in early 2021, the City maintained a conservative forecast for fiscal year 2021-22. As the year unfolded, the City's major revenue sources continued to recover and grow.

#### ***American Rescue Plan Act (ARPA)***

The Congressional American Rescue Plan Act approved \$350 billion for state, local, and Tribal governments in form of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF). As an entitlement city, Chico received \$22 million in funding directly from the U.S. Treasury. The funding was received on May 19, 2021 and June 6, 2022, respectively. The City Council approved a plan to use the funds on various economic recovery needs, costs related to a new 177-unit pallet shelter site, a Broadband pilot project, and a new sewer project. \$6,148,332 of the funding was used in fiscal year 2021-22 and the remainder remains available for spending through 2026.

### **Chico's Economic Condition**

#### ***Local Economy***

Chico's local economy continues to make steady positive progress and growth in the areas of economic development, housing market and employment.

One indicator of the local economy is the rate of unemployment. The unemployment rate for Chico decreased from 8% as of June 2021 to 4% at June 2022.

Another indicator of the local economy is community development. During the fiscal year, residential building permits were issued along with commercial building permits. This continues the strong building market that occurred during the year ended June 2022, when 367 residential building and 30 commercial building permits were issued.

The influence of the local economy impacts, including emergence from COVID-19, are evidenced by the following key City revenue sources, which increased during the fiscal year ended June 30, 2022 as follows:

- Sales Tax increased 12%
- Transient Occupancy Tax increased 43%

#### **Sales Tax**

Sales tax revenue, which accounts for over 40% of all General Fund revenue, experienced increases in nearly all major industry groups as follows:

<b>INDUSTRY</b>	<b>PERCENTAGE CHANGE</b>
<b>AUTOS AND TRANSPORTATION</b>	7%
<b>BUILDING AND CONSTRUCTION</b>	12%
<b>BUSINESS AND INDUSTRY</b>	-2%
<b>FOOD AND DRUGS</b>	-2%
<b>GENERAL CONSUMER GOODS</b>	9%
<b>RESTAURANTS AND HOTELS</b>	26%

#### **Property Tax**

Property tax revenue, which accounts for almost 27% of all General Fund revenue, increased nearly 6% from the prior year. Property tax revenue is composed of numerous property related tax categories. Current secured property taxes increased 7.5%. The local housing market is experiencing increased growth in construction of new homes, although growth in the resale of existing homes is easing. Indications are that growth will continue into the next year. Residual property tax revenue came into place following the dissolution of the City's Redevelopment Agency. As the former Redevelopment Agency's obligations are liquidated, the City receives a larger share of this property tax source. This year, the growth in residual property tax increased 7%.

#### ***Relevant Financial Policies***

The City Council has adopted a number of fiscal policies (See Appendix C-8 through C-10 of the City's Annual Budget for the complete set of fiscal policies) designed to preserve the fiscal integrity of the City's resources, some of which are listed below.

- **Operating Reserve** – The City Manager shall endeavor to present a Proposed Budget for the ensuing fiscal year which provides a balance in the General Fund to serve as an operating reserve in the amount of seven and one-half percent of the General Fund operating expenditures, or which the City Manager expects will reach seven and one-half percent by the time the books are closed at the end of the current fiscal year. These funds are available for

allocation to cover unanticipated expenditures or major declines in revenue. This reserve is fully funded as of June 30, 2022.

- **Emergency Reserve** – An Emergency Reserve has been established to help buffer the City from issues such as large fluctuations in revenues or catastrophic events. The desired level of this reserve is established at 20% of the General Fund operating expenditures. The reserve is fully funded as of June 30, 2022.
- **Compensated Absence Reserve** – Compensated absences are defined as paid time off, such as vacation, sick leave and compensatory time off which becomes a City liability when the employee earns their right to the paid time off. This reserve is intended to accumulate funds to cover the City's liability with the intended target of reaching and maintaining a funding level of 50% of the City-wide liability. The balance in this reserve as of June 30, 2022 is \$1,460,000.
- **Replacement Funds** – The City maintains a number of internal replacement funds including a Technology Replacement Fund to accumulate funds for the replacement of technological equipment, a Fleet Replacement Fund for the replacement of the City's vehicle fleet, a Facilities Maintenance Fund for the repair and maintenance of City-owned facilities, and an Infrastructure Replacement Fund dedicated to repairing the City's road infrastructure. Annual contributions are made from the funds owning such equipment or vehicles, based on the estimated cost to replace the item at the end of its useful life. Although the replacement funds are underfunded, the net fund balances of all replacement funds were \$7,123,000 as of June 30, 2022.

### **The Future and Long-term Financial Planning**

The City contracts with CalPERS to provide retirement benefits to retirees. The Net Pension Liability exceeds \$95,000,000 as of June 30, 2022, and is reported on the attached financial statements. CalPERS has provided an estimated repayment schedule for over thirty years. City management has placed emphasis on planning for future repayments of the annual Unfunded Accrued Liability (UAL). In fact, the annual UAL payment is paid in lump sum in July each year to reduce interest costs. These annual prepayments have resulted in over a \$1,500,000 interest savings over the last five years. In addition to prepayments, the City has created a Pension Stabilization Trust to help pay for future retirement payments.

The citizens of Chico passed Measure H in November 2022, which will provide a 1% local Use and Transactions tax beginning April 1, 2023. This will provide General Fund revenue to address the priorities of the Chico City Council and citizens.

Despite the challenges of COVID-19, pension costs, capital infrastructure and resident sheltering challenges; the City is poised to grow and excel. City management will continue to present Council with conservative budgets that provide consideration of City cash flows, and applicable fiscal controls that will ensure the City continues to improve financially.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Chico for its Annual Financial Report for the fiscal year ended June 30, 2020. This was the seventeenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

This Financial Report is the result of the cooperative effort of many people. We wish to convey our appreciation to the members of the Finance team who contributed to and assisted with the successful completion of the audit. We would also like to express our appreciation to all the City departments, who provided assistance and support, and to the City Council for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

  
\_\_\_\_\_  
Mark Sorensen  
City Manager

  
\_\_\_\_\_  
Barbara Martin  
Administrative Services Director

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# *DIRECTORY OF CITY OFFICIALS*

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**Andrew Coolidge, Mayor**

**Kasey Reynolds, Vice-Mayor**

**Dale Bennett, Councilmember**

**Sean Morgan, Councilmember**

**Deepika Tandon, Councilmember**

**Tom van Overbeek, Councilmember**

**Addison Winslow, Councilmember**

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**Mark Sorensen**  
*City Manager*

**Debbie Presson**  
*City Clerk*

**Vincent C. Ewing**  
*City Attorney*

**Barbara Martin**  
*Administrative Services Director*

**Billy Aldridge**  
*Chief of Police*

**Brendan Vieg**  
*Community Development Director*

**Steve Standridge**  
*Fire Chief*

**Chelsea Phebus**  
*Human Resources and Risk  
Management Director*

**Leigh Ann Sutton**  
*Public Works Director-  
Engineering*

**Erik Gustafson**  
*Public Works Director-  
Operations & Maintenance*



# Citizens of Chico

- BOARDS & COMMISSIONS**
- Airport Commission
  - Architectural Review & Historic Preservation Board
  - Arts Commission
  - Bidwell Park & Playground Commission
  - Climate Action Commission
  - Planning Commission

## City Council

- COUNCIL COMMITTEES**
- Finance Committee
  - Internal Affairs Committee

**City Attorney**

**City Manager**

**City Clerk**

**Administrative Services**

**Community Development**

**Fire**

**Human Resources & Risk**

**Police**

**Public Works - Engineering**

**Public Works - Operations & Maintenance**



Government Finance Officers Association

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for Excellence  
in Financial  
Reporting

Presented to

**City of Chico  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO



**FINANCIAL SECTION**

DRAFT

Honorable Mayor and City Council  
City of Chico

## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council  
City of Chico, California

### Report on the Audit of the Financial Statements

#### ***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Chico, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Chico and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Chico'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.

Honorable Mayor and City Council  
City of Chico

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Chico'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 of Chico's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net pension liability and related ratios, schedules of pension plan contributions, and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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

Honorable Mayor and City Council  
City of Chico

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

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

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

***Other Reporting Required by Government Auditing Standards***

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

**CliftonLarsonAllen LLP**

Roseville, California

[Report Date]

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

As management of the City of Chico (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

### **FINANCIAL HIGHLIGHTS**

- The City had a net position at June 30, 2022 of \$583,312,702 (net position). Of this amount, \$457,558,488 is the net investment in capital assets.
- As of June 30, 2022, the City's governmental funds reported combined fund balances of \$160,321,943 an increase of \$1,353,179 in comparison with the prior year. Amounts available for spending include restricted, committed, assigned and unassigned fund balance. Restricted fund balances totaled \$121,658,977. Committed fund balances totaled \$13,780,149. Assigned fund balances totaled \$32,298,270 while unassigned fund balance reported a fund balance of \$(7,467,131).
- At June 30, 2022, the General Fund had a fund balance of \$47,497,571, an increase of \$8,064,813 from June 30, 2021.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components; (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the basic financial statements. In addition to the basic financial statements, this report also includes required supplementary information and other supplementary information.

**Government-wide Financial Statements** are designed to provide readers with a broad overview of City finances in a manner similar to a private-sector business.

The statement of net position presents information on all City assets, deferred outflows of resources, liabilities and deferred inflows 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 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 in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected revenues and unused vacation leave that has been earned).

Both of these 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 portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, parks and recreation, community development and community agencies. The business-type activities of the City include the sewer, parking, private development and airport.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

One component unit is included in our basic financial statements and consists of a legally separate entity for which the City is financially accountable or receives a financial benefit– the Chico Urban Area Joint Powers Financing Authority. Based on the criteria of generally accepted accounting principles, the Chico Urban Area Joint Powers Financing Authority's governing board is composed of two members of the City of Chico Council and two members of the Butte County Board of Supervisors but is reported as a discretely presented component unit due to the significance of the economic resources the City receives from it. City of Chico Council and two members of the Butte County Board of Supervisors but is reported as a discretely presented component unit due to the significance of the economic resources the City receives from it.

Complete financial statements of the Chico Urban Area Joint Powers Financing Authority may be obtained from the Finance Department of the City of Chico at 411 Main Street, Chico, California 95928.

**Fund Financial Statements** are groupings of related accounts that are 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 finance-related legal compliance. All of the funds of the City can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary 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 expendable resources*, as well as on *balances of expendable resources* available at the end of the fiscal year. 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 City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintained several individual governmental funds at June 30, 2022. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, CDBG and HOME Housing Fund, Public Facilities Impact Fees, Capital Grants Fund, and the Low and Moderate Income Housing Asset Fund. 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* found elsewhere in this report.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Proprietary funds** are generally used to account for activities for which the City charges a fee to either its external or internal customers. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains the following two types of proprietary funds:

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its sewer, parking, private development and airport operations, which are considered to be major funds of the City.

*Internal service funds* are used to report activities that provide goods and services for certain City programs and activities. The City uses internal service funds to account for its self-insurance, central garage, municipal building maintenance, retirement funding and information services functions. Because these services benefit primarily governmental functions, they have been included within *governmental activities* in the government-wide financial statements. The City's five internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. These statements include one Private-purpose Trust Fund that includes the activity of the Successor Agency to the Chico Redevelopment Agency and three Custodial Funds that account for the assets held by the City as an agent for bonded assessment districts.

**Notes to Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information** is presented in addition to the basic financial statements and accompanying notes. A Schedule of Changes in Net Pension Liability and Related Ratios is included along with a Schedule of Contributions relating to the CalPERS Retirement Plans. Budget Schedules for the General Fund and Major Special Revenue funds are also presented as required supplementary information.

**Other Information** includes the combining and individual fund statements and schedules referred to earlier. Specifically included is information for the Capital Grants Fund budget, nonmajor governmental funds and internal service funds and Custodial Funds. These statements and schedules are presented immediately following the required supplementary information.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$583,312,702 at the close of the most recent fiscal year.

**CITY OF CHICO  
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JUNE 30, 2022**

The largest portion of the City's net position, \$457,558,488, or 78%, reflects its investment in capital assets (e.g. land, buildings, improvements, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used by the City to provide services to the citizens. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental and Business-type Activities assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position as of June 30, are presented in the following table:

**Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total		Dollar Change
	2021	2022	2021	2022	2021	2022	
<b>Assets:</b>							
Current and Other Assets	\$ 203,446,276	227,857,954	\$ 52,349,955	54,736,886	\$ 255,796,231	\$ 282,594,840	\$ 26,798,609
Capital Assets	325,628,722	347,636,245	139,189,844	139,933,435	464,818,566	487,569,680	22,751,114
Total Assets	529,074,998	575,494,199	191,539,799	194,670,321	720,614,797	770,164,520	49,549,723
<b>Deferred Outflows of Resources:</b>							
Deferred Outflows Related to Pensions	16,966,506	13,733,332	2,144,100	1,989,641	19,110,606	15,722,973	(3,387,633)
<b>Liabilities:</b>							
Current and Other Liabilities	143,484,019	26,742,416	29,092,551	2,162,806	172,576,570	28,905,222	(143,671,348)
Long-Term Liabilities	13,082,335	97,758,152	16,883,724	33,849,070	29,966,059	131,607,222	101,641,163
Total Liabilities	156,566,354	124,500,568	45,976,275	36,011,876	202,542,629	160,512,444	(42,030,185)
<b>Deferred Inflows of Resources:</b>							
Deferred Inflows Related to Pensions	949,995	31,264,308	165,246	4,957,880	1,115,241	36,222,188	35,106,947
<b>Net Position:</b>							
Net Investment in Capital Assets	323,630,848	337,304,415	114,578,515	120,254,073	438,209,363	457,558,488	19,349,125
Restricted	116,537,658	148,208,382	-	-	116,537,658	148,208,382	31,670,724
Unrestricted	(51,643,351)	(53,711,457)	32,963,863	31,257,289	(18,679,488)	(22,454,168)	(3,774,680)
Total Net Position	\$ 388,525,155	\$ 431,801,340	\$ 147,542,378	\$ 151,511,362	\$ 536,067,533	\$ 583,312,702	\$ 47,245,169

**Governmental Activities. Primary changes in governmental activities are summarized below:**

**Assets.** Total assets increased by \$46,419,201. The primary causes of the increase were an increase in restricted and unrestricted cash of approximately \$13 million and in capital asset purchases of approximately \$23 million due to increased capital project activity.

**Deferred Outflows of Resources.** This classification balance, although similar to "assets," is set apart because these items do not meet the technical definition of being a City asset on the date of these financial statements. In other words, these amounts are not available to pay liabilities in the way assets are available. When all the recognition criteria are met, the deferred outflow of resources will become an expense.



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**JUNE 30, 2022**

The most significant deferred outflows of resources reported are related to the implementation of GASB Statement No. 68 and GASB No. 71 for net pension liability reporting. GASB No. 68 requires that contributions made to the retirement system subsequent to the measurement date be reported as deferred outflows of resources. Differences between projected and actual earnings on pension plan investments are also reported as deferred outflows and amortized over several years. The City has reported deferred outflows of resources for pension contributions and differences between actual and estimated earnings of pension plan investments totaling \$13,733,332 for governmental activities at June 30, 2022. The deferred outflows of resources will be reflected in the change in the net pension liability in the next fiscal year.

**Liabilities.** Governmental activities liabilities decreased by \$32,065,786 primarily due to a decrease in the net pension liability of \$49,595,338.

**Deferred Inflows of Resources.** Deferred inflows of resources are the counterpart to deferred outflows of resources on the Statement of Net Position. Deferred inflows of resources are not technically liabilities of the City as of the date of the financial statements. When all the recognition criteria are met, the deferred inflows of resources will become revenue or an increase to net position.

Deferred inflows of resources related to pensions represent a net amount attributable to the various components that impact pension changes and can include the differences between actual and expected experience and changes in assumptions. The City has reported deferred inflows of resources for pensions totaling \$31,264,308 for government activities at June 30, 2022.

**Net Position.** Governmental activities net position increased \$43,276,185 due primarily to an increase in both operating and capital grants and contributions, an increase in tax revenue, as well as a decrease in general government expenses.

**Business-type Activities.** Primary changes in business-type activities are summarized below:

**Assets.** Total assets increased by \$3,130,522 due to standard acquisitions of equipment.

**Deferred Outflows of Resources.** GASB Statement No. 68 requires that contributions made subsequent to the measurement date be reported as deferred outflows of resources. Differences between projected and actual earnings on pension plan investments are also reported as deferred outflows and amortized over several years. The City has reported deferred inflows of resources for pensions totaling \$1,989,641 for government activities at June 30, 2022.

**Liabilities.** Business-type activities liabilities decreased by \$9,964,399 primarily due to the payment of long-term debt related to the Sewer Fund and a decrease in the total net pension liability.

**Deferred Inflows of Resources.** As discussed above, deferred inflows of resources are the counterpart to deferred outflows of resources on the Statement of Net Position. Deferred inflows of resources related to pensions represent a net amount attributable to the various components that impact pension changes and can include the differences between actual and expected experience and changes in assumptions. The City has reported deferred inflows of resources for deferred pensions totaling \$4,957,880 for business-type activities at June 30, 2022.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Net Position.** Business-type activities net position increase of \$3,968,984 primarily due to the decrease in liabilities mentioned above.

The following table indicates the changes in net position for governmental and business-type activities for the year ended June 30:

**Condensed Statement of Activities**

	Governmental Activities		Business-Type Activities		Total		Dollar Change
	2021	2022	2021	2022	2021	2022	
<b>Program Revenues:</b>							
Charges for Services	\$ 13,501,962	\$ 13,916,850	\$ 24,172,344	\$ 22,848,668	\$ 37,674,306	\$ 36,765,518	\$ (908,788)
Operating Grants and Contributions	9,060,513	14,614,735	-	174,746	9,060,513	14,789,481	5,728,968
Capital Grants and Contributions	8,423,875	23,877,343	11,223,156	3,128,625	19,647,031	27,005,968	7,358,937
General Revenues and Special Items:							
Taxes	63,968,788	70,580,257	-	-	63,968,788	70,580,257	6,611,469
Grants and Contributions Not Restricted to Specific Programs	2,072,665	-	-	-	2,072,665	-	(2,072,665)
Unrestricted Investment Earnings	928,992	(3,870,646)	360,576	(1,688,041)	1,289,568	(5,558,687)	(6,848,255)
Miscellaneous	781,732	510,112	-	15,595	781,732	525,707	(256,025)
Bond Proceeds from Private- Purpose Trust Fund	-	-	-	-	-	-	-
Total Revenues	98,738,527	119,628,651	35,756,076	24,479,593	134,494,603	144,108,244	9,613,641
<b>Expenses:</b>							
General Government	18,655,283	10,464,965	-	-	18,655,283	10,464,965	(8,190,318)
Public Safety	34,360,882	37,538,974	-	-	34,360,882	37,538,974	3,178,092
Public Works	17,822,977	17,400,703	-	-	17,822,977	17,400,703	(422,274)
Parks and Recreation	3,728,252	3,604,276	-	-	3,728,252	3,604,276	(123,976)
Arts and Culture	-	34,669	-	-	-	34,669	34,669
Community Development	8,361,864	6,002,560	-	-	8,361,864	6,002,560	(2,359,304)
Community Agencies	3,508	-	-	-	3,508	-	(3,508)
Health & Human Services	-	302,524	-	-	-	302,524	302,524
Interest on Long-Term Debt	80,732	64,644	-	-	80,732	64,644	(16,088)
Loss on Disposition of:							
Sewer	-	-	11,635,625	13,255,319	11,635,625	13,255,319	1,619,694
Parking	-	-	947,957	1,543,123	947,957	1,543,123	595,166
Private Development	-	-	4,365,232	4,297,258	4,365,232	4,297,258	(67,974)
Airport	-	-	2,043,302	1,910,686	2,043,302	1,910,686	(132,616)
City Recreation	-	-	-	443,374	-	443,374	443,374
Total Expenses	83,013,498	75,413,315	18,992,116	21,449,760	102,005,614	96,863,075	(5,888,437)
<b>Increase (Decrease) in Net Position Before Transfers</b>	15,725,029	44,215,336	16,763,960	3,029,833	32,488,989	47,245,169	15,502,078
Transfers	(1,942,237)	(939,151)	1,942,237	939,151	-	-	-
<b>Change in Net Position</b>	13,782,792	43,276,185	18,706,197	3,968,984	32,488,989	47,245,169	15,502,078
Net Position - Beginning of Year	374,742,364	388,525,155	128,836,181	147,542,378	503,578,545	536,067,533	32,488,988
<b>Net Position - End of Year</b>	<u>\$ 388,525,156</u>	<u>\$ 431,801,340</u>	<u>\$ 147,542,378</u>	<u>\$ 151,511,362</u>	<u>\$ 536,067,534</u>	<u>\$ 583,312,702</u>	<u>\$ 47,991,066</u>

**Governmental Activities.** Governmental activities increased the City's net position by \$43,276,184 due to an increase in capital grants as well as taxes.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**Revenues.** Total revenues for governmental activities increased 21% from the prior year:

- **Taxes** increased \$6,611,469 due to increases in sales tax revenue and property tax revenue as the economy and housing market continue to move in a modestly positive direction.
- **Capital grants and contributions** increased by \$15,453,468 due primarily to the start of a large infrastructure project.
- **Intergovernmental Revenue** increased \$5,554,222 due primarily to ARPA funding.

**Expenses.** Total expenses for governmental activities decreased \$7,600,183 from the prior year:

The decrease in expenses is due to the timing of use of Coronavirus relief funding.

**Business-type Activities.** Business-type activities increased the City's net position by \$3,968,984. Overall revenue compared to expenses increased net position. The operations of individual enterprise funds are presented more thoroughly in the Proprietary Funds section.

#### **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

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

**Governmental funds.** The general government functions are contained in the General, Special Revenue and Capital Projects Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the City's financing requirements. In particular, restricted, committed, assigned and unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2022, the City's governmental funds reported combined fund balances of \$160,321,943, an increase of \$1,353,179 compared to the prior year. While the City reported \$121,658,977 of restricted fund balance, \$65,567,838 is composed of long-term loans receivable. By nature, restricted resources are restricted for specific purposes.

Nonspendable fund balance is composed of \$51,681 in prepaid items.

Committed fund balance is composed of: \$1,460,109 for compensated absences, \$342,107 in donations, \$11,058,877 for emergency contingencies, and \$919,377.

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Total assigned fund balance is \$32,298,270. It is specifically assigned for capital projects and subsequent year's budget.

The changes in fund balance as of June 30, is presented in the following table:

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds**

	Major Funds				
	General Fund	CDBG and HOME Housing	Public Facilities Impact Fees	Capital Grants	Low and Moderate Income Housing Asset
Revenues	\$ 78,236,279	\$ 3,803,928	\$ 7,518,702	\$ 5,487,645	\$ 245,708
Expenditures	(71,378,307)	(1,207,984)	(7,773,624)	(16,439,133)	(399,316)
Other Financing Sources (Uses), Net	1,206,841	37,958	(87,655)	-	(37,958)
Change in Fund Balances	8,064,813	2,633,902	(342,577)	(10,951,488)	(191,566)
Fund Balances (Deficits) - Beginning of Year	39,432,758	7,646,405	32,395,488	(834,334)	56,102,408
Fund Balances (Deficits) - End of Year	<u>\$ 47,497,571</u>	<u>\$ 10,280,307</u>	<u>\$ 32,052,911</u>	<u>\$ (11,785,822)</u>	<u>\$ 55,910,842</u>
	Nonmajor Funds		2022	2021	
	Special Revenue Funds	Capital Projects Funds	Total Governmental Funds	Total Governmental Funds	
Revenues	\$ 10,878,089	\$ 354,727	\$ 106,525,078	\$ 96,795,699	
Expenditures	(7,438,269)	(4,463,399)	(109,100,032)	(78,705,539)	
Other Financing Sources (Uses), Net	(1,808,308)	4,617,255	3,928,133	(1,364,068)	
Change in Fund Balances	1,631,512	508,583	1,353,179	16,726,092	
Fund Balances (Deficits) - Beginning of Year	15,611,055	8,614,984	158,968,764	142,242,672	
Fund Balances (Deficits) - End of Year	<u>\$ 17,242,567</u>	<u>\$ 9,123,567</u>	<u>\$ 160,321,943</u>	<u>\$ 158,968,764</u>	

Revenues for governmental funds overall totaled \$106,525,078 an increase of 10.1% from the prior fiscal year, and expenditures for governmental funds totaled \$109,100,032 an increase of 38.6% from the prior fiscal year. Revenue increases were due primarily to increases in intergovernmental revenues. Expenditures increases are largely due to an increase in capital projects funded by grants.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

General Fund revenue increased \$9,606,008 due to an increase in Intergovernmental revenues of over \$5.1 million due primarily to ARPA revenue as well as a 5.7 % increase in property taxes and an 11.7% increase in sales and use taxes. Current year General Fund expenditures increased by \$15,925,935. The primary increases includes \$4,446,970 in leased P25 radios for safety personnel and \$5,868,235 in ARPA funded expenses.

CDBG & HOME Housing fund increased by \$2,633,902 primarily due to federal program draws in both Community Development Block Grant and HOME funds for new loans.

Revenue in the Capital Grants Fund exceeded expenditures by \$10,951,488 due to timing of receipts for reimbursements of 2021-2022 expenditures. At year end, \$11,549,136 of revenue was unavailable.

The Low and Moderate Income Housing Asset Fund's change in fund balance consists mostly of loans receivable received from the Successor Agency to the Chico Redevelopment Agency. Otherwise, there is very little activity occurring within this Fund as the revenue is considered restricted as most of it is composed of long-term loan receivables.

Public Facility Impact Fee funds have been consolidated into one reporting fund. It is reported as a Major Capital Projects Fund. Fund balance in this fund fluctuates with building activity within the City limits.

**Proprietary funds.** The City's proprietary funds provide the same type of information found in the government- wide financial statements, but in more detail.

The following table shows actual revenues, expenses and results of operations of proprietary funds for the current fiscal year:

	Sewer	Parking	Private Development	Airport	Total
Operating Revenues	\$ 15,041,654	\$ 861,412	\$ 5,840,562	\$ 794,698	\$ 22,538,326
Operating Expenses	13,195,779	1,543,123	4,297,258	1,910,686	20,946,846
Operating Income (Loss)	1,845,875	(681,711)	1,543,304	(1,115,988)	1,591,480
Nonoperating Revenues (Expenses), Net	(1,434,860)	(72,346)	(193,407)	152,899	(1,547,714)
Income (Loss) Before Contributions and Transfers	411,015	(754,057)	1,349,897	(963,089)	43,766
Contributions and Transfers	4,977	288,243	303,146	3,171,410	3,767,776
Change in Net Position	<u>\$ 415,992</u>	<u>\$ (465,814)</u>	<u>\$ 1,653,043</u>	<u>\$ 2,208,321</u>	<u>\$ 3,811,542</u>

- Sewer Fund revenues decreased over the prior year due to decreased Water Pollution Control Plant capacity development fees collected.
- Parking Fund revenues increased by \$488,220 over the prior year as the City started collection of Parking fees after halting collections during the COVID pandemic.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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- The Private Development Fund had an increase in net position of \$1,653,043, due in large part to the reduction in net pension liability. Operations in the fund reflected additional activity in the building industry in Chico during the year ended June 30, 2022.
- Airport Fund operating revenues increased \$62,919 primarily due to additional rental charges for airport related facilities. The City is working to revitalize the airport and its industrial park.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Budget to actual information for the General Fund is presented as part of required supplementary information in this report. The City Council amended the budget several times during the period. These amendments, generally, were to adjust for actual beginning balances and carryovers after closing the prior fiscal year and for new sources and uses realized during the fiscal year.

Overall, actual revenue was under budgeted revenue by \$8,582,637 primarily due to ARPA revenue recognized and market value of investments creating a loss on investment income. Property tax revenues were over budget by \$845,929 while sales and use taxes revenue exceeded budget by \$813,939. Other taxes including transient and occupancy taxes (TOT) were over budget by \$1,700,474.

Overall, budgeted expenditures were under budget by \$14,509,995. Most departments recognized actual expenditures under budget and budgeted capital projects were delayed beyond fiscal year end..

In spite of City Council budgetary amendments, variances between actual amounts and the final budget occur. Generally, all of the variances were positive (i.e., actual revenue exceeded budgeted revenue and actual expenditures were less than budgeted expenditures) due to the fact that a conservative budgetary approach was utilized.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital assets**

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2022 amounted to \$487,569,68 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, and construction in progress. Total current year depreciation expense was \$18,910,645. Net does not include depreciation.

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

Capital assets, net of depreciation, for the governmental and business-type activities are presented on the next page to illustrate changes from the prior year:

	Governmental Activities		Business-Type Activities	
	2021	2022	2021	2022
Land	\$ 31,561,925	\$ 33,114,506	\$ 2,154,341	\$ 2,154,341
Buildings	8,529,383	8,028,413	4,187,118	3,682,378
Improvements	8,319,818	8,280,749	107,734,478	119,826,585
Equipment	8,955,391	13,933,299	492,863	1,121,995
Infrastructure	242,601,613	248,898,493	-	-
Construction in Progress	25,660,592	35,380,785	24,621,042	13,148,136
<b>Total, Net</b>	<b>\$ 325,628,722</b>	<b>\$ 347,636,245</b>	<b>\$ 139,189,842</b>	<b>\$ 139,933,435</b>

	Total		Dollar Change	Percentage Change
	2021	2022		
Land	\$ 33,716,266	\$ 35,268,847	\$ 1,552,581	0.05 %
Buildings	12,716,501	11,710,791	(1,005,710)	(0.08)
Improvements	116,054,296	128,107,334	12,053,038	0.10
Equipment	9,448,254	15,055,294	5,607,040	0.59
Infrastructure	242,601,613	248,898,493	6,296,880	0.03
Construction in Progress	50,281,634	48,528,921	(1,752,713)	(0.03)
<b>Total, Net</b>	<b>\$ 464,818,564</b>	<b>\$ 487,569,680</b>	<b>\$ 22,751,116</b>	

Major capital asset events during the current fiscal year included the following:

- Land – Increase is due to several land acquisitions for City bikeway project.
- Buildings – Decrease is due primarily to depreciation expense. No significant capitalized construction to building category occurred.
- Improvements – Increase is due primarily to the completion of the Sewer Fund nitrate projects.
- Equipment – Increases reflect acquisitions of safety radios and upgraded software for several departments.
- Infrastructure – Increased as several large street projects were completed.
- Construction in progress (CIP) – Decrease is due to the completion of many projects in the current year.

Additional information on the City's capital assets can be found in Note 5 of this report.

#### GASB Statement No. 87 - Leases

This pronouncement became effective for fiscal years beginning after June 15, 2021 and was included in the City's financial statements for the first time with FY 2021-22. As such, GASB 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. 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

**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the governments' leasing activities. More detail is provided under Note 5 and Note 7 in the Financial Statements that follow.

### **Long-term liabilities**

At June 30, 2022, the City had total long-term liabilities outstanding of \$36,552,787 an overall increase of \$1,418,661 from June 30, 2021. Additional information related to the City's long-term liabilities can be found in Note 6 of this report.

### **Economic Factors and Next Year's Budget**

The Chico City Council adopted the fiscal year 2022-23 budget on June 7, 2022, with a total Operating Budget of \$113,673,599, which is a \$15,139,633 increase from the prior fiscal year's Council adopted budget. The adopted Capital Improvement Budget totaled \$97,438,109. Total General Fund revenue and transfers in total of \$67,089,574, which is lower than budgeted expenditures and transfers out of \$74,930,245. The City has also assigned fund balance from June 30, 2022 of \$11,708,033 to cover expenditures in the fiscal year 2022-23 budget.

During this time of continued economic uncertainty, brought on by the coronavirus pandemic and the associated economic fallout, the fiscal year 2022-23 budget continues the City's record of strong fiscal management using sound fiscal policies. This fiscal year budget maintains a well-resourced City government, which is prepared to respond to the needs of our residents. The City does not currently anticipate any significant cash flow or liquidity issues in the near term because of COVID-19 but continues to monitor that risk. This City cannot predict the extent to which consequences arising from this uncertain economic period will impact financial conditions, operations, reserves and liquidity, but management is dedicated to monitor the unfolding impacts to ensure residents at all income levels a safe place to live and work.

### **Local Revenue Base**

Chico's local economy show steady growth in spite of economic pressures. Noted revenue percentage increases include:

- Property tax revenue increased by almost 6%
- Sales tax revenue increased 12%
- Transient occupancy tax decreased 43%

Other key economic factors reflect slow but steady growth for the City. The City is seeing a continued increase in local construction as evidenced by an increase in building permits issued, planning fees, and sales of new and existing homes.

The City will continue to budget conservatively as these continue to be unprecedented economic times.



**CITY OF CHICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**Requests for Information**

Questions concerning any of the information provided in this report or requests for additional financial information may be requested as follows:

**US Mail**

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Administrative Services Director  
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**Phone**

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**Email:**

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DRAFT

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

DRAFT

**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Chico Urban Area Joint Powers Financing Authority
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 118,295,043	\$ 37,166,084	\$ 155,461,127	\$ -
Restricted Cash and Investments	3,733,852	10,062,785	13,796,637	2,764,809
Receivables:			-	
Interest	12,380,304	-	12,380,304	-
Property Taxes	647,566	4,704	652,270	-
Accounts	2,201,919	3,162,668	5,364,587	-
Intergovernmental	21,980,474	48,460	22,028,934	-
Loans	65,567,838	-	65,567,838	-
Long-Term	1,093,092	-	1,093,092	-
Leases	1,692,800	4,292,185	5,984,985	-
Prepays	73,401	-	73,401	-
Inventory	83,748	-	83,748	-
Noncurrent Assets:				
Lease Assets, Net	107,917	-	107,917	-
Capital Assets:				
Nondepreciable	68,495,291	15,302,477	83,797,768	-
Depreciable, Net	279,140,954	124,630,958	403,771,912	-
Total Assets	<u>575,494,199</u>	<u>194,670,321</u>	<u>770,164,520</u>	<u>2,764,809</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows Related to Pensions	13,733,332	1,989,641	15,722,973	-
Total Deferred Outflows of Resources	<u>13,733,332</u>	<u>1,989,641</u>	<u>15,722,973</u>	<u>-</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	8,170,186	1,237,485	9,407,671	-
Accrued Salaries and Benefits	1,521,847	198,120	1,719,967	-
Intergovernmental Payable	29,358	-	29,358	-
Retention Payable	-	-	-	-
Interest Payable	-	9,004	9,004	-
Deposits	29,173	16,812	45,985	-
Unearned Revenue	16,642,508	701,385	17,343,893	-
Other Accrued Liabilities	349,344	-	349,344	-
Long-Term Liabilities:				
Due Within One Year	3,915,474	1,746,908	5,662,382	-
Due in More Than One Year	12,893,922	17,996,483	30,890,405	22,720,070
Total Pension Liability	80,948,756	14,105,679	95,054,435	-
Total Liabilities	<u>124,500,568</u>	<u>36,011,876</u>	<u>160,512,444</u>	<u>22,720,070</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows Related to Pensions	31,264,308	4,957,880	36,222,188	-
Deferred Inflows Related to Leases	1,661,315	4,178,844	5,840,159	-
Total Deferred Inflows of Resources	<u>32,925,623</u>	<u>9,136,724</u>	<u>42,062,347</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	337,304,415	120,254,073	457,558,488	-
Restricted for:				
Capital Projects	61,539,792	-	61,539,792	-
Housing	78,879,310	-	78,879,310	-
Maintenance Districts	4,521,047	-	4,521,047	-
Other Government Programs	646,219	-	646,219	-
Public Safety	2,622,014	-	2,622,014	-
Unrestricted	(53,711,457)	31,257,289	(22,454,168)	(19,955,261)
Total Net Position	<u>\$ 431,801,340</u>	<u>\$ 151,511,362</u>	<u>\$ 583,312,702</u>	<u>\$ (19,955,261)</u>

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Program Revenues			Net Revenue (Expense) and Changes in Net Position			Component Unit Chico Urban Area Joint Powers Financing Authority		
	Direct Expenses	Indirect Expenses	Total Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contribution		Governmental Activities	Business-Type Activities
<b>PRIMARY GOVERNMENT</b>									
Governmental Activities:									
General Government	\$ 10,464,965	\$ -	\$ 10,464,965	\$ 2,697,750	\$ 1,596,604	\$ 11,626,008	\$ 5,455,397	\$ -	\$ 5,455,397
Public Safety	37,538,974	-	37,538,974	60,858	403,981	-	(37,074,135)	-	(37,074,135)
Public Works	17,400,703	-	17,400,703	2,333,536	8,816,394	12,251,335	6,000,562	-	6,000,562
Parks and Recreation	3,604,276	-	3,604,276	47,610	-	-	(3,556,666)	-	(3,556,666)
Arts and Culture	34,669	-	34,669	-	-	-	(34,669)	-	(34,669)
Community Development	6,002,560	-	6,002,560	8,777,096	3,797,756	-	6,572,292	-	6,572,292
Community Agencies	-	-	-	-	-	-	-	-	-
Health & Human Services	302,524	-	302,524	-	-	-	(302,524)	-	(302,524)
Interest on Long-Term Debt	64,644	-	64,644	-	-	-	(64,644)	-	(64,644)
Total Governmental Activities	75,413,315	-	75,413,315	13,916,850	14,614,735	23,877,343	(23,004,387)	-	(23,004,387)
Business-Type Activities:									
Sewer	12,767,285	488,034	13,255,319	15,041,654	-	148,027	-	1,934,362	1,934,362
Parking	1,452,084	91,039	1,543,123	861,412	-	-	-	(681,711)	(681,711)
Private Development	3,938,383	358,875	4,297,258	5,840,562	-	-	-	1,543,304	1,543,304
Airport	1,716,008	194,678	1,910,686	794,698	174,746	2,980,598	-	2,039,356	2,039,356
City Recreation	443,374	-	443,374	310,342	-	-	-	(133,032)	(133,032)
Total Business-Type Activities	20,317,134	1,132,626	21,449,760	22,848,668	174,746	3,128,625	-	4,702,279	4,702,279
Total Primary Government	\$ 95,730,449	\$ 1,132,626	\$ 96,863,075	\$ 36,765,518	\$ 14,789,481	\$ 27,005,968	\$ (23,004,387)	4,702,279	(18,302,108)
<b>COMPONENT UNIT</b>									
Chico Urban Area Joint Powers Financing Authority									
	\$ 179,563	\$ -	\$ 179,563	\$ -	\$ -	\$ 1,900,000			\$ 1,720,437
<b>GENERAL REVENUES</b>									
Taxes:									
Property Taxes							21,002,149	-	21,002,149
Sales and Use Taxes							31,483,939	-	31,483,939
Transient Occupancy Tax							3,913,104	-	3,913,104
Utility Users tax							8,800,948	-	8,800,948
Franchise Fees							4,037,572	-	4,037,572
Other Taxes							1,342,545	-	1,342,545
Grants Not Restricted to Specific Programs							-	-	-
Unrestricted Investment Earnings							(3,870,646)	(1,688,041)	(5,558,687)
Miscellaneous							510,112	15,595	525,707
Transfers							(939,151)	939,151	-
Total General Revenues and Transfers							66,280,572	(733,295)	65,547,277
<b>CHANGE IN NET POSITION</b>									
							43,276,185	3,968,984	47,245,169
Net position - Beginning of Year							388,525,155	147,542,378	536,067,533
<b>NET POSITION - END OF YEAR</b>							<b>\$ 431,801,340</b>	<b>\$ 151,511,362</b>	<b>\$ 583,312,702</b>
									<b>\$ (19,955,261)</b>

See accompanying Notes to Financial Statements.

**FUND FINANCIAL STATEMENTS**

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## FUND FINANCIAL STATEMENTS

### Governmental Fund Types

Governmental funds consist of the General Fund, special revenue funds and capital projects funds.

Major Governmental Funds include:

- **General**  
The City's primary operating fund. Accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **CDBG and HOME Housing**  
Accounts for the Community Development Block Grant (CDBG) annual federal grant program and the state and federal HOME grant programs. The CDBG program provides for development of viable urban community by providing a suitable living environment and expansion of economic opportunities, principally for low- and moderate-income residents. The HOME program provides for the development of affordable housing and mortgage subsidy programs and housing rehabilitation to benefit low-income households. Use of CDBG and HOME funding is restricted per federal guidelines.
- **Capital Grants**  
Accounts for receipts and disbursements of a variety of governmental fund capital grants.
- **Low and Moderate Income Housing Asset Fund**  
The Low- and Moderate-Income Housing Special Revenue Fund accounts for all activities resulting from the elimination of the Redevelopment Agency's low- and moderate income housing function. Primarily, this Fund utilizes program income from loan payments restricted for the development and assistance for low-income households. Use of Housing Funds is restricted according to the provisions contained in California State Assembly Bill 1X26 and California State Assembly Bill 1484.

### Proprietary Fund Types

Proprietary funds consist of the enterprise funds and the internal service funds. Major enterprise funds include:

- **Sewer**  
Accounts for sanitary sewer collection system and Water Pollution Control Plant operations including major repair and replacement of the City's Water Pollution Control Plant facilities.
- **Parking**  
Accounts for parking facilities operations and improvements, and debt service on the 1994 Parking Revenue Bonds issued to finance the downtown parking structure.
- **Private Development**  
Accounts for private development planning and building inspection and subdivision planning and inspection.

**Proprietary Fund Types (Continued)**

- **Airport**  
Accounts for airport operations and improvements.

**Fiduciary Fund Type**

Fiduciary funds include:

- **Private-Purpose Trust Fund**  
Accounts for the assets, liabilities and activities of the Successor Agency to the Chico Redevelopment Agency.
- **Custodial Fund**  
Accounts for assets held in an agency capacity for parties outside the City. The resources of this fund cannot be used to support the City's own programs. The Fund accounts for assets held by the City as an agent for bonded assessment districts.

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**CITY OF CHICO, CALIFORNIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	General Fund	CDBG & HOME Housing	Public Facilities Impact Fees	Capital Grants	Low and Moderate Income Housing Housing Asset Funds	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 45,467,735	\$ -	\$ 33,892,317	\$ -	\$ 1,123,609	\$ 25,272,379	\$ 105,756,040
Restricted Cash and Investments	3,146,752	-	-	-	-	102,100	3,248,852
Receivables:							
Interest	315,713	976,293	-	-	11,088,114	184	12,380,304
Property Taxes	613,704	-	-	-	-	33,862	647,566
Accounts	1,955,697	-	-	-	-	52,353	2,008,050
Intergovernmental	7,068,643	1,419,303	-	11,767,116	-	1,692,946	21,948,008
Loans	-	10,093,227	-	-	55,456,582	18,029	65,567,838
Long-Term Leases	1,692,800	-	1,093,092	-	-	-	1,093,092
Due from Other Funds	11,046,789	-	-	-	-	-	11,046,789
Prepaid Items	51,681	-	-	-	-	-	51,681
Advances to Other Funds	-	-	38,377	-	-	-	38,377
<b>Total Assets</b>	<b>\$ 71,359,514</b>	<b>\$ 12,488,823</b>	<b>\$ 35,023,786</b>	<b>\$ 11,767,116</b>	<b>\$ 67,668,305</b>	<b>\$ 27,171,853</b>	<b>\$ 225,479,397</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 3,266,446	\$ 158,160	\$ 1,877,783	\$ 1,557,262	\$ 20,276	\$ 495,446	\$ 7,375,373
Accrued Salaries and Benefits	1,372,732	10,000	-	-	5,319	49,264	1,437,315
Deposits	9,173	-	-	-	20,000	-	29,173
Intergovernmental Payable	26,303	3,055	-	-	-	-	29,358
Due to Other Funds	-	1,061,008	-	9,942,039	-	42,239	11,045,286
Unearned Revenue	15,957,614	-	-	504,501	-	180,393	16,642,508
Other Accrued Liabilities	349,344	-	-	-	-	-	349,344
Advances from Other Funds	-	-	-	-	-	38,377	38,377
<b>Total Liabilities</b>	<b>20,981,612</b>	<b>1,232,223</b>	<b>1,877,783</b>	<b>12,003,802</b>	<b>45,595</b>	<b>805,719</b>	<b>36,946,734</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Housing Loan Interest Revenue	-	976,293	-	-	11,088,114	-	12,064,407
Unavailable Revenue	1,219,016	-	1,093,092	11,549,136	623,754	-	14,484,998
Deferred Lease Revenue	1,661,315	-	-	-	-	-	1,661,315
<b>Total Deferred Inflows of Resources</b>	<b>2,880,331</b>	<b>976,293</b>	<b>1,093,092</b>	<b>11,549,136</b>	<b>11,711,868</b>	<b>-</b>	<b>28,210,720</b>
<b>FUND BALANCES</b>							
Nonspendable	51,681	-	-	-	-	-	51,681
Restricted	2,660,960	10,280,307	32,052,911	-	55,910,842	20,753,957	121,658,977
Committed	13,780,149	-	-	-	-	-	13,780,149
Assigned	26,454,678	-	-	-	-	5,843,592	32,298,270
Unassigned	4,550,103	-	-	(11,785,822)	-	(231,415)	(7,467,134)
<b>Total Fund Balances</b>	<b>47,497,571</b>	<b>10,280,307</b>	<b>32,052,911</b>	<b>(11,785,822)</b>	<b>55,910,842</b>	<b>26,366,134</b>	<b>160,321,943</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 71,359,514</b>	<b>\$ 12,488,823</b>	<b>\$ 35,023,786</b>	<b>\$ 11,767,116</b>	<b>\$ 67,668,305</b>	<b>\$ 27,171,853</b>	<b>\$ 225,479,397</b>

See accompanying Notes to Financial Statements.



**CITY OF CHICO, CALIFORNIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2022**

Total Fund Balances (Deficit) - Total Governmental Funds \$ 160,321,943

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

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		347,584,974
Deferred outflows of resources reported in the statement of net position related to pension.		12,859,722
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenues in the fund statements.		26,549,405
Interest payable on long-term debt does not require current financial resources, therefore, interest payable is not reported as a liability in the fund statements.		-
Deferred inflows of resources reported in the statement of net position related to pension		(29,087,407)
Internal service funds are used by management to charge the costs of activities to individual funds. The assets and liabilities are included of internal service funds are included in governmental activities in the statement of net position.		(2,611,898)
Some liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements.		
Net Pension Liability	\$ (74,755,249)	
Capital Lease Payable	(6,001,056)	
Compensated Absences	(3,059,094)	(83,815,399)
Net Position of Governmental Activities		\$ 431,801,340

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	General Fund	CDBG and HOME Housing	Public Facilities Impact Fees	Capital Grants	Low and Moderate Income Housing Asset Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>							
Property Taxes	\$ 21,002,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,002,149
Sales and Use Taxes	31,483,939	-	-	-	-	-	31,483,939
Franchise Fees	4,037,572	-	-	-	-	-	4,037,572
Transient Occupancy Tax	3,913,104	-	-	-	-	-	3,913,104
Other Taxes	10,133,589	-	-	-	9,904	-	10,143,493
Licenses and Permits	78,903	-	-	-	-	-	78,903
Intergovernmental	7,744,936	3,797,756	-	5,477,676	-	9,220,375	26,240,743
Charges for Services	255,878	-	8,765,474	-	1,517	2,668,505	11,691,374
Fines, Forfeitures, and Penalties	753,266	-	-	-	-	60,858	814,124
Use of Money and Property	(1,584,476)	6,172	(1,246,772)	-	230,287	(782,103)	(3,376,892)
Miscellaneous	417,419	-	-	9,969	4,000	65,181	496,569
Total Revenues	78,236,279	3,803,928	7,518,702	5,487,645	245,708	11,232,816	106,525,078
<b>EXPENDITURES</b>							
Current:							
General Government	4,704,823	-	-	423,257	-	1,113,629	6,241,709
Public Safety	45,328,840	-	-	-	-	622,358	45,951,198
Public Works	4,796,020	-	-	-	-	5,206,756	10,002,776
Parks and Recreation	3,647,963	-	-	-	-	124,344	3,772,307
Arts and Culture	34,669	-	-	-	-	-	34,669
Community Development	1,274,870	1,207,984	3,501,302	-	399,316	-	6,383,472
Health & Human Services	302,524	-	-	-	-	-	302,524
Capital Outlay:							
Capital Outlay - Operations	10,782,276	-	4,272,322	16,015,876	-	4,832,471	35,902,945
Debt Services:							
Principal Retirement	443,788	-	-	-	-	-	443,788
Interest and Fiscal Charges	62,534	-	-	-	-	2,110	64,644
Total Expenditures	71,378,307	1,207,984	7,773,624	16,439,133	399,316	11,901,668	109,100,032
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	6,857,972	2,595,944	(254,922)	(10,951,488)	(153,608)	(668,852)	(2,574,954)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	2,748,940	37,958	-	-	-	5,000,035	7,786,933
Transfers Out	(5,989,069)	-	(87,655)	-	(37,958)	(2,191,088)	(8,305,770)
Debt Issued	4,446,970	-	-	-	-	-	4,446,970
Total Other Financing Sources (Uses)	1,206,841	37,958	(87,655)	-	(37,958)	2,808,947	3,928,133
<b>NET CHANGE IN FUND BALANCES</b>	8,064,813	2,633,902	(342,577)	(10,951,488)	(191,566)	2,140,095	1,353,179
Fund Balances - Beginning of Year	39,432,758	7,646,405	32,395,488	(834,334)	56,102,408	24,226,039	158,968,764
<b>FUND BALANCES - END OF YEAR</b>	\$ 47,497,571	\$ 10,280,307	\$ 32,052,911	\$ (11,785,822)	\$ 55,910,842	\$ 26,366,134	\$ 160,321,943

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ 1,353,179

Amounts reported for governmental activities in the statement of revenues, expenditures, and changes in fund balances were different because:

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

Capital Outlay	\$ 33,459,080	
Depreciation Expense	<u>(12,463,641)</u>	20,995,439

The net effect of various miscellaneous transactions involving capital assets (i.e., disposals, transfers, donations, etc.) was to increase (decrease) net position.

Capital Contributions		1,013,822
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Unavailable Revenues		12,330,606
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal Retirement		443,788
Issuance of Debt		<u>(4,446,970)</u>

Some expenses reported in the statement of activities do not require the use of current financial resources. Therefore, they are not reported as expenditures in governmental funds:

Change in Net Pension Liability	(10,174,351)	
Change in Compensated Absences	<u>(277,210)</u>	10,451,561

Internal service funds were used by management to charge the costs of certain activities to individual funds. A portion of the net revenue (expense) of internal service funds is reported with governmental activities.

		<u>1,134,760</u>
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Change in Net Position of Governmental Activities		<u>\$ 43,276,185</u>
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See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities
	Sewer	Parking	Private Development	Airport	Non Major City Recreation		Internal Service Funds
<b>ASSETS</b>							
Current Assets:							
Cash and Investments	\$ 26,292,989	\$ 2,228,075	\$ 6,013,904	\$ 2,473,604	\$ 157,512	\$ 37,166,084	\$ 12,539,003
Receivables:							
Accounts	2,705,268	2,661	341,338	113,401	-	3,162,668	193,869
Intergovernmental	166	-	-	48,294	-	48,460	32,466
Taxes	4,704	-	-	-	-	4,704	-
Leases	-	-	-	4,292,185	-	4,292,185	-
Due from Other Funds	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	83,748
Prepaid Expenses	-	-	-	-	-	-	21,720
Total Current Assets	<u>29,003,127</u>	<u>2,230,736</u>	<u>6,355,242</u>	<u>6,927,484</u>	<u>157,512</u>	<u>44,674,101</u>	<u>12,870,806</u>
Noncurrent Assets:							
Lease Assets, Net	-	-	-	-	-	-	107,917
Cash and Investments with Agent	10,062,785	-	-	-	-	10,062,785	485,000
Capital Assets:							
Land and Construction in Progress	6,942,166	1,239,403	-	7,120,908	-	15,302,477	30,391
Other Capital Assets, Net of Accumulated Depreciation	110,205,421	1,243,187	37,125	13,145,225	-	124,630,958	20,880
Total Noncurrent Assets	<u>127,210,372</u>	<u>2,482,590</u>	<u>37,125</u>	<u>20,266,133</u>	<u>-</u>	<u>149,996,220</u>	<u>644,188</u>
Total Assets	<u>156,213,499</u>	<u>4,713,326</u>	<u>6,392,367</u>	<u>27,193,617</u>	<u>157,512</u>	<u>194,670,321</u>	<u>13,514,994</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred Outflows Related to Pensions	921,967	140,617	827,161	99,896	-	1,989,641	873,610
<b>LIABILITIES</b>							
Current Liabilities:							
Accounts Payable	407,708	464,916	311,713	53,078	70	1,237,485	794,813
Due to Other Cash Funds	-	-	-	-	-	-	1,503
Accrued Salaries and Benefits Payable	97,134	11,881	78,764	10,341	-	198,120	84,532
Interest Payable	9,004	-	-	-	-	9,004	-
Deposits	-	-	16,812	-	-	16,812	-
Compensated Absences - Current Portion	23,449	1,202	25,117	2,140	-	51,908	20,254
Lease Liability - Current	-	-	-	-	-	-	52,536
Claims Liability - Current Portion	-	-	-	-	-	-	2,667,710
Revenue Bonds Payable - Current Portion	1,695,000	-	-	-	-	1,695,000	-
Unearned Revenue	-	-	701,385	-	-	701,385	-
Total Current Liabilities	<u>2,232,295</u>	<u>477,999</u>	<u>1,133,791</u>	<u>65,559</u>	<u>70</u>	<u>3,909,714</u>	<u>3,621,348</u>
Noncurrent Liabilities:							
Revenue Bonds Payable, Net	17,544,312	-	-	-	-	17,544,312	-
Compensated Absences	204,258	10,468	218,802	18,643	-	452,171	176,430
Lease Liability	-	-	-	-	-	-	58,225
Claims Liability	-	-	-	-	-	-	4,774,091
Net Pension Liability	6,536,338	996,916	5,864,209	708,216	-	14,105,679	6,193,507
Total Noncurrent Liabilities	<u>24,284,908</u>	<u>1,007,384</u>	<u>6,083,011</u>	<u>726,859</u>	<u>-</u>	<u>32,102,162</u>	<u>11,202,253</u>
Total Liabilities	<u>26,517,203</u>	<u>1,485,383</u>	<u>7,216,802</u>	<u>792,418</u>	<u>70</u>	<u>36,011,876</u>	<u>14,823,601</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred Inflows Related to Pensions	2,297,399	350,397	2,061,159	248,925	-	4,957,880	2,176,901
	-	-	-	4,178,844	-	4,178,844	-
Total Deferred Inflows of Resources	<u>2,297,399</u>	<u>350,397</u>	<u>2,061,159</u>	<u>4,427,769</u>	<u>-</u>	<u>9,136,724</u>	<u>2,176,901</u>
<b>NET POSITION</b>							
Net Investment in Capital Assets	97,908,275	2,042,540	37,125	20,266,133	-	120,254,073	48,427
Unrestricted	30,412,589	975,623	(2,095,558)	1,807,193	157,442	31,257,289	(2,660,325)
Total Net Position	<u>\$ 128,320,864</u>	<u>\$ 3,018,163</u>	<u>\$ (2,058,433)</u>	<u>\$ 22,073,326</u>	<u>\$ 157,442</u>	<u>\$ 151,511,362</u>	<u>\$ (2,611,898)</u>

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental
	Sewer	Parking	Private Development	Airport	Non Major City Recreation		Activities Internal Service Funds
<b>OPERATING REVENUES</b>							
Charges for Services	\$ 15,017,656	\$ 861,412	\$ 3,108,262	\$ 96,356	\$ 310,342	\$ 19,394,028	\$ 23,136,253
Licenses and Permits	-	-	2,732,300	-	-	2,732,300	-
Rental Charges	23,998	-	-	698,342	-	722,340	62,787
Total Operating Revenues	15,041,654	861,412	5,840,562	794,698	310,342	22,848,668	23,199,040
<b>OPERATING EXPENSES</b>							
Salaries and Benefits	3,280,942	288,529	2,124,835	115,825	23,114	5,833,245	2,533,849
Materials and Supplies	1,024,100	41,501	27,576	15,173	27,840	1,136,190	576,463
Purchased Services	1,079,706	155,478	1,017,110	128,522	392,420	2,773,236	4,291,560
Amortization	-	-	-	-	-	-	51,801
Other Expenses	2,784,409	926,123	1,126,123	363,890	-	5,200,545	13,947,699
Depreciation	5,026,622	131,492	1,614	1,287,276	-	6,447,004	1,740
Total Operating Expenses	13,195,779	1,543,123	4,297,258	1,910,686	443,374	21,390,220	21,403,112
<b>OPERATING INCOME (LOSS)</b>	1,845,875	(681,711)	1,543,304	(1,115,988)	(133,032)	1,458,448	1,795,928
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Intergovernmental	-	-	-	174,746	-	174,746	-
Investment Expense	(1,375,320)	(77,346)	(196,647)	(29,202)	(9,526)	(1,688,041)	(254,397)
Interest Expense	(59,540)	-	-	-	-	(59,540)	-
Miscellaneous Revenue (Expense)	-	5,000	3,240	7,355	-	15,595	13,543
Total Nonoperating Revenues (Expenses)	(1,434,860)	(72,346)	(193,407)	152,899	(9,526)	(1,557,240)	(240,854)
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	411,015	(754,057)	1,349,897	(963,089)	(142,558)	(98,792)	1,555,074
Capital Contributions	148,027	-	-	2,980,598	-	3,128,625	-
Transfers In	-	291,843	570,957	256,732	300,000	1,419,532	-
Transfers Out	(143,050)	(3,600)	(267,811)	(65,920)	-	(480,381)	(420,314)
<b>CHANGE IN NET POSITION</b>	415,992	(465,814)	1,653,043	2,208,321	157,442	3,968,984	1,134,760
Net Position - Beginning of Year	127,904,872	3,483,977	(3,711,476)	19,865,005	-	147,542,378	(3,746,658)
<b>NET POSITION - END OF YEAR</b>	\$ 128,320,864	\$ 3,018,163	\$ (2,058,433)	\$ 22,073,326	\$ 157,442	\$ 151,511,362	\$ (2,611,898)

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Sewer	Parking	Private Development	Airport	Nonmajor City Recreation		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Receipts from Customers and Users	\$ 14,896,087	\$ 861,412	\$ 5,854,772	\$ 3,841,928	310,342	\$ 25,764,541	\$ -
Receipts from Interfund Services Provided	-	-	-	-	-	-	23,177,780
Payments to Suppliers and Claimants	(4,621,684)	(446,646)	(2,068,085)	(3,485,526)	(420,190)	(11,042,131)	(18,719,891)
Payments to Employees	(2,965,970)	(568,511)	(2,634,482)	(320,011)	(23,114)	(6,512,088)	(2,787,614)
Payments for Interfund Services Used	-	-	-	-	-	-	-
Net Cash Provided (Used) by Operating Activities	7,308,433	(153,745)	1,152,205	36,391	(132,962)	8,210,322	1,670,275
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>							
Interfund Borrowings	-	-	-	-	-	-	2,641,426
Grants and Subsidies from Other Governmental Agencies	-	5,000	3,239	(2,798,498)	-	(2,790,259)	-
Transfers In	-	291,843	570,957	256,732	300,000	1,419,532	-
Transfers Out	(143,050)	(3,600)	(267,811)	(65,920)	-	(480,381)	(420,314)
Net Cash Provided (Used) by Noncapital Financing Activities	(143,050)	293,243	306,385	(2,607,686)	300,000	(1,851,108)	2,221,112
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>							
Acquisition and Construction of Capital Assets	(4,194,982)	-	(38,739)	(171,141)	-	(4,404,862)	-
Principal Paid on Long-Term Debt	(2,340,997)	-	-	-	-	(2,340,997)	-
Interest Paid	(59,544)	-	-	-	-	(59,544)	-
Capital Grants Received	148,027	-	-	2,980,598	-	3,128,625	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(6,447,496)	-	(38,739)	2,809,457	-	(3,676,778)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Interest Paid	(1,375,320)	(77,346)	(196,647)	(29,202)	(9,526)	(1,688,041)	(254,396)
Other noncapital revenues	-	-	-	-	-	-	-
Net Cash Provided (Used) by Investing Activities	(1,375,320)	(77,346)	(196,647)	(29,202)	(9,526)	(1,688,041)	(254,396)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(657,433)	62,152	1,223,204	208,960	157,512	994,395	3,636,991
Cash and Cash Equivalents - Beginning of Year	37,013,207	2,165,923	4,790,700	2,264,644	-	46,234,474	9,387,012
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 36,355,774	\$ 2,228,075	\$ 6,013,904	\$ 2,473,604	157,512	\$ 47,228,869	\$ 13,024,003
<b>RECONCILIATION TO STATEMENT OF NET POSITION</b>							
Cash and Investments	\$ 26,292,989	\$ 2,228,075	\$ 6,013,904	\$ 2,473,604	\$ 157,512	\$ 37,008,572	\$ 13,024,003
Cash and Investments with Agent	10,062,785	-	-	-	-	10,062,785	20,125,570
<b>CASH AND INVESTMENTS - END OF YEAR</b>	\$ 36,355,774	\$ 2,228,075	\$ 6,013,904	\$ 2,473,604	\$ 157,512	\$ 47,071,357	\$ 33,149,573

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities Internal Service Funds
	Sewer	Parking	Private Development	Airport	Nonmajor City Recreation		
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>							
Operating Income (Loss)	\$ 1,845,875	\$ (681,711)	\$ 1,543,304	\$ (1,115,988)	(133,032)	\$ 1,458,448	\$ 1,795,928
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Depreciation and amortization	5,026,622	131,492	1,614	1,287,276	-	6,447,004	53,541
Decrease (increase) in:							
Accounts Receivable	(147,602)	-	(115,352)	(57,963)	-	(320,917)	-
Intergovernmental Receivable	2,035	-	-	3,218,534	-	3,220,569	(21,260)
Inventory and other assets	-	-	-	-	-	-	(57,016)
Disposal of capital assets	95,879	98,986	-	-	-	194,865	-
Leases	-	-	-	(113,341)	-	(113,341)	(48,957)
Deferred outflow pension	2,151	25,943	96,957	29,408	-	154,459	71,692
Increase (decrease) in:							
Accounts payable	232,365	455,605	102,724	(2,977,941)	70	(2,187,177)	347,452
Accrued Liabilities	(41,148)	2,752	5,598	3,041	-	(29,757)	15,134
Claims liability	-	-	-	-	-	-	(145,648)
Compensated absences	9,466	7,073	13,377	2,681	-	32,597	35,976
Unearned Revenue	-	-	132,792	-	-	132,792	-
Deposits	-	-	(3,230)	-	-	(3,230)	-
Net pension liability	(1,943,387)	(531,445)	(2,615,516)	(478,276)	-	(5,568,624)	(2,480,614)
Deferred inflow pension	2,226,177	337,560	1,989,937	238,960	-	4,792,634	2,104,047
Total Adjustments	<u>5,462,558</u>	<u>527,966</u>	<u>(391,099)</u>	<u>1,152,379</u>	<u>70</u>	<u>6,751,874</u>	<u>(125,653)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,308,433</u>	<u>\$ (153,745)</u>	<u>\$ 1,152,205</u>	<u>\$ 36,391</u>	<u>(132,962)</u>	<u>\$ 8,210,322</u>	<u>\$ 1,670,275</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>							
Contributions of capital assets	<u>\$ 1,078,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 1,078,078</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF CUSTODIAL NET POSITION**  
**CUSTODIAL FUNDS**  
**JUNE 30, 2022**

	Private-purpose Trust Fund	Custodial Funds
<b>ASSETS</b>		
Restricted Cash and Investments	\$ 6,032,318	\$ 542,439
Receivables:		
Loans	500,473	19,863
Capital Assets - Land	1,667,105	-
Total Assets	8,199,896	562,302
<b>LIABILITIES</b>		
Accounts Payable	494	-
Special Assessment Deposits	-	562,302
Long-Term Liabilities:		
Due Within One Year	4,795,000	-
Due in More Than One Year	48,598,389	-
Total Liabilities	53,393,883	562,302
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Amount on Bond Refunding	325,543	-
<b>NET POSITION</b>		
Total Net Position (Deficit) Held in Trust	\$ (45,519,530)	\$ -

See accompanying Notes to Financial Statements.



**CITY OF CHICO, CALIFORNIA**  
**STATEMENT OF CHANGES IN CUSTODIAL NET POSITION**  
**CUSTODIAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Private-Purpose Trust Fund	Custodial Funds
<b>ADDITIONS</b>		
Property Taxes	\$ 8,252,785	\$ -
Sale of Capital Asset	-	-
Use of Money and Property	(110,320)	(2,119)
Reimbursements	-	35,545
Total Additions	8,142,465	33,426
<b>DEDUCTIONS</b>		
Redevelopment Obligations	1,900,000	5,447
Interest on Bonds Payable	1,636,305	1,174
Distribution of Sales Proceeds	-	-
City Administrative Expenses	143,145	26,805
Total Deductions	3,679,450	33,426
<b>CHANGE IN NET POSITION</b>	4,463,015	-
Net Position - Beginning of Year	(49,982,545)	-
<b>NET POSITION - END OF YEAR</b>	\$ (45,519,530)	\$ -

See accompanying Notes to Financial Statements.

**NOTES TO FINANCIAL STATEMENTS**

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**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. The Financial Reporting Entity**

The City of Chico, California (City) was incorporated on February 5, 1872, under the laws of the state of California. The City is a charter city and is governed by a seven-member City Council. The City provides a full range of services including police and fire protection; sanitation; parking, and transportation services; the construction and maintenance of highways, streets and infrastructure; and recreational activities and cultural events. The City's reporting entity includes all of the funds of the City, as well as the Chico Urban Area Joint Powers Financing Authority (JPFA) which is reported as a discretely presented component unit as the economic resources of the JPFA directly benefit the City and its inclusion is considered necessary to ensure complete financial reporting.

**B. Discretely Presented Component Unit**

Chico Urban Area Joint Powers Financing Authority

In August 2005, the governing boards of the Chico Redevelopment Agency, which due to State Assembly Bill 1X 26 is now known as the Successor Agency to the Chico Redevelopment Agency, and the County of Butte, established a joint powers agency known as the Chico Urban Area Joint Powers Financing Authority (JPFA) to facilitate the financing, construction, and installation of sewer facilities and improvements in the greater Chico urban area. The JPFA was formed pursuant to the provisions of the joint powers' laws of the state of California, as set forth in Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Government Code Section 6500). Subsequent to dissolution of the Chico Redevelopment Agency, the governing Board of the JPFA is composed of two members of the Butte County Board of Supervisors and two members of the Chico City Council. The JPFA is authorized to obtain state or federal loans for the purpose of financing the construction and installation of sewer facilities and improvements. The financial activity of the JPFA is included in the City of Chico's financial statements as a discretely presented component unit as the JPFA provides a financial benefit by contributing to the City's Sewer Enterprise Fund. Complete financial statements of the JPFA may be obtained from the Administrative Services Department of the City of Chico at 411 Main Street, Chico, California 95928.

**C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**C. Government-Wide and Fund Financial Statements (Continued)**

For the most part, the effect of interfund activity has been removed from 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, investment earnings, and other items, which are excluded from program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter 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.

The City reports the following major governmental funds:

**General Fund**

The General Fund 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.

**CDBG and HOME Housing Special Revenue Fund**

The CDBG and HOME Housing Special Revenue Fund accounts for the Community Development Block Grant (CDBG) annual federal grant program and the state and federal HOME grant programs. The CDBG program provides for the development of a viable urban community by providing a suitable living environment and expansion of economic opportunities, principally for low- and moderate-income residents. The HOME program provides for the development of affordable housing and mortgage subsidy programs and housing rehabilitation to benefit low-income households. Use of CDBG and HOME funding is restricted per federal guidelines.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**C. Government-Wide and Fund Financial Statements (Continued)**

**Public Facilities Impact Fee Capital Projects Fund**

The Public Facilities Impact Fee Capital Projects Fund accounts for the collection of and expenditures of fees imposed as a condition of new development within the City. Impact fees have been established for each of the following types of public facilities:

- Bikeway Improvement
- Street Facility Improvement
- Storm Drainage Facility
- Sewer Trunk Line Capacity
- Water Pollution Control Plant Capacity
- Sewer Lift Stations
- Community Parks
- Bidwell Park Land Acquisition
- Major Maintenance Equipment
- Administrative Building
- Fire Protection Building and Equipment
- Police Protection Building and Equipment
- Neighborhood Parks

**Capital Grants Capital Projects Fund**

The Capital Grants Capital Projects Fund accounts for the receipts and disbursements for a variety of governmental fund capital grants.

**Low and Moderate Income Housing Asset Special Revenue Fund**

The Low and Moderate Income Housing Asset Special Revenue Fund accounts for all activities resulting from the elimination of the Redevelopment Agency's low and moderate housing function. Primarily, this Fund utilizes program income from loan payments restricted for the development and assistance for low-income households. New loans conveyed to the Fund from the Successor Agency are recorded as other transfers from the private-purpose trust fund. Use of these Housing Funds is restricted according to the provisions contained in California State Assembly Bill 1X26 and California State Assembly Bill 1484.

The City reports the following major proprietary funds:

**Sewer Enterprise Fund**

The Sewer Enterprise Fund accounts for sanitary sewer collection system and Water Pollution Control Plant operations, including major repair and replacement of the City's Water Pollution Control Plant facilities.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**C. Government-Wide and Fund Financial Statements (Continued)**

**Parking Enterprise Fund**

The Parking Enterprise Fund accounts for parking facilities operations and improvements.

**Private Development Enterprise Fund**

The Private Development Enterprise Fund accounts for private development planning and building inspection and subdivision planning and inspection.

**Airport Enterprise Fund**

The Airport Enterprise Fund accounts for airport operations and improvements.

Additionally, the City reports the following fund types:

**Internal Service Funds**

Internal Service Funds account for self-insurance, central garage, municipal building maintenance, pension funding, and information services provided to other departments or agencies of the City on a cost-reimbursement basis.

**Private-Purpose Trust Fund**

The Private-Purpose Trust Fund is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, deferred inflows, liabilities, and activities of the Successor Agency of the City of Chico Redevelopment Agency (Successor Agency) and the Chico Public Financing Authority which is also included within the Successor Agency's fiscal activity.

**Custodial Fund**

The Custodial Fund is custodial in nature and does not involve measurement of results of operations. The Fund accounts for assets held by the City as an agent for bonded assessment districts.

**D. Basis of Presentation, Basis of Accounting, and Measurement Focus**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**D. Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales tax true up payments, which the City considers to be available if they are collected within seven months of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, certain expenditures, such as principal, interest, and compensated absences, are recorded as fund liabilities only when they become due and payable. The City includes certain indirect costs as program expenses, which are reported in the City's functional activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are exchange or exchange-like transactions between functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. Fiduciary funds report the Private Purpose Trust Funds and Custodial Funds.

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

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity**

Cash and Investments

Cash and investments (including restricted assets) held in the City's investment pool are reported as cash and cash equivalents in the statements of cash flows of the proprietary fund types.

Investments are recorded at fair value. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Restricted Cash and Investments

Restricted cash and investments represent amounts that are restricted for debt service, capital projects, and other amounts held in connection with the City's self-insurance programs.

Receivables and Payables

Balances representing lending/borrowing transactions between funds outstanding at the end of the fiscal year are reported as either "due from/due to other funds" (amounts due within one year) or "advances to/from other funds" (noncurrent portions of interfund lending/borrowing transactions). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances to other funds are offset by nonspendable fund balance in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All property taxes are collected and allocated by the County of Butte to the various taxing entities. Property taxes are determined annually as of March 1 and attach as an enforceable lien on real property as of January 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The City participates in the County "Teeter Plan" method of property tax distribution. Under the Teeter Plan, the County remits property taxes to the City based on assessments, not on collections. Property tax is recognized when it is measurable and available. The City considers property tax as available if it is received within 60 days after year-end.

Revenue from taxpayer-assessed taxes (sales and use, business license, transient occupancy, utility users, gas, and franchise fees) are accrued in the governmental funds when they are both measurable and available. The City considers these revenues available if they are received during the period when settlement of prior fiscal year accounts payable occurs. Historically, the majority of these taxes are received within 60 days of the fiscal year-end; therefore, revenue from taxpayer-assessed taxes is accrued if it is received by August 31.



**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Receivables and Payables (Continued)

The City records its receivables as follows:

1. Interest receivable represents interest earned by the City's cash and investment pool at year end and available within the 60-day availability period. In addition, interest receivable also includes interest from loans receivable with the portion available within 60 days recorded as revenue and the portion not available within 60 days recorded as unavailable revenue or deferred inflows of resources.
2. Property taxes receivable represents property taxes received from Butte County within the 60-day availability period.
3. Accounts receivable represents amounts due from nongovernmental entities for revenue earned and available at year-end. These include transient occupancy taxes, franchise fees, and utility user taxes.
4. Intergovernmental receivables represent amounts due from governmental entities for revenue earned and available at year-end and within the 60-day availability period. These include sales taxes, grants, and other revenue from federal, state, and county sources.

Grant and entitlement revenues are recorded as receivables in the funds when they are susceptible to accrual (i.e., when all eligibility requirements have been met). The corresponding governmental fund revenues are recorded when they become measurable and available, with the differences recorded as deferred inflows of resources. The corresponding proprietary fund grant revenues are recorded as nonoperating revenues when the receivables are recorded.

Inventories

Inventories consist of expendable supplies held for consumption and are valued at cost using the first-in/first-out (FIFO) method. The cost is recorded as inventory when items are purchased and as expenses when the items are used.

Capital Assets

Capital assets, which include land, easements, buildings, improvements, equipment, and infrastructure are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as equipment with an initial individual cost of more than \$20,000 and all other capital assets with an initial individual cost of more than \$100,000 and an estimated useful life in excess of one year.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Capital Assets (Continued)

In addition, the City capitalizes all capital assets with an individual cost of \$5,000 for all assets acquired with federal funds. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets, which include land, easements, buildings, improvements, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as equipment with an initial individual cost of more than \$20,000 and all other capital assets with an initial individual cost of more than \$100,000 and an estimated useful life in excess of one year. In addition, the City capitalizes all capital assets with an individual cost of \$5,000 for all assets acquired with federal funds. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is recorded using the straight-line method over the following estimated useful lives of the assets:

Buildings	30 to 40 Years
Improvements Other Than Buildings	20 to 50 Years
Equipment, Furniture, and Vehicles	3 to 30 Years
Roadways	50 Years
Bridges	30 to 50 Years
Drainage	50 Years

Capital leases are recorded as an asset and an obligation at an amount equal to the present value at the beginning of the lease term of future minimum lease payments during the lease term.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation, sick leave, and compensatory time. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. The City's liability for compensated absences is recorded in various governmental funds or proprietary funds as appropriate. For all governmental funds, amounts expected to be paid out of current financial resources are recorded as fund liabilities; as these liabilities represent the matured value due to retirement or resignations; the long-term portion is recorded in the statement of net position.

Compensated absences are liquidated by the fund that has recorded the liability only when matured. The long-term portion of governmental activities is liquidated primarily by the General Fund.

Long-Term Debt

In the government-wide financial statements, proprietary fund types, and fiduciary fund types in the fund financial statements, long-term debt, along with other long-term obligations are reported as long-term liabilities. 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.

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 financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are expensed in the period incurred.

Fund Balance

In the fund financial statements, the City's Governmental Funds report the following fund balances:

*Nonspendable Fund Balances* – These are not expected to be converted to cash within the next operating cycle and are typically comprised of long-term receivables, prepaid items, and advances to other funds.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Fund Balance (Continued)

*Restricted Fund Balances* – These include amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Restrictions are also recorded for long-term loans receivable that originate from funding sources that are externally restricted.

*Committed Fund Balances* – These include amounts that can be used only for the specific purposes determined by a formal action of the City Council. The City Council has authority to establish, modify, or rescind a fund balance commitment through a City Resolution.

*Assigned Fund Balances* – These include amounts that are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed. As contained in the City's budget policies, the City Council has authorized the City Manager to establish, modify, or rescind a fund balance assignment made within the confines of the budget policies.

*Unassigned Fund Balance* – This is the residual classification for the City's funds and includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that may report a positive unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

Net Position

In the government-wide statements, the City's net position is classified in the following categories:

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

*Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

Net Position (Continued)

*Unrestricted Net Position* – This category represents the net position of the City, which is not restricted or invested in capital assets net of related debt for any project or other purpose.

When both restricted and unrestricted resources are available for use, it is the City's practice to use restricted resources first followed by unrestricted resources as they are needed.

Reserve Policies

The City Council has established policies for operating reserves, emergency reserves, and compensated absence reserves. The operating reserve is targeted at 7-1/2% of General Fund operating expenditures. The emergency reserve was established to help buffer the City from issues such as fluctuation in sales tax, changes in state laws that impact City finances, and other catastrophic events. The desired level of the emergency reserve is 20% of General Fund operating expenditures. The compensated absence reserve is targeted at 50% of the citywide liability for leave payouts when employees separate from City employment. The City is meeting desired operating and emergency reserve as of June 30, 2022.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualify for reporting in this category. It is the deferred outflows related to pensions reported in the government-wide statement of net position. This item represents pension contributions made subsequent to the measurement date and is discussed in Notes 12.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has several types of deferred inflows of resources. Deferred inflows related to pensions that are reflected in the statements of net position. These items are further discussed in Notes 12. Two items, unavailable housing loan interest revenue and unavailable revenue, arise only under a modified accrual basis of accounting. Accordingly, these items are reported only in the governmental funds statement of net position and are discussed in Note 4. The Private Purpose Trust fund includes deferred inflow related to the deferred amount on refunding.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**F. 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 and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**G. Other Significant Accounting Policies**

Budgetary Data

The annual operating budget is adopted by the City Council on or before the first meeting in July each year on a basis consistent with accounting principles generally accepted in the United States of America. The appropriated budget is prepared by fund, department, function, and activity. The City Manager is authorized to transfer budget amounts up to \$50,000 between departments without City Council approval. Any budget transfers in excess of \$50,000 must be approved by City Council. All City governmental and proprietary funds have approved budgets. Original appropriations are adjusted by supplemental appropriations and budget modifications approved during the year, creating the modified adopted budget.

Budgetary comparisons and reconciliations are included in Required Supplementary Information as Schedules of Revenue and Changes in Fund Balance – Budget and Actual, for the General Fund, CDBG and HOME Housing Fund, and the Low and Moderate Income Housing Asset Fund. In addition, a budgetary comparison and reconciliation is included in the Supplemental Budgetary Comparisons section as Schedules of Revenue and Changes in Fund Balance – Budget and Actual, for the Capital Grants Fund. Annual budgets are adopted on a budgetary basis.

Interfund Transactions

Interfund transactions between funds are reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivables or payables as appropriate, and are subject to elimination upon consolidation. The City transfers resources among funds in the course of normal operations. Services provided, deemed to be at market or near market rates, such as vehicle maintenance, are accounted for as revenues and expenditures/expenses. Transactions to reimburse a fund for expenditures/expenses initially made from it that are applicable to another fund are recorded as expenditures/expenses in the correct fund and as reductions of expenditures/expenses in the original fund. All other interfund transactions are reported as transfers.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**H. Implementation of New Governmental Accounting Standards**

The Governmental Accounting Standards Board (GASB) releases new accounting and financial reporting standards which may have a significant impact on the City's financial reporting process. New standards applicable to the year ending June 30, 2022, are as follows:

GASB Statement No. 87 – *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, 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. The City implemented this statement.

The City is currently analyzing its accounting and financial reporting practices to determine the potential impact on the financial statements of the following GASB statements:

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement has been implemented.

Statement No. 91, *Conduit Debt Obligations*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2022.

Statement 92, *Omnibus 2020*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022.

Statement 93, *Replacement of Interbank Offered Rates*. The requirement in paragraph 11b will take effect for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 will take effect for financial statements starting with the fiscal year that ends June 30, 2022.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

**H. Implementation of New Governmental Accounting Standards (Continued)**

Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.

**NOTE 2 CASH AND INVESTMENTS**

At June 30, 2022, the City's cash and investments at fair value were as follows:

	Primary Government	Discretely Presented Component Unit	Fiduciary Fund Statement of Net Position	Total
Cash and Investments	\$ 166,630,229	\$ -	\$ -	\$ 166,630,229
Restricted Cash and Investments	2,626,130	2,764,809	6,574,757	11,965,696
Imprest Cash	1,405	-	-	1,405
Total Cash and Investments	<u>\$ 169,257,764</u>	<u>\$ 2,764,809</u>	<u>\$ 6,574,757</u>	<u>\$ 178,597,330</u>

At June 30, 2022, the City's cash and investments consist of the following:

Cash on Hand	\$ 1,405
Deposits with Financial Institutions	29,093,763
Investments	149,502,162
Total	<u>\$ 178,597,330</u>



**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Authorized Investments**

The table below identifies the investment types that are authorized by the City's investment policy and California Government Code Section 53601. The City's investment policy is more restrictive than the California Government Code, as the City may not invest in derivatives or reverse repurchase agreements. The City's investment policy limits the amount of funds invested in instruments with maturities over one year to 15%, unless adequate liquidity is available, yield appears favorable, and the City Manager approves the investment in advance. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City rather than the general provisions of the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Rating
U.S. Treasury Securities	5 Years	None	None	None
U.S. Agency Securities	5 Years	None	None	None
Money Market Mutual Funds	N/A	20%	10%	AAA
Collateralized Bank Deposits	N/A	30%	None	None
State and Local Agency Bonds	5 Years	None	5%	None
Repurchase Agreements	5 Years	None	5%	None
Commercial Paper	270 Days	25%	5%	A-1
Corporate Notes	5 Years	30%	5%	A
Supranationals	5 Years	30%	None	AA
Local Agency Investment Fund	N/A	None	None	None
Certificates of Deposit	5 Years	None	5%	None

**Investments Authorized by Debt Agreements**

Investment of debt proceeds held by the bond trustee are governed by the provisions of the debt agreements. These agreements specify that the eligible investments are those that are permitted by California Government Code Section 53601 at the time of the investment.

**Custodial Credit Risk**

The custodial credit risk for deposits is the risk that the City will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. This risk is mitigated in that the City's bank deposits are insured by Federal Depository Insurance Corporation (FDIC). 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 deposits or investments, other than the following provision for deposits and securities lending transactions: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by depository regulated under stated-law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. As of June 30, 2022, the City's balance in financial institutions was \$28,561,557, which was covered by collateral held in the pledging bank's trust department in the name of the City of Chico.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)****Interest Rate**

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 maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City manages its exposure to interest rate risk by investing in the Local Agency Investment Fund (LAIF), which provides the necessary cash flow and liquidity needed for operations, as well as purchasing a combination of shorter-term and longer-term investments so that a portion of the portfolio is maturing or coming close to maturing evenly over time. The City uses the segmented time distribution method for reporting its interest rate risk.

As of 2022, the City's investments distributed by maturity are as follows:

Investment Type	Fair Value	Maturity in Years				
		Less Than 1	1 - 2	2 - 3	3 - 4	4 - 5
With Fiscal Agent:						
Money Market Mutual Funds	\$ 2,614,546	\$ 2,614,546	\$ -	\$ -	\$ -	\$ -
With City Treasury:						
Certificate of Deposit	12,686,000	3,252,748	2,228,192	2,851,198	2,274,097	2,079,765
Corporate	12,725,590	-	-	1,907,556	9,904,316	913,718
Supranational Corporate	8,512,202	-	953,598	968,882	2,849,465	3,740,257
State and Local Bond	10,754,637	-	-	4,975,335	3,049,789	2,729,513
Federal Agency	39,841,725	-	1,005,023	8,420,583	21,373,646	9,042,473
Money Market Mutual Funds	1,053,541	1,053,541	-	-	-	-
CalTrust Investment	50,379	50,379	-	-	-	-
Local Agency Investment Pool (LAIF)	61,263,542	61,263,542	-	-	-	-
<b>Total Investments</b>	<b>\$ 149,502,162</b>	<b>\$ 68,234,756</b>	<b>\$ 4,186,813</b>	<b>\$ 19,123,554</b>	<b>\$ 39,451,313</b>	<b>\$ 18,505,726</b>

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the City's policy to purchase investments with the minimum ratings required by the California Government Code.

<u>S &amp; P Rating</u>	<u>Percentage of Investment Portfolio</u>
AAA	14.45 %
AA+	50.40
AA	2.18
AA-	5.73
A	2.28
A-	2.30
BBB+	5.59
Not Rated	17.07

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Credit Risk (Continued)**

The City invests funds in the State Treasurer's Pooled Money Investment Account (PMIA) through the Local Agency Investment Fund (LAIF), a voluntary program created by statute in 1977. The PMIA has regulatory oversight from the Pooled Money Investment Board and an in-house Investment Committee. LAIF has oversight by the Local Agency Investment Advisory Board. The fair value of the City's position in the pool is based upon the City's pro rata share of the fair value provided by LAIF for the entire pool.

In accordance with authorized investment laws, LAIF invests in various structured notes and mortgage-backed securities, such as collateralized mortgage obligations. LAIF is not registered with the Security and Exchange Commission and is not rated.

**Discretely Presented Component Unit**

Restricted cash and investments held by the JPFA total \$2,764,809.

**Restricted Cash and Investments**

As of June 30, 2022, cash and investments that are restricted by legal or contractual requirements are comprised of the following:

<u>Fair Value Measurements</u>	<u>Amount</u>
Governmental Activities:	
General Fund:	
Restricted Section 115 Pension Plan	\$ 2,039,030
Nonmajor Governmental Funds:	
Restricted Bond Proceeds	102,100
Total Primary Governmental Activities Restricted	
Internal Service Funds:	
Insurance Deposits	485,000
Cash and Investments	<u>2,626,130</u>
Discretely Presented Component Unit:	
Restricted for Capital Projects and Debt Service	2,764,809
Fiduciary Funds:	
Private-Purpose Trust Fund:	
Restricted for Successor Agency Recognized Obligations	6,032,318
Restricted for Debt Service	<u>542,439</u>
Total Fiduciary Fund Restricted Cash and Investments	<u>6,574,757</u>
Total Restricted Cash and Investments	<u>\$ 11,965,696</u>

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Restricted Cash and Investments (Continued)**

Statement No. 72 of the Governmental Accounting Standards Board (GASB), *Fair Value Measurements and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes investment valuation techniques used to measure fair value. The three levels of the fair value hierarchy under GASB 72 are described as follows:

*Level 1* – Inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

*Level 2* – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The determination of what constitutes observable requires judgment by the City's management. City management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market.

The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management's perceived risk of that investment. The following is a description of the valuation methods and assumptions used by the City to estimate the fair value of its investments. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. City management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)****Restricted Cash and Investments (Continued)**

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. The City's Level 1 investments consist of mutual funds that have values calculated from the daily closing prices of all the underlying assets.

For a large portion of the City's portfolio, the City's custodians generally uses a multi-dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads, and benchmark securities, among others. The City's Level 2 investments primarily consist of investments in certificates of deposit that did not trade on the City's fiscal year-end date.

The City did not have any Level 3 investments at June 30, 2022. The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy.

Investments in money market funds and guaranteed investment contracts are reported at amortized cost. Deposits and withdrawals in governmental investment pools, such as LAIF are made on the basis of \$1 and not fair value. Accordingly, the City's proportionate share in these types of investments is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

As of June 30, 2022, the City has the following fair value measurements:

	Total	Fair Value Measurements at Report Date Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)
Investments by Fair Value:				
Corporate Holdings	\$ 12,725,590	\$ -	\$ 12,725,590	\$ -
Supranationals	8,512,202	-	8,512,202	-
State and Local Securities	10,754,637	-	10,754,637	-
Federal Agency Securities	39,841,725	39,841,725	-	-
Mutual Funds	3,668,087	3,668,087	-	-
Certificates of Deposit	12,686,000	12,686,000	-	-
Total Investments by Fair Value	88,188,241	\$ 56,195,812	\$ 31,992,429	\$ -
Investments Measured at Amortized Costs or Not Subject to Fair Value Hierarchy:				
CalTRUST Trust	50,379			
Local Agency Investment Fund	61,263,542			
Total Investments Measured at Fair Value	\$ 149,502,162			

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 RECEIVABLES**

The following summarizes the City's governmental activities receivables as of June 30, 2022:

	Interest	Property Taxes	Accounts	Inter- governmental	Loans	Long-Term
Governmental Activities:						
General Fund	\$ 315,713	\$ 613,704	\$ 1,955,697	\$ 7,068,643	\$ -	\$ -
CDBG and HOME Housing Fund	976,293	-	-	1,419,303	10,093,227	-
Capital Grants Fund	-	-	-	11,767,116	-	-
Public Facilities Impact Fees	-	-	-	-	-	1,093,092
Low and Moderate Income Housing Asset Fund	11,088,114	-	-	-	55,456,582	-
Other Nonmajor Governmental Funds	184	33,862	52,353	1,692,946	18,029	-
Internal Service Funds	-	-	193,869	32,466	-	-
Total Governmental Activities	<u>\$ 12,380,304</u>	<u>\$ 647,566</u>	<u>\$ 2,201,919</u>	<u>\$ 21,980,474</u>	<u>\$ 65,567,838</u>	<u>\$ 1,093,092</u>

**Loans Receivable**

The loans receivable in the CDBG and HOME Housing Fund and Low and Moderate Income Housing Asset Fund of \$10,093,227 and \$55,456,582, respectively, consist of loans made for low- and moderate-income housing rehabilitation, property improvement, and small business origination. The loans are collateralized by deeds of trust on the improved properties and bear annual interest at 0% - 7.5%. The City considers these long-term loans to be collectible, and the amounts are included in restricted fund balance. Due to the likelihood of collectability, the City has not recorded an allowance for uncollectible accounts. Related accrued interest is recorded as interest receivable and unavailable revenue.

The following summarizes the City's business-type activities receivables as of June 30, 2022:

	Accounts	Inter- governmental	Property Taxes	Total
Business-Type Activities:				
Sewer Fund	\$ 2,705,268	\$ 166	\$ 4,704	\$ 2,710,138
Parking Fund	2,661	-	-	2,661
Private Development Fund	341,338	-	-	341,338
Airport Fund	113,401	48,294	-	161,695
Total Business-Type Activities	<u>\$ 3,162,668</u>	<u>\$ 48,460</u>	<u>\$ 4,704</u>	<u>\$ 3,215,832</u>

Accounts receivable in the Sewer Fund is composed of \$1,138,101 in sewer service fees billed for services rendered on or before June 30, 2022, and received in the months of July and August of 2022, and \$166 in sewer development impact fees owed to the City as of June 30, 2022.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 3 RECEIVABLES (CONTINUED)**

The intergovernmental receivable of \$48,294 in the Airport Fund represents a receivable for an Airport Improvement Program grant.

Accounts receivable in the Private Development fund are for services provided for community development services provided to developers.

**NOTE 4 UNAVAILABLE REVENUE**

The City recognized deferred inflows of resources in the governmental fund statements. These items are an acquisition of fund balance by the City that is applicable to a future reporting period.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized in the current period. Revenue must also be susceptible to accrual (i.e., measurable and available to finance expenditures of the current period). Government funds report revenues not susceptible to accrual as deferred inflows of resources. The City has two items that are reportable on the government fund statements: the first item relates to housing loan interest receivable and the second relates to grant receivables and development impact fees receivables that are not available for revenue recognition.

Deferred inflows of resources balances for the year ended June 30, 2022, were as follows:

	Unavailable Housing Loan Revenue	Unavailable Revenue	Total
General Fund	\$ -	\$ 1,219,016	\$ 1,219,016
CDBG and HOME Housing Fund	976,293.00	-	976,293
Capital Grants Fund	-	11,549,136	11,549,136
Public Facilities Impact Fees	-	1,093,092	1,093,092
Low and Moderate Income Housing Asset Fund	11,088,114	623,754	11,711,868
Total Governmental Funds	<u>\$ 12,064,407</u>	<u>\$ 14,484,998</u>	<u>\$ 26,549,405</u>

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 5 CAPITAL AND RIGHT-TO-USE LEASED ASSETS**

Capital assets for governmental activities for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 31,561,925	\$ -	\$ -	\$ 1,552,581	\$ 33,114,506
Construction in Progress	25,660,592	28,801,885	(342,622)	(18,739,070)	35,380,785
Total Capital Assets, Not Being Depreciated	57,222,517	28,801,885	(342,622)	(17,186,489)	68,495,291
Capital Assets, Being Depreciated:					
Buildings	22,360,645	-	-	-	22,360,645
Improvements Other Than Buildings	23,019,024	-	-	542,641	23,561,665
Equipment, Furniture, and Vehicles	22,940,078	4,999,820	(463,327)	1,919,491	29,396,062
Infrastructure	409,477,834	1,013,822	-	14,724,357	425,216,013
Total Capital Assets, Being Depreciated	477,797,581	6,013,642	(463,327)	17,186,489	500,534,385
Less: Accumulated Depreciation for:					
Buildings	(13,831,262)	(500,970)	-	-	(14,332,232)
Improvements Other Than Buildings	(14,699,206)	(581,710)	-	-	(15,280,916)
Equipment, Furniture, and Vehicles	(13,984,687)	(1,941,402)	463,326	-	(15,462,763)
Infrastructure	(166,876,221)	(9,441,299)	-	-	(176,317,520)
Total Accumulated Depreciation	(209,391,376)	(12,465,381)	463,326	-	(221,393,431)
Total Capital Assets, Being Depreciated, Net	268,406,205	(6,451,739)	(1)	17,186,489	279,140,954
Right-to-Use Assets, Being Amortized:					
Equipment	159,718	-	-	-	159,718
Total Right-to-Use Assets, Being Depreciated	159,718	-	-	-	159,718
Less: Accumulated Amortization for:					
Equipment	-	(51,801)	-	-	(51,801)
Total Accumulated Amortization	-	(51,801)	-	-	(51,801)
Total Right-to-Use Assets, Being Amortized, Net	159,718	(51,801)	-	-	107,917
Governmental Activities Capital Assets, Net	<u>\$ 325,788,440</u>	<u>\$ 22,298,345</u>	<u>\$ (342,623)</u>	<u>\$ -</u>	<u>\$ 347,744,162</u>

**Reconciliation of Governmental activities capital asset increases:**

Total Capital Assets, Not Being Depreciated - Increases	\$ 28,801,885
Total Capital Assets, Being Depreciated - Increases	6,013,642
Governmental Activities Capital Asset Increases	<u>\$ 34,815,527</u>
Governmental Funds - Capital Outlay	\$ 33,801,705
Donations and Contributed Capital *	1,013,822
Transfer from Internal Service Fund	-
Governmental Activities Capital Asset Increases	<u>\$ 34,815,527</u>

\*Donations and contributed capital represents infrastructure conveyed to the City as a result of completed subdivisions, easements, and infrastructure donated through developer agreements.



**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

Capital assets for business-type activities for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Business-Type Activities:</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 2,154,341	\$ -	\$ -	\$ -	\$ 2,154,341
Construction in Progress	24,621,042	7,198,694	(194,866)	(18,476,734)	13,148,136
Total Capital Assets, Not Being Depreciated	26,775,383	7,198,694	(194,866)	(18,476,734)	15,302,477
Capital Assets, Being Depreciated:					
Buildings	19,412,388	-	-	-	19,412,388
Improvements Other Than Buildings	196,867,808	148,030	-	17,741,950	214,757,788
Equipment, Furniture, and Vehicles	2,984,308	38,739	-	734,784	3,757,831
Total Capital Assets, Being Depreciated	219,264,504	186,769	-	18,476,734	237,928,007
Less: Accumulated Depreciation for:					
Buildings	(15,225,270)	(504,742)	-	-	(15,730,012)
Improvements Other Than Buildings	(89,133,330)	(5,797,870)	-	-	(94,931,200)
Equipment, Furniture, and Vehicles	(2,491,445)	(144,392)	-	-	(2,635,837)
Total Accumulated Depreciation	(106,850,045)	(6,447,004)	-	-	(113,297,049)
Total Capital Assets, Being Depreciated, Net	112,414,459	(6,260,235)	-	18,476,734	124,630,958
Business-Type Activities Capital Assets, Net	<u>\$ 139,189,842</u>	<u>\$ 938,459</u>	<u>\$ (194,866)</u>	<u>\$ -</u>	<u>\$ 139,933,435</u>

Reconciliation of business-type activities capital asset increases:

Total Capital Assets, Not Being Depreciated - Increases	\$ 7,198,694
Total Capital Assets, Being Depreciated - Increases	186,769
Business-Type Activities Capital Asset Increases	<u>\$ 7,385,463</u>
Business-Type Activities - Capital Outlay	\$ 6,307,385
Donations and Contributed Capital *	1,078,078
Business-Type Activities Capital Asset Increases	<u>\$ 7,385,463</u>

\* Donations and contributed capital represent the conveyance of sewer infrastructure from the JPFA to the City's Sewer Fund as well as completed subdivisions, easements, and infrastructure donated through developer agreements.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 5 CAPITAL AND RIGHT-TO-USE ASSETS (CONTINUED)**

Depreciation expense was charged to functions/programs as follows:

## Governmental Activities:

General Government	\$ 824,721
Public Safety	1,302,818
Public Works	9,890,149
Parks and Recreation	423,154
Education	22,799
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions Based on Their Usage of the Assets	1,740
Total Depreciation Expense - Governmental Activities	\$ 12,465,381

## Business-Type Activities:

Sewer	\$ 5,026,622
Parking	131,492
Private Development	1,614
Airport	1,287,276
Total Depreciation Expense - Business-Type Activities	\$ 6,447,004

**NOTE 6 LONG-TERM LIABILITIES**

Changes in long-term liabilities for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Direct borrowings Notes Payable-Direct Financing	\$ 1,997,874	\$ 4,446,970	\$ (443,788)	\$ 6,001,056	\$ 859,955
Compensated Absences	3,497,012	1,730,068	(1,971,302)	3,255,778	335,273
Self-Insurance Claims and Settlements	7,587,449	2,632,000	(2,777,648)	7,441,801	2,667,710
Lease Liability	159,718	-	(48,957)	110,761	52,536
Total Governmental Activities Long-Term Liabilities	\$ 13,242,053	\$ 8,809,038	\$ (5,241,695)	\$ 16,809,396	\$ 3,915,474
Business-Type Activities:					
Direct Borrowings Loans Payable	\$ 17,850,000	\$ -	\$ (1,610,000)	\$ 16,240,000	\$ 1,695,000
Compensated Absences	471,482	357,713	(325,116)	504,079	51,908
Total Before Premium	18,321,482	357,713	(1,935,116)	16,744,079	1,746,908
Premium - Net	3,730,309	-	(730,997)	2,999,312	-
Total Business-Type Activities Long-Term Liabilities	\$ 22,051,791	\$ 357,713	\$ (2,666,113)	\$ 19,743,391	\$ 1,746,908

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

The City's outstanding capital leases from direct borrowings, secured by equipment, related to governmental activities of \$6,001,056 contain provisions that in an event of default, outstanding amounts become immediately due if the City is unable to make a payment, if the City is unable to pay the full balance all equipment is to be returned at the expense of the City.

The City's outstanding loans from direct borrowings related to business-type activities of \$16,240,000 contain a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due.

Type of Indebtedness (Purpose)	Maturity	Interest Rates	Annual Installments	Original Issue Amount	Outstanding at June 30, 2022
<b>Governmental Activities:</b>					
Notes Payable:					
Oshkosh Capital	7/25/2024	2.46%	\$ 136,868	\$ 1,200,359	\$ 390,897
Oshkosh Capital	4/25/2025	2.80%	224,132	1,931,551	636,427
Motorola Solutions, Inc.	11/1/2025	4.06%	145,322	870,306	526,762
Motorola Solutions, Inc.	10/1/2031	2.19%	499,999	4,446,970	4,446,970
Total Governmental Activities Capital Lease				<u>\$ 8,449,186</u>	<u>\$ 6,001,056</u>
<b>Business-Type Activities:</b>					
Loans Payable:					
Bank of America	12/1/2029	2.60%	\$ 2,276,673	\$ 33,613,142	\$ 16,240,000
Total Business-Type Activities Loans Payable				<u>\$ 33,613,142</u>	<u>\$ 16,240,000</u>

Description	Amount
<b>Governmental Activities:</b>	
Direct Financing Notes Payable:	
Note payable to Oshkosh Capital for a Pierce Arrow XT Quint Aerial Truck for the fire department, interest at 2.46%, due in annual installments on July 25, in the amount of \$136,868, including interest through July 25, 2024. Original lease amount was \$1,200,359. Payments to be made from General Fund.	\$ 390,897
Note payable to Oshkosh Capital for three Pierce Velocity Pumpers for the Fire Department, interest at 2.80%, due in annual installments on April 22, in the amount of \$224,132, including interest through April 25, 2025. Original lease amount was \$1,931,551. Payments to be made from General Fund.	636,427
Note payable to Motorola, Inc. for All Band Digital Portable Radios for the police department, interest at 4.060%, due in annual installments on November 1, in the amount of \$145,323. Original lease amount was \$870,305.76. Payments to be made from the General Fund.	526,762
Note payable to Motorola, Inc. for P25 Radio System for the safety personnel, interest at 2.190%, due in annual installments on October 1, in the amount of \$499,999. Original lease amount was \$4,446,970. Payments to be made from the General Fund.	<u>4,446,970</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 6,001,056</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

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

<u>Description</u>	<u>Amount</u>
Business-Type Activities:	
Direct Borrowings Loans Payable:	
Loan payable to the BofA Securities, Inc. for the Sewer Revenue Refunding Bonds, Series 2020, interest at 5%, due in annual installments on December 1 and June 1, including interest through December 1, 2029. Original loan amount was \$19,735,000.	\$ 16,240,000
Total Business-Type Activities Long-Term Liabilities	<u>\$ 16,240,000</u>

In September of 2020, the City entered into a Bond Purchase Agreement with Bank of America Securities to issue \$19,735,000 in Bonds. Proceeds from the sale of the Bonds were used to prepay, in full, amounts due to the California State Water Resources Control Board for the Sewer Fund, pursuant to a state revolving fund loan agreement from 2008 and to pay the costs of issuing the Bonds.

The refunding was undertaken to reduce total debt service payments by, approximately \$1,799,136 over the term and resulted in an economic gain of \$1,741,109.

Debt service requirements at June 30, 2022, are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Notes Payable from</u>		<u>Loans from</u>	
	<u>Direct Financing</u>		<u>Direct Borrowings</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 859,955	\$ 146,366	\$ 1,695,000	\$ 727,250
2024	882,758	123,563	1,780,000	638,250
2025	906,200	100,121	1,870,000	544,750
2026	569,300	76,022	1,965,000	446,500
2027	439,056	60,943	2,070,000	103,500
2028-2031	2,343,787	156,208	6,860,000	343,000
Total	<u>\$ 6,001,056</u>	<u>\$ 663,223</u>	<u>\$ 16,240,000</u>	<u>\$ 2,803,250</u>

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 7 LEASES**City as Lessor

The City leases out several of its buildings, land, and airport lots. Lease terms may vary, with current agreements going out until fiscal year 2099-2100. For agreements with renewal options, the City has included the renewal periods in the lease term when it is reasonably certain that the renewal option(s) will be exercised. For contracts that contain termination options for either party to exercise (cancellable period), these periods are excluded from the lease receivable calculation. The City's lease arrangements do not contain any material residual value guarantees.

When the borrowing rate is not stated in the contract, or readily available, the City will refer to the interest rate received on the most recent debt borrowed by the City. The agreements currently use a discount rate of 2.19% to measure the present value of the lease payments expected to be received during the lease term period.

Minimum lease payments receivable on leases of properties as of June 30, 2022, are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 99,005	\$ 35,819	\$ 108,734	\$ 90,237
2024	97,102	33,635	110,450	87,823
2025	92,422	31,609	114,998	85,352
2026	96,923	29,535	21,915	83,936
2027	101,591	27,360	16,586	83,576
2028-2032	540,133	101,285	48,952	413,092
2033 and Thereafter	665,624	71,957	3,870,550	5,783,854
<b>Total Minimum Lease Payments</b>	<b>\$ 1,692,800</b>	<b>\$ 331,200</b>	<b>\$ 4,292,185</b>	<b>\$ 6,627,870</b>

The total amount of revenue (inflows of resources) relating to leases recognized in the current fiscal year is as follows:

<u>June 30, 2022</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Lease Revenue	\$ 125,978	\$ 213,893
Lease Interest	37,938	94,610

The City did not have any leases of assets that are investments, regulated leases, sublease transactions, sale-leaseback transactions, or lease-leaseback transactions requiring disclosure.

City as Lessee

The City leases copiers for operational use under a long-term, noncancelable lease agreement. The lease expires in fiscal year 2024-25.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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Total future minimum lease payments under lease agreement are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 52,536	\$ 1,801
2024	53,697	639
2025	4,528	-
Total Minimum Lease Payments	<u>\$ 110,761</u>	<u>\$ 2,440</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class:

	<u>Governmental</u>
	<u>Activities</u>
Equipment	\$ 159,718
Less: Accumulated Amortization	(51,801)
	<u>\$ 107,917</u>

## NOTE 8 INTERFUND ACTIVITY

### Due From/To Other Funds

Amounts due from/to other funds at June 30, 2022:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Grants Fund	\$ 9,942,039
	CDBG and HOME Housing Fund	1,061,008
	Operating Grants Fund	42,239
	Central Garage Fund	1,503
	Total Due To/From	<u>\$ 11,046,789</u>

Due from/to other funds typically result from the lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, or (4) revenue earned by the Fund is not received until just after the end of the fiscal year, normally 60 days. All of these due from/to balances are anticipated to be paid back completely within the next fiscal year.

### Advances To/From Other Funds

Advances to/from other funds at June 30, 2022:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Public Infrastructure Impact Fees	Nonmajor Governmental Funds	<u>\$ 38,377</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

All advances are due to cash deficits as listed for each payable fund. In addition, no formal borrowing arrangements exist. Finally, all payable funds may be unable to repay the advance within the next fiscal year.

**Transfers From/To Other Funds**

The following is a schedule of interfund transfers from/to other funds as of June 30, 2022:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 4,678,882
	Parking Fund	291,843
	Private Development Fund	461,612
	Airport Fund	256,732
	Nonmajor Enterprise Fund	300,000
	Subtotal	<u>5,989,069</u>
Public Facilities Impact	Private Development Fund	87,655
Low and Moderate Income Housing Asset Fund	CDBG and HOME Housing Fund	37,958
Nonmajor Governmental Funds	General Fund	2,191,088
Sewer Fund	Private Development Fund	21,690
	Nonmajor Governmental Funds	<u>121,360</u>
		143,050
Parking Fund	Nonmajor Governmental Funds	3,600
Private Development Fund	General Fund	242,501
	Nonmajor Governmental Funds	<u>25,310</u>
		267,811
Airport Fund	Nonmajor Governmental Funds	65,920
Internal Service Funds	General Fund	315,351
	Nonmajor Governmental Funds	<u>104,963</u>
	Subtotal	<u>420,314</u>
	Total Transfers	<u>\$ 9,206,465</u>

Transfers are indicative of funding for capital projects, lease payments, or debt service, subsidies of various City operations and re-allocations of special revenue.

**CITY OF CHICO, CALIFORNIA**  
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**NOTE 9 RESTRICTED NET POSITION/FUND BALANCES****A. Fund Balances**

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned. The following is a detailed schedule of the Governmental Funds fund balance classifications as of June 30, 2022:

	General	CDBG and HOME Housing	Public Facilities Impact Fees	Capital Grants	Low and Moderate Income Housing Asset Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Fund Balances (Deficit):</b>							
<b>Nonspendable:</b>							
Prepaid Items	\$ 51,681	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,681
	51,681	-	-	-	-	-	51,681
<b>Restricted:</b>							
Housing	-	10,280,307	-	-	55,910,842	-	66,191,149
Transportation	-	-	-	-	-	-	-
Related Projects	-	-	32,052,911	-	-	15,625,637	47,678,548
Maintenance	-	-	-	-	-	-	-
Districts	-	-	-	-	-	4,521,047	4,521,047
Other Purposes	38,946	-	-	-	-	607,273	646,219
Section 115 Trust	2,622,014	-	-	-	-	-	2,622,014
	2,660,960	10,280,307	32,052,911	-	55,910,842	20,753,957	121,658,977
<b>Committed:</b>							
Compensated							
Absences	1,460,109	-	-	-	-	-	1,460,109
Donations	341,836	-	-	-	-	-	341,836
Emergency							
Contingencies	11,978,204	-	-	-	-	-	11,978,204
	13,780,149	-	-	-	-	-	13,780,149
<b>Assigned:</b>							
Capital Projects	26,454,678	-	-	-	-	5,843,592	32,298,270
	26,454,678	-	-	-	-	5,843,592	32,298,270
<b>Unassigned:</b>							
General Fund	4,550,103	-	-	-	-	(231,415)	4,318,688
Capital Projects Funds	-	-	-	(11,785,822)	-	-	(11,785,822)
	4,550,103	-	-	(11,785,822)	-	(231,415)	(7,467,134)
<b>Total Fund Balances (Deficit)</b>	<b>\$ 90,445,039</b>	<b>\$ 20,560,614</b>	<b>\$ 64,105,822</b>	<b>\$ (11,785,822)</b>	<b>\$ 111,821,684</b>	<b>\$ 52,963,683</b>	<b>\$ 328,111,020</b>

**B. Deficit Fund Equity**

The General Fund departments listed below reported deficit fund balances or net position on June 30, 2022:

Fund	Deficit Fund Balance
Operating Grants Fund	\$ (231,415)
Capital Grants Fund	(11,785,822)
Central Garage Fund	(2,213,291)
Municipal Building Maintenance Fund	(1,871,509)
Information Services Fund	(3,485,131)
Private Development Fund	(2,058,433)
<b>Total Deficit Funds</b>	<b>\$ (21,645,601)</b>



**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 9 RESTRICTED NET POSITION/FUND BALANCES (CONTINUED)**

**B. Deficit Fund Equity (Continued)**

Private Development Fund

The net position of the Private Development Fund has a deficit largely due to the recording of the net pension liability under GASB No. 68.

Capital Grants Fund Deficit

The Capital Grants Capital Projects Fund deficit represents grant expenditures that had not been reimbursed by granting agencies within the 60 day period of availability for which corresponding revenues have not been recognized. The deficit amount is recorded as a deferred inflow of resources on the Fund's Balance Sheet. Projects are invoiced at completion and expenditures are subject to audit by the granting agencies. Collection of reimbursements can take several years.

Central Garage, Municipal Building Maintenance, Self-Insurance, and Information Service Internal Service Funds

The net position of Internal Service Funds have a deficit largely due to the recording of the net pension liability under GASB No. 68. Actuarial estimates for future claims reserve contributed to a deficit in the Self Insurance Fund.

Other Deficits

The remaining fund deficits represent development impact fee funds that have constructed infrastructure projects prior to the collection of impact fees. These funds by their nature are created in a way that total fees collected/earned over the life of each fund should be adequate to cover total expenses. As a result, future revenue should cover the deficits over the life of each impact fee fund. However, failure by each fund to recover future revenue necessary to reduce each fund deficits may result in remaining deficits becoming an obligation of the General Fund.

**C. Other Fund Disclosures**

The following funds had an excess of expenditures over appropriations on June 30, 2022:

<u>Fund/Department</u>	<u>Expenditures Over Appropriations</u>
General Fund: Public Works Department	\$ 559,270
Community Maintenance District Funds	309,228
Total Deficit Funds	<u>\$ 868,498</u>

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 9 RESTRICTED NET POSITION/FUND BALANCES (CONTINUED)**

**D. Restricted Components of Net Position**

The restricted components of net position are assets that are subject to constraints either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Restricted for Capital Projects:

Public Facility Impact Fees	\$ 32,052,911
Transportation	5,359,287
Gas Tax	6,986,375
Bond Proceeds	101,141
Public Infrastructure Replacement	3,178,834
Unavailable Revenue	<u>13,861,244</u>
Total	61,539,792

Restricted for Housing:

Affordable Housing Loans	55,910,842
CDBG Housing Loans	10,280,307
Unavailable Revenue	<u>12,688,161</u>
Total	78,879,310

Restricted for Maintenance Districts:

Maintenance Districts	4,521,047
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Restricted for Other Government Programs:

Grants and Donations	38,946
Other	<u>607,273</u>
Total	646,219

Restricted for Public Safety:

Section 115 Trust	<u>2,622,014</u>
Total	<u>2,622,014</u>

Total Restricted Component of Net Position -

Governmental Activities	<u><u>\$ 148,208,382</u></u>
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**NOTE 10 RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City established the general liability and workers' compensation liability funds (self-insurance funds) to account for and finance its uninsured risks of loss. Under this program, the general liability program provides coverage for up to a maximum of \$500,000 for each

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

general liability claim, and the workers' compensation program provides coverage for up to a maximum of \$750,000 for each workers' compensation claim.

**Workers' Compensation Insurance**

The workers' compensation program provides coverage for up to a maximum of \$750,000 per occurrence. The City purchases excess insurance to cover losses over \$750,000 up to State statutory limits.

The claims liability reported in the self-insurance fund at June 30, 2022, is based on the requirements of GASB Statements No. 10 and No. 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The City's provision of \$5,637,816 for insurance losses through June 30, 2022, represents the estimated cost of settling self-insurance liability claims. The provision for insurance losses was established by an outside actuary using accepted actuarial methods. These methods consider case-basis reserves established by the City, the rate of loss development on older claims, the effects of IBNR claims and the effects of inflation and other economic factors to determine ultimate cost.

Changes in the workers' compensation claims liability are as follows:

	Claims Liability July 1,	Current Year Claims and Changes in Estimates	Current Year Payments	Claims Liability June 30,	Current Portion
2020-21	\$ 5,592,972	\$ 1,765,000	\$ (1,762,778)	\$ 5,595,194	\$ 1,793,378
2021-22	5,595,194	1,836,000	(1,793,378)	5,637,816	1,834,089

**General Liability Insurance**

The City is a member of the California Joint Powers Risk Management Authority (Authority) for liability insurance purposes. The Authority is comprised of California member cities and special districts organized under a joint-powers agreement pursuant to the California Government Code. The purpose of the Authority is to arrange and administer programs of self-insurance and insurance for the pooling of losses and to purchase excess liability coverage. The Board of Directors consists of representatives from each member entity, with an Executive Committee consisting of the President and Vice President elected by the Directors every two years, and Executive Committee nonofficer positions filled by a permanent rotation list every two years. Annual deposits are paid by member entities and may be adjusted retrospectively to cover costs. The City self-insures the first \$500,000 of each loss.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 RISK MANAGEMENT (CONTINUED)****General Liability Insurance (Continued)**

Participating entities share in loss occurrences in excess of \$500,000 or \$1,000,000 and up to \$5,000,000, and purchase insurance to provide additional coverage up to \$40,000,000. The auto/general liability program of the Authority provides coverage for comprehensive general liability, personal injury, employment practices liability (\$6,000,000 sublimit), contractual liability, errors and omissions, and auto liability. The City also participates in the Authority's auto physical damage program which provides property damage coverage for vehicles, with a \$10,000 deductible for vehicles, and in the Authority's property insurance program which provides property, and boiler and machinery coverage with a \$25,000 deductible per occurrence.

Premium payments by member entities are planned to match expenses of insurance premiums for coverage in excess of the self-insured amount, estimated claims resulting from self-insurance programs and Authority operating expenses. Total premiums paid to the Authority during the year ended June 30, 2022, were \$925,167.

The claims liability reported in the Self Insurance Internal Service Fund at June 30, 2022, was also based on the requirements of GASB Statement No. 10, as described. The City's provision of \$1,803,985 for insurance losses represents the estimated cost of settling self-insurance liability claims.

Changes in the claims' liability are as follows:

	Claims Liability July 1,	Current Year Claims and Changes in Estimates	Current Year Payments	Claims Liability June 30,	Current Portion
2020-21	\$ 2,498,786	\$ 765,000	\$ (1,271,531)	\$ 1,992,255	\$ 984,270
2021-22	1,992,255	796,000	(984,270)	1,803,985	833,621

**NOTE 11 CONTINGENCIES AND COMMITMENTS****Litigation**

The City is a defendant in a number of lawsuits and has other claims pending, some of which seek substantial monetary damages. Some claims may not be covered under the City's excess liability insurance policy; however, management is of the opinion that the potential liability would not have a significant adverse effect on the City's financial position.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 11 CONTINGENCIES AND COMMITMENTS (CONTINUED)****Grant Programs**

The City participates in a number of federal and state-assisted grant programs. These programs are subject to financial and compliance audits by grantors or their representatives. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the City's management does not expect such amounts, if any, to be material.

**NOTE 12 DEFINED BENEFIT PENSION PLAN****A. Summary of Pension Plan Balances**

Pension related balances presented on the statement of net position as of June 30, 2022, by individual plan are described in the following table:

	Deferred Outflows - Pension	Net Pension Liability	Deferred Inflows - Pension	Pension Expense
CALPERS Miscellaneous Agent Multiple Employer Plan	\$ 6,362,778	\$ 45,109,300	\$ 15,855,067	\$ 657,351
CALPERS Safety Agent Multiple Employer Plan	9,360,195	49,945,134	20,367,120	2,991,723
Total	<u>\$ 15,722,973</u>	<u>\$ 95,054,434</u>	<u>\$ 36,222,187</u>	<u>\$ 3,649,074</u>

**B. General Information about the Pension Plans****Plan Descriptions**

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

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)****B. General Information about the Pension Plans (Continued)**Benefits Provided

CalPERS provides 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. Classic and PEPRA safety CalPERS members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA CalPERS miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

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

	Miscellaneous		
	Classic	Classic	PEPRA - On or After January 1, 2013
Hire Date			
Formula	2% @ 55	3% @ 60	2% @ 62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	55	60	62
Monthly Benefits, as a Percentage of Annual Salary	2.000%	3.000%	2.000%
Required Employee Contribution Rates	8.000%	8.000%	6.750%
Required Employer Contribution Rates	13.500%	13.500%	13.500%
		Safety	
		Classic	PEPRA - On or After January 1, 2013
Hire Date			
Formula		3% @ 60	2% @ 57
Benefit Vesting Schedule		5 Years of Service	5 Years of Service
Benefit Payments		Monthly for Life	Monthly for Life
Retirement Age		50	57
Monthly Benefits, as a Percentage of Annual Salary		3.000%	2.700%
Required Employee Contribution Rates		9.000%	12.750%
Required Employer Contribution Rates		22.420%	22.420%

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**B. General Information about the Pension Plans (Continued)**

Employees Covered

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

	<u>Miscellaneous</u>	<u>Safety</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	358	241
Inactive Employees Entitled to But Not Yet Receiving Benefits	212	73
Active Employees	220	153
Total	<u>790</u>	<u>467</u>

Contributions

Section 20814(c) of the California Public Employees' Retirement law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. The total plan contributions are determined through CalPERS' annual actuarial valuations process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions by the City for the Miscellaneous Plan were \$6,123,998 and for the Safety Plan \$7,675,945.

**C. Net Pension Liability**

The City's net pension liability for each plan was measured as of June 30, 2021, and the total pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021. Pension liabilities are paid out of the operating funds based on a percentage of covered payroll.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**C. Net Pension Liability (Continued)**

Actuarial Assumptions

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

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	2.88%	2.75
Projected Salary Increase	3.30% to 14.20%	3.30% to 14.20% (1)
Investment Rate of Return	7.250%	7.250%

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2021, valuation were based on the results of a CalPERS experience study for the period of 1997 to 2007. Pre-retirement and Post-retirement mortality rates include five years of projected mortality improvement using Scale AA published by the Society of Actuaries.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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 on pension plan investments, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical rates of the funds' asset classes, expected compound (geometric) 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 target allocation and best estimates of arithmetic real rates of return for each major asset class are the same for each Plan and are summarized in the table on the next page.



**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**C. Net Pension Liability (Continued)**

Long-Term Expected Rate of Return (Continued)

Asset Class	Assumed Allocation	Real Return Years 1-10	Real Return Years 11+
Global Equity	50 %	4.80 %	5.98 %
Global Fixed Income	28	1.00	2.62
Inflation Sensitive	-	0.77	1.81
Private Equity	8	6.30	7.23
Real Estate	13	3.75	4.93
Liquidity	1	-	(0.92)
Total	<u>100 %</u>		

Discount Rate

The discount rate used to measure the total pension liability was 7.15%, unchanged from the June 30, 2021, measurement date. To determine whether the municipal bond rates should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.15% discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB No. 68 section. 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.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)****D. Changes in the Net Pension Liability**

The changes in the Net Pension Liability for each Plan for the measurement date of June 30, 2021, are as follows:

	Miscellaneous Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance - June 30, 2021	\$ 200,766,110	\$ 133,732,712	\$ 67,033,398
Changes in the Year:			
Service Cost	2,804,965	-	2,804,965
Interest on the Total Pension Liability	13,985,658	-	13,985,658
Differences Between Actual and Expected Experience	(789,082)	-	(789,082)
Contribution - Employer	-	6,108,120	(6,108,120)
Contribution - Employee	-	1,676,572	(1,676,572)
Projected Earnings on Investments	-	30,274,538	(30,274,538)
Administrative Expenses	-	(133,591)	133,591
Benefit Payments, Including Refunds of Employee Contributions	(11,551,802)	(11,551,802)	-
Net Changes	<u>4,449,739</u>	<u>26,373,837</u>	<u>(21,924,098)</u>
Balance - June 30, 2022	<u>\$ 205,215,849</u>	<u>\$ 160,106,549</u>	<u>\$ 45,109,300</u>
	Safety Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance - June 30, 2021	\$ 244,670,487	\$ 167,054,113	\$ 77,616,374
Changes in the Year:			
Service Cost	4,466,679	-	4,466,679
Interest on the Total Pension Liability	17,076,960	-	17,076,960
Differences Between Actual and Expected Experience	(1,937,728)	-	(1,937,728)
Contribution - Employer	-	7,662,670	(7,662,670)
Contribution - Employee	-	1,846,839	(1,846,839)
Projected Earnings on Investments	-	37,934,519	(37,934,519)
Administrative Expenses	-	(166,877)	166,877
Benefit Payments, Including Refunds of Employee Contributions	(12,254,988)	(12,254,988)	-
Net Changes	<u>7,350,923</u>	<u>35,022,163</u>	<u>(27,671,240)</u>
Balance - June 30, 2022	<u>\$ 252,021,410</u>	<u>\$ 202,076,276</u>	<u>\$ 49,945,134</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)****D. Changes in the Net Pension Liability (Continued)**Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point-lower or 1-percentage-point-higher than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
1% Decrease	6.15%	6.15%	12.30%
Net Pension Liability	\$ 69,793,654	\$ 84,903,083	\$ 154,696,737
Current Discount Rate	7.15%	7.15%	14.30%
Net Pension Liability	\$ 45,109,300	\$ 49,945,134	\$ 95,054,434
1% Increase	8.15%	8.15%	16.30%
Net Pension Liability	\$ 24,477,161	\$ 21,384,698	\$ 45,861,859

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2022, the City recognized pension expense of \$3,649,074. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to Measurement Date	\$ 6,362,778	\$ -
Differences Between Actual and Expected Experience	-	(684,502)
Net Difference Between Projected and Actual Earnings on Plan Investments	-	(15,170,565)
Total	<u>\$ 6,362,778</u>	<u>\$ (15,855,067)</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12 DEFINED BENEFIT PENSION PLAN (CONTINUED)****E. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

	Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 8,416,207	\$ -
Differences Between Actual and Expected Experience	943,988	(1,453,296)
Change in Assumption	-	-
Net Difference Between Projected and Actual Earnings on Plan Investments	-	(18,913,824)
Total	<u>\$ 9,360,195</u>	<u>\$ (20,367,120)</u>

The amounts of \$6,362,778 for the Miscellaneous plan, and \$8,416,207 for the safety plan reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
2023	\$ (4,334,372)	\$ (4,678,392)	\$ (9,012,764)
2024	(3,715,725)	(4,496,328)	(8,212,053)
2025	(3,633,748)	(5,028,289)	(8,662,037)
2026	(4,171,222)	(5,220,123)	(9,391,345)
Total	<u>\$ (15,855,067)</u>	<u>\$ (19,423,132)</u>	<u>\$ (35,278,199)</u>

**NOTE 13 SUCCESSOR AGENCY TRUST FOR ASSETS AND OBLIGATIONS OF THE FORMER REDEVELOPMENT AGENCY**

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26 (the Bill) that provides for the dissolution of all redevelopment agencies in the state of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

Due to the dissolution of the City's Redevelopment Agency, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 13 SUCCESSOR AGENCY TRUST FOR ASSETS AND OBLIGATIONS OF THE FORMER REDEVELOPMENT AGENCY (CONTINUED)**

The following components of this footnote document the Successor Agency's capital assets and long-term liabilities as of June 30, 2022.

**Capital Assets - Land**

As of June 30, 2022, the Successor Agency owns six parcels of land with a cost of \$1,667,105. The land will be utilized for a public purpose at a time to be determined by the Successor Agency's Oversight Board.

**Long-Term Liabilities**

As of June 30, 2022, the balances of the Successor Agency long-term obligations are presented below:

	<u>Beginning Balance</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2017 Successor Agency to the Chico RDA Tax Allocation Refunding Bonds Series A	\$ 58,025,000	\$ (4,665,000)	\$ 53,360,000	\$ 4,795,000
Total Successor Agency Long-Term Liabilities	<u>\$ 58,025,000</u>	<u>\$ (4,665,000)</u>	<u>\$ 53,360,000</u>	<u>\$ 4,795,000</u>

**Successor Agency Tax Allocation Refunding Bonds**

A deferred amount on refunding of \$475,793 was recognized with the issuance of the bonds. The unamortized balance at June 30, 2022, was \$325,543 and is reported as a deferred inflow of resources.

**Long-Term Liabilities**

<u>Description</u>	<u>Amount</u>
Successor Agency Long-Term Liabilities	
Direct Placements:	
Revenue Bonds:	
2017 Tax Allocation Refund Bonds Series A (2017 TABS Series A) were issued in the amount of \$65,475,000 for the purpose of refunding the outstanding 2001 Tax Allocation Revenue Bonds, the 2005 Tax Allocation Bonds, and the 2017 Tax Allocation Refunding Bonds. Interest rates for the term of the 2017 TABS Series A is 2.82%. Payments are due in semi-annual installments on October 1 and April 1 through April 1, 2032.	<u>\$ 53,360,000</u>
Total Successor Agency Long-Term Liabilities	<u>\$ 53,360,000</u>

**CITY OF CHICO, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 13 SUCCESSOR AGENCY TRUST FOR ASSETS AND OBLIGATIONS OF THE FORMER REDEVELOPMENT AGENCY (CONTINUED)**

The following is a schedule of total debt service requirements to maturity as of June 30, 2022, for the tax allocation bonds:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 4,795,000	\$ 1,504,752	\$ 6,299,752
2024	4,925,000	1,369,533	6,294,533
2025	4,830,000	1,230,648	6,060,648
2026	5,095,000	1,094,442	6,189,442
2027	5,240,000	950,763	6,190,763
2028-2032	<u>28,475,000</u>	<u>2,453,964</u>	<u>30,928,964</u>
Total	<u>\$ 53,360,000</u>	<u>\$ 8,604,102</u>	<u>\$ 61,964,102</u>

The Successor Agency's outstanding bond debt from direct placements includes a priority pledge of "Tax Increment Revenues" allocated to the Successor Agency by the Butte County Auditor Controller. The Successor Agency is prohibited from entering any new enforceable obligations which are secured by a lien on this pledged collateral.

**REQUIRED SUPPLEMENTARY INFORMATION**

- Schedule of Changes in Net Pension Liability and Related Ratios – Miscellaneous
- Schedule of Changes in Net Pension Liability and Related Ratios – Safety
- Schedule of Contributions – Miscellaneous
- Schedule of Contributions – Safety
- Schedules of Changes in Net OPEB Liability and Related Ratios
- Schedules of Revenues, Expenditures, and Changes in Fund Balances, Budget to Actual, (General Fund and Major Special Revenue Funds):
  - General Fund
  - CDBG and HOME Housing Fund
  - Low and Moderate Income Housing Asset Fund
- Notes to Required Supplementary Information

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED)**  
**CALPERS MISCELLANEOUS RETIREMENT PLAN**  
**LAST TEN YEARS\***

Measurement Period	2022	2021	2020	2019	2018	2017	2016	2015
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
<b>Total Pension Liability:</b>								
Service Cost	\$ 2,804,965	\$ 2,739,169	\$ 2,764,446	\$ 2,702,893	\$ 2,762,977	\$ 2,352,654	\$ 2,441,836	\$ 3,139,806
Interest	13,985,658	13,661,442	13,311,689	12,817,844	12,410,522	12,292,564	12,098,168	11,852,134
Differences Between Expected and Actual Experience	(789,082)	(938,361)	933,660	792,512	(3,454,037)	(3,764,124)	(3,748,881)	-
Changes in Assumptions	-	-	-	(1,220,368)	9,955,942	-	(2,850,219)	-
Benefit Payments, Including Refunds of Employee Contributions	(11,551,802)	(10,668,087)	(9,798,874)	(9,357,597)	(8,680,046)	(8,251,225)	(8,129,122)	(7,723,542)
Net Change in Total Pension Liability	4,449,739	4,794,163	7,210,921	5,735,284	12,995,358	2,629,869	(188,218)	7,268,398
Total Pension Liability - Beginning	200,766,110	195,971,947	188,761,026	183,025,742	170,030,384	167,400,515	167,588,733	160,320,335
Total Pension Liability - Ending (a)	205,215,849	200,766,110	195,971,947	188,761,026	183,025,742	170,030,384	167,400,515	167,588,733
<b>Plan Fiduciary Net Position:</b>								
Contributions - Employer	6,108,120	5,721,757	5,289,597	4,892,157	4,835,288	3,774,160	3,273,509	3,326,062
Contributions - Employee	1,676,572	1,550,839	1,452,949	1,211,601	1,042,124	960,903	950,096	991,678
Net Investment Income	30,274,538	6,530,524	8,254,467	10,107,344	12,216,475	574,677	2,533,100	17,333,730
Plan to Plan Resource Movement	-	-	-	(293)	-	(3,366)	3,313	-
Benefit Payments, Including Refunds of Employee Contributions	(11,551,802)	(10,668,087)	(9,798,874)	(9,357,597)	(8,680,046)	(8,251,225)	(8,129,122)	(7,723,542)
Administrative Expense	(133,591)	(184,371)	(89,683)	(185,995)	(162,567)	(68,942)	(127,469)	-
Miscellaneous Income (Expense)	-	-	293	(353,207)	-	-	-	-
Net Change in Plan Fiduciary Net Position	26,373,837	2,950,662	5,108,749	6,314,010	9,251,274	(3,013,793)	(1,496,573)	13,927,928
Plan Fiduciary Net Position - Beginning	133,732,712	130,782,050	125,673,301	119,359,291	110,108,017	113,121,810	114,618,383	100,690,455
Plan Fiduciary Net Position - Ending (b)	160,106,549	133,732,712	130,782,050	125,673,301	119,359,291	110,108,017	113,121,810	114,618,383
Net Pension Liability - Ending (a)-(b)	\$ 45,109,300	\$ 67,033,398	\$ 65,189,897	\$ 63,087,725	\$ 63,666,451	\$ 59,922,367	\$ 54,278,705	\$ 52,970,350
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.02%	66.61%	66.74%	68.39%	65.21%	68.39%	67.58%	68.39%
Covered Payroll	\$ 14,173,649	\$ 13,794,306	\$ 13,266,370	\$ 14,799,933	\$ 12,743,802	\$ 14,799,933	\$ 11,927,104	\$ 14,799,933
Net Pension Liability as a Percentage of Covered Payroll	318.26%	485.95%	491.39%	357.91%	499.59%	357.91%	455.09%	357.91%

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

See accompanying Notes to Required Supplementary Information.



**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED)**  
**CALPERS SAFETY RETIREMENT PLAN**  
**LAST TEN YEARS\***

Measurement Period	2022	2021	2020	2019	2018	2017	2016	2015
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
<b>Total Pension Liability:</b>								
Service Cost	\$ 4,466,679	\$ 4,499,719	\$ 4,380,793	\$ 4,390,653	\$ 4,563,295	\$ 3,944,837	\$ 4,060,125	\$ 4,587,446
Interest	17,076,960	16,551,359	15,784,596	15,059,804	14,578,548	13,926,474	13,452,675	12,801,088
Differences Between Expected and Actual Experience	(1,937,728)	1,473,679	1,094,936	(1,573,264)	105,155	(2,584,243)	(602,213)	-
Changes in Assumptions	-	-	-	(1,049,800)	12,709,578	-	(3,450,890)	-
Benefit Payments, Including Refunds of Employee Contributions	(12,254,988)	(11,236,546)	(10,712,608)	(10,094,391)	(9,308,811)	(8,981,039)	(8,373,881)	(7,428,081)
Net Change in Total Pension Liability	7,350,923	11,288,211	10,547,717	6,733,002	22,647,765	6,306,029	5,085,816	9,960,453
Total Pension Liability - Beginning	244,670,487	233,382,276	222,834,559	216,101,557	193,453,792	187,147,763	182,061,947	172,101,494
Total Pension Liability - Ending (a)	252,021,410	244,670,487	233,382,276	222,834,559	216,101,557	193,453,792	187,147,763	182,061,947
<b>Plan Fiduciary Net Position:</b>								
Contributions - Employer	7,662,670	7,052,348	6,272,865	5,601,393	5,349,238	4,852,766	4,398,219	4,361,304
Contributions - Employee	1,846,839	1,760,356	1,783,895	1,542,571	1,550,187	1,404,504	1,236,718	1,260,761
Net Investment Income	37,934,519	8,073,042	10,107,564	12,224,670	14,750,340	663,425	2,981,880	20,361,356
Plan to Plan Resource Movement	-	-	-	(359)	-	3,366	(3,313)	-
Benefit Payments, Including Refunds of Employee Contributions	(12,254,988)	(11,236,546)	(10,712,608)	(10,094,391)	(9,308,811)	(8,981,039)	(8,373,881)	(7,428,081)
Administrative Expense	(166,877)	(227,863)	(110,105)	(227,002)	(197,150)	(82,684)	(152,694)	-
Miscellaneous Income (Expense)	-	-	359	(431,079)	-	-	-	-
Net Change in Plan Fiduciary Net Position	35,022,163	5,421,337	7,341,970	8,615,803	12,143,804	(2,139,662)	86,929	18,555,340
Plan Fiduciary Net Position - Beginning	167,054,114	161,632,777	154,290,807	145,675,004	133,531,200	135,670,862	135,583,933	117,028,593
Plan Fiduciary Net Position - Ending (b)	202,076,277	167,054,114	161,632,777	154,290,807	145,675,004	133,531,200	135,670,862	135,583,933
Net Pension Liability - Ending (a)-(b)	\$ 49,945,133	\$ 77,616,373	\$ 71,749,499	\$ 68,543,752	\$ 70,426,553	\$ 59,922,592	\$ 51,476,901	\$ 46,478,014
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.18%	68.29%	69.26%	69.24%	67.41%	69.02%	72.49%	74.47%
Covered Payroll	\$ 14,441,252	\$ 14,054,746	\$ 13,801,250	\$ 13,938,580	\$ 14,048,439	\$ 14,048,202	\$ 14,089,826	\$ 15,179,163
Net Pension Liability as a Percentage of Covered Payroll	345.85%	551.88%	519.88%	491.76%	501.31%	426.55%	365.35%	306.20%

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

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF CONTRIBUTIONS (UNAUDITED)  
CALPERS MISCELLANEOUS RETIREMENT PLAN  
LAST NINE YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 6,362,778	\$ 6,123,998	\$ 5,721,757	\$ 5,289,597	\$ 4,892,157	\$ 4,835,288	\$ 3,774,160	\$ 3,273,509	\$ 3,326,062
Contributions in Relation to the Actuarially Determined Contribution	<u>(6,362,778)</u>	<u>(6,123,998)</u>	<u>(5,721,757)</u>	<u>(5,289,597)</u>	<u>(4,892,157)</u>	<u>(4,835,288)</u>	<u>(3,774,160)</u>	<u>(3,273,509)</u>	<u>(3,326,062)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 14,173,649	\$ 13,226,312	\$ 13,794,306	\$ 13,938,580	\$ 12,101,584	\$ 12,743,802	\$ 12,095,926	\$ 11,927,104	\$ 14,709,933
Contributions as a Percentage of Covered Payroll	43.09%	46.30%	41.48%	39.87%	40.43%	37.94%	31.20%	27.45%	22.47%

\* This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF CONTRIBUTIONS (UNAUDITED)  
CALPERS SAFETY RETIREMENT PLAN  
LAST NINE YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 8,416,207	\$ 7,675,945	\$ 7,052,348	\$ 6,272,865	\$ 5,601,393	\$ 5,349,238	\$ 4,852,766	\$ 4,398,219	\$ 4,361,304
Contributions in Relation to the Actuarially Determined Contribution	<u>(8,416,207)</u>	<u>(7,675,945)</u>	<u>(7,052,348)</u>	<u>(6,272,865)</u>	<u>(5,601,393)</u>	<u>(5,349,238)</u>	<u>(4,852,766)</u>	<u>(4,398,219)</u>	<u>(4,361,304)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 14,441,252	\$ 14,339,448	\$ 14,054,746	\$ 13,801,250	\$ 13,938,580	\$ 14,048,439	\$ 14,048,202	\$ 14,089,826	\$ 15,179,163
Contributions as a Percentage of Covered Payroll	53.06%	53.53%	50.18%	45.45%	40.19%	38.08%	34.54%	31.22%	28.73%

\* This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 19,595,713	\$ 20,153,220	\$ 21,002,149	\$ 848,929
Sales and Use Taxes	26,470,000	30,670,000	31,483,939	813,939
Franchise Fees	3,725,000	3,725,000	4,037,572	312,572
Transient Occupancy Taxes	2,800,000	3,700,000	3,913,104	213,104
Other Taxes	7,485,219	8,646,219	10,133,589	1,487,370
Licenses and Permits	89,400	89,400	78,903	(10,497)
Intergovernmental	11,255,735	16,217,965	7,744,936	(8,473,029)
Charges for Services	218,240	218,240	255,878	37,638
Fines, Forfeitures, and Penalties	446,000	446,000	753,266	307,266
Use of Money and Property	2,679,230	2,661,867	(1,584,476)	(4,246,343)
Miscellaneous	273,179	291,005	417,419	126,414
Total Revenues	75,037,716	86,818,916	78,236,279	(8,582,637)
<b>EXPENDITURES</b>				
Current:				
General Government:				
Administrative Services Department	2,822,793	3,917,400	4,054,396	(136,996)
City Attorney Department	640,367	700,367	590,803	109,564
City Clerk Department	876,091	944,053	665,098	278,955
City Council	322,926	322,926	263,596	59,330
City Manager Department	2,103,549	1,532,264	1,272,784	259,480
Less - Indirect Costs	(2,130,959)	(2,130,959)	(2,130,959)	-
Total General Government	4,634,767	5,286,051	4,715,718	570,333
Public Safety:				
Police Department	29,015,500	30,133,018	29,824,045	308,973
Fire Department	14,010,361	15,485,639	15,493,900	(8,261)
Total Public Safety	43,025,861	45,618,657	45,317,945	300,712
Public Works Department	4,205,847	4,236,750	4,796,020	(559,270)
Parks Department	3,548,070	3,686,293	3,647,963	38,330
Arts and Culture	-	34,658	34,669	(11)
Community Development Department	1,267,430	1,279,911	1,274,870	5,041
Community Agencies	30,000	92,485	-	92,485
Health & Human Services	7,822	207,125	302,524	(95,399)
Capital Outlay:				
Capital Outlay - Operations	14,210,456	24,940,050	10,782,276	14,157,774
Debt Service:				
Principal Retirement	4,070,475	430,651	443,788	13,137
Interest and Fiscal Charges	76,806	75,671	62,534	(13,137)
Total Debt Service	4,147,281	506,322	506,322	-
Total Expenditures	75,077,534	85,888,302	71,378,307	14,509,995
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(39,818)	930,614	6,857,972	5,927,358

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ 10,954,329	\$ 10,954,329	2,748,940	\$ (8,205,389)
Transfers Out	(14,309,890)	(14,309,890)	(5,989,069)	8,320,821
Capital Lease Issuance	-	-	4,446,970	4,446,970
Total Other Financing Sources (Uses)	<u>(3,355,561)</u>	<u>(3,355,561)</u>	<u>1,206,841</u>	<u>4,562,402</u>
<b>NET CHANGE IN FUND BALANCE</b>	(3,395,379)	(2,424,947)	8,064,813	10,489,760
Fund Balance - Beginning of Year	39,432,758	39,432,758	39,432,758	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 36,037,379</u>	<u>\$ 37,007,811</u>	<u>\$ 47,497,571</u>	<u>\$ 10,489,760</u>

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
CDBG AND HOME HOUSING FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 2,587,404	\$ 6,674,504	\$ 3,797,756	\$ (2,876,748)
Use of Money and Property	15,380	-	6,172	6,172
Total Revenues	<u>2,602,784</u>	<u>6,674,504</u>	<u>3,803,928</u>	<u>(2,870,576)</u>
<b>EXPENDITURES</b>				
Current:				
Community Development	2,916,377	6,382,524	1,207,984	5,174,540
Total Expenditures	<u>2,916,377</u>	<u>6,382,524</u>	<u>1,207,984</u>	<u>5,174,540</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(313,593)	291,980	2,595,944	2,303,964
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	31,518	37,958	37,958	-
Total Other Financing Sources (Uses)	<u>31,518</u>	<u>37,958</u>	<u>37,958</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(282,075)	329,938	2,633,902	2,303,964
Fund Balance - Beginning of Year	7,646,405	7,646,405	7,646,405	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 7,364,330</u>	<u>\$ 7,976,343</u>	<u>\$ 10,280,307</u>	<u>\$ 2,303,964</u>

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**  
**LOW AND MODERATE INCOME HOUSING ASSET FUND**  
**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 25,000	\$ 25,000	\$ 9,904	\$ (15,096)
Charges for Services	-	-	1,517	1,517
Use of Money and Property	260,000	330,897	230,287	(100,610)
Miscellaneous	-	-	4,000	4,000
Total Revenues	<u>285,000</u>	<u>355,897</u>	<u>245,708</u>	<u>(110,189)</u>
<b>EXPENDITURES</b>				
Current:				
Community Development	431,445	456,764	399,316	57,448
Capital Outlay	550,000	1,405,000	-	1,405,000
Total Expenditures	<u>981,445</u>	<u>1,861,764</u>	<u>399,316</u>	<u>1,462,448</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(696,445)	(1,505,867)	(153,608)	1,352,259
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(31,518)	(37,958)	(37,958)	-
Total Other Financing Sources (Uses)	<u>(31,518)</u>	<u>(37,958)</u>	<u>(37,958)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(727,963)	(1,543,825)	(191,566)	1,352,259
Fund Balance - Beginning of Year	<u>56,102,408</u>	<u>56,102,408</u>	<u>56,102,408</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 55,374,445</u>	<u>\$ 54,558,583</u>	<u>\$ 55,910,842</u>	<u>\$ 1,352,259</u>

See accompanying Notes to Required Supplementary Information.

**CITY OF CHICO, CALIFORNIA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2022**

The annual operating budget is adopted by the City Council on or before the first meeting in July each year on a basis consistent with accounting principles generally accepted in the United States of America as noted below. The appropriated budget is prepared by fund, function, and activity. The City Manager is authorized to transfer budget amounts between departments within any fund; however, any revision that exceeds the appropriated expenditures on any fund requires approval by the City Council. The legal level of budgetary control is at the department level. Outside of the General Fund, all funds are one department.

Original appropriations are adjusted by supplemental appropriations and budget modifications approved during the year, creating the modified adopted budget.

The General Fund does not budget for noncash transfers including transfers of loans and transfers used to cover other Funds' fund balance deficits and capital lease transactions.

Budgetary comparisons and reconciliations are included in Required Supplementary Information as Schedules of Revenue and Changes in Fund Balance - Budget and Actual, for the General Fund, CDBG and HOME Housing Fund, and the Low and Moderate Income Housing Asset Fund.

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**SUPPLEMENTAL BUDGETARY COMPARISONS  
(MAJOR CAPITAL PROJECTS FUNDS)**

DRAFT

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
CAPITAL GRANTS FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 397,317	\$ 60,860,186	\$ 5,477,676	\$ (55,382,510)
Miscellaneous	-	26,000	9,969	(16,031)
Total Revenues	<u>397,317</u>	<u>60,886,186</u>	<u>5,487,645</u>	<u>(55,398,541)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	423,257	(423,257)
Capital Outlay	397,317	60,238,202	16,015,876	44,222,326
Total Expenditures	<u>397,317</u>	<u>60,238,202</u>	<u>16,439,133</u>	<u>43,799,069</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>647,984</u>	<u>(10,951,488)</u>	<u>(11,599,472)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>-</u>	<u>647,984</u>	<u>(10,951,488)</u>	<u>(11,599,472)</u>
Fund Balance - Beginning of Year	<u>(834,334)</u>	<u>(834,334)</u>	<u>(834,334)</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ (834,334)</u>	<u>\$ (186,350)</u>	<u>\$ (11,785,822)</u>	<u>\$ (11,599,472)</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
PUBLIC FACILITIES IMPACT FEE FUNDS  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 6,907,700	\$ 6,907,700	\$ 8,765,474	\$ 1,857,774
Use of Money and Property	-	-	(1,246,772)	(1,246,772)
Total Revenues	<u>6,907,700</u>	<u>6,907,700</u>	<u>7,518,702</u>	<u>611,002</u>
<b>EXPENDITURES</b>				
Current:				
Community Development	-	-	3,501,302	(3,501,302)
Capital Outlay	10,189,601	25,317,254	4,272,322	21,044,932
Total Expenditures	<u>10,189,601</u>	<u>25,317,254</u>	<u>7,773,624</u>	<u>17,543,630</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(3,281,901)	(18,409,554)	(254,922)	18,154,632
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(69,077)	(92,102)	(87,655)	4,447
Total Other Financing Sources (Uses)	<u>(69,077)</u>	<u>(92,102)</u>	<u>(87,655)</u>	<u>4,447</u>
<b>NET CHANGE IN FUND BALANCE</b>	(3,350,978)	(18,501,656)	(342,577)	18,159,079
Fund Balance - Beginning of Year	<u>32,395,488</u>	<u>32,395,488</u>	<u>32,395,488</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 29,044,510</u>	<u>\$ 13,893,832</u>	<u>\$ 32,052,911</u>	<u>\$ 18,159,079</u>

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

DRAFT

**NONMAJOR GOVERNMENT FUNDS****SPECIAL REVENUE FUNDS**

*Operating Grants* – Accounts for a variety of governmental operating grants, including law enforcement grants. These funds are restricted to be used only for the purpose of the grants.

*Community Maintenance Districts* – Accounts for maintenance and operation of specified public improvements. These funds are restricted to be used only for the maintenance districts.

*Transportation* – Accounts for Transportation Development Act (TDA) funding for the planning, development, construction, and maintenance of street/road and bicycle/pedestrian projects. These funds are restricted to be used only for allowable TDA activities.

*Gas Tax* – Accounts for revenues and expenditures apportioned under the Streets and Highway Code, Sections 2103, 2105, 2106, 2107, and 2107.5 for administration, maintenance, and construction which is street-related and Transportation Congestion Relief monies. Also accounts for federal funds allocated for street maintenance and rehabilitation, and right-of-way acquisition, maintenance, construction, street sweeping, and improvement of street facilities, from the Transportation Equity Act for the 21st Century. All gas tax funds are restricted to be used only as allowed within the Streets and Highway Code and federal regulations.

*Other Special Revenue* – Accounts for comparatively smaller special revenue funds including traffic safety, asset forfeiture, private activity revenue bond reserve administration, and assessment district administration fund. These funds are restricted to be used for allowable activities as listed.

**CAPITAL PROJECTS FUNDS**

*Capital Improvements* – Accounts for various capital improvements - building/facility improvements, passenger facility charges, in lieu offsite improvements, Liberator Street remediation, and sewer main installation.

*Bond Proceeds Fund* – Accounts for the transfer of bond proceeds from the 2001 Chico Public Financing Authority Tax Allocation Revenue Bonds and 2005 Chico Redevelopment Agency Tax Allocation Bond that are to be used by the City for purposes for which all bonds were sold. The transfer and use of the proceeds is allowed by provisions of AB 1484 (Redevelopment Dissolution).

*Fleet Replacement and Facility Maintenance* – Accounts for accumulation of reserves and expenditures for major equipment replacement and major building and facility maintenance.

*Remediation* – Accounts for transactions related to clean up of various remediation sites within the City.

**CITY OF CHICO, CALIFORNIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	Special Revenue				Other Special Revenue Funds	Total Nonmajor Special Revenue Funds
	Operating Grants	Community Maintenance Districts	Transportation	Gas Tax		
<b>ASSETS</b>						
Cash and Investments	\$ -	\$ 4,727,057	\$ 5,513,965	\$ 5,416,656	\$ 538,669	\$ 16,196,347
Restricted Cash and Investments	-	-	-	-	-	-
Receivables:						
Interest	-	-	-	-	-	-
Taxes	-	33,862	-	-	-	33,862
Accounts	-	-	-	-	49,004	49,004
Intergovernmental	26,585	-	1,340	1,650,330	14,691	1,692,946
Loans	-	-	-	-	18,029	18,029
Deposits With Others	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-
Total Assets	<u>\$ 26,585</u>	<u>\$ 4,760,919</u>	<u>\$ 5,515,305</u>	<u>\$ 7,066,986</u>	<u>\$ 620,393</u>	<u>\$ 17,990,188</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 6,005	\$ 201,495	\$ 147,740	\$ 80,611	\$ 9,177	\$ 445,028
Accrued Salaries and Benefits	29,363	-	8,278	-	3,943	41,584
Intergovernmental Payable	-	-	-	-	-	-
Due to Other Funds	42,239	-	-	-	-	42,239
Advances from Other Funds	-	38,377	-	-	-	38,377
Unearned Revenue	180,393	-	-	-	-	180,393
Total Liabilities	<u>258,000</u>	<u>239,872</u>	<u>156,018</u>	<u>80,611</u>	<u>13,120</u>	<u>747,621</u>
<b>FUND BALANCES</b>						
Nonspendable						
Restricted	-	4,521,047	5,359,287	6,986,375	607,273	17,473,982
Assigned						
Unassigned	(231,415)	-	-	-	-	(231,415)
Total Fund Balances	<u>(231,415)</u>	<u>4,521,047</u>	<u>5,359,287</u>	<u>6,986,375</u>	<u>607,273</u>	<u>17,242,567</u>
Total Liabilities, Deferred inflows of Resources, and Fund Balances	<u>\$ 26,585</u>	<u>\$ 4,760,919</u>	<u>\$ 5,515,305</u>	<u>\$ 7,066,986</u>	<u>\$ 620,393</u>	<u>\$ 17,990,188</u>

**CITY OF CHICO, CALIFORNIA  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	Capital Projects Funds					Total Nonmajor Capital Projects Fund	Total Nonmajor Governmental
	Capital Improvements Fund	Bonds Proceeds Funds	Fleet Replacement and Facility Maintenance	Remediation Fund	Public Infrastructure Replacement		
<b>ASSETS</b>							
Cash and Investments	\$ 1,619,516	\$ -	\$ 3,859,109	\$ 418,573	\$ 3,178,834	\$ 9,076,032	\$ 25,272,379
Restricted Cash and Investments	-	102,100	-	-	-	102,100	102,100
Receivables:							
Interest	-	184	-	-	-	184	184
Taxes	-	-	-	-	-	-	33,862
Accounts	3,349	-	-	-	-	3,349	52,353
Intergovernmental	-	-	-	-	-	-	1,692,946
Loans	-	-	-	-	-	-	18,029
Deposits With Others	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,622,865</u>	<u>\$ 102,284</u>	<u>\$ 3,859,109</u>	<u>\$ 418,573</u>	<u>\$ 3,178,834</u>	<u>\$ 9,181,665</u>	<u>\$ 27,171,853</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ -	\$ 1,143	\$ 40,337	\$ 8,938	\$ -	\$ 50,418	\$ 495,446
Accrued Salaries and Benefits	7,680	-	-	-	-	7,680	49,264
Intergovernmental Payable	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	42,239
Advances from Other Funds	-	-	-	-	-	-	38,377
Unearned Revenue	-	-	-	-	-	-	180,393
Total Liabilities	<u>7,680</u>	<u>1,143</u>	<u>40,337</u>	<u>8,938</u>	<u>-</u>	<u>58,098</u>	<u>805,719</u>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	101,141	-	-	3,178,834	3,279,975	20,753,957
Assigned	1,615,185	-	3,818,772	409,635	-	5,843,592	5,843,592
Unassigned	-	-	-	-	-	-	(231,415)
Total Fund Balances	<u>1,615,185</u>	<u>101,141</u>	<u>3,818,772</u>	<u>409,635</u>	<u>3,178,834</u>	<u>9,123,567</u>	<u>26,366,134</u>
Total Liabilities, Deferred inflows of Resources, and Fund Balances	<u>\$ 1,622,865</u>	<u>\$ 102,284</u>	<u>\$ 3,859,109</u>	<u>\$ 418,573</u>	<u>\$ 3,178,834</u>	<u>\$ 9,181,665</u>	<u>\$ 27,171,853</u>

**CITY OF CHICO, CALIFORNIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Special Revenue				Other Special Revenue Funds	Total Nonmajor Special Revenue Funds
	Operating Grants	Community Maintenance Districts	Transportation	Gas Tax		
<b>REVENUES</b>						
Intergovernmental	\$ 403,981	\$ -	\$ 2,750,445	\$ 6,065,949	\$ -	\$ 9,220,375
Property Tax	-	-	-	-	-	-
Charges for Services	-	1,907,572	270	-	234,223	2,142,065
Fines, Forfeitures, and Penalties	-	-	-	-	60,858	60,858
Use of Money and Property	469	(155,193)	(178,313)	(206,085)	(13,262)	(552,384)
Miscellaneous	-	-	-	-	7,175	7,175
Total Revenues	404,450	1,752,379	2,572,402	5,859,864	288,994	10,878,089
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	-	-	474,152	474,152
Public Safety	612,154	-	-	-	10,204	622,358
Public Works	-	1,690,902	1,144,841	550,255	-	3,385,998
Parks and Recreation	124,344	-	-	-	-	124,344
Community Development	-	-	-	-	-	-
Capital Outlay:						
Capital Outlay Operation	99,935	-	559,115	2,152,062	18,195	2,829,307
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	2,110	-	-	-	2,110
Total Expenditures	836,433	1,693,012	1,703,956	2,702,317	502,551	7,438,269
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(431,983)	59,367	868,446	3,157,547	(213,557)	3,439,820
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	49,369	82,771	-	-	250,640	382,780
Transfers Out	(1,800)	-	(100,000)	(2,050,000)	(39,288)	(2,191,088)
Total Other Financing Sources (Uses)	47,569	82,771	(100,000)	(2,050,000)	211,352	(1,808,308)
<b>NET CHANGE IN FUND BALANCES</b>	(384,414)	142,138	768,446	1,107,547	(2,205)	1,631,512
Fund Balances - Beginning of Year	152,999	4,378,909	4,590,841	5,878,828	609,478	15,611,055
<b>FUND BALANCES - END OF YEAR</b>	\$ (231,415)	\$ 4,521,047	\$ 5,359,287	\$ 6,986,375	\$ 607,273	\$ 17,242,567



**CITY OF CHICO, CALIFORNIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Capital Projects Funds					Total Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
	Capital Improvements Fund	Bonds Proceeds Funds	Fleet Replacement and Facility Maintenance	Remediation Fund	Public Infrastructure Replacement		
<b>REVENUES</b>							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,220,375
Property Tax	-	-	-	-	-	-	-
Charges for Services	526,440	-	-	-	-	526,440	2,668,505
Fines, Forfeitures, and Penalties	-	-	-	-	-	-	60,858
Use of Money and Property	46,650	396	(165,904)	(16,653)	(94,208)	(229,719)	(782,103)
Miscellaneous	-	-	58,006	-	-	58,006	65,181
Total Revenues	573,090	396	(107,898)	(16,653)	(94,208)	354,727	11,232,816
<b>EXPENDITURES</b>							
Current:							
General Government	-	-	639,477	-	-	639,477	1,113,629
Public Safety	-	-	-	-	-	-	622,358
Public Works	1,671,571	511	-	74,736	73,940	1,820,758	5,206,756
Parks and Recreation	-	-	-	-	-	-	124,344
Community Development	-	-	-	-	-	-	-
Capital Outlay:							
Capital Outlay Operation	-	23,019	1,280,268	-	699,877	2,003,164	4,832,471
Debt Service:							
Principal Retirement	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	2,110
Total Expenditures	1,671,571	23,530	1,919,745	74,736	773,817	4,463,399	11,901,668
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,098,481)	(23,134)	(2,027,643)	(91,389)	(868,025)	(4,108,672)	(668,852)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	-	-	3,109,820	-	1,507,435	4,617,255	5,000,035
Transfers Out	-	-	-	-	-	-	(2,191,088)
Total Other Financing Sources (Uses)	-	-	3,109,820	-	1,507,435	4,617,255	2,808,947
<b>NET CHANGE IN FUND BALANCES</b>	(1,098,481)	(23,134)	1,082,177	(91,389)	639,410	508,583	2,140,095
Fund Balances - Beginning of Year	2,713,666	124,275	2,736,595	501,024	2,539,424	8,614,984	24,226,039
<b>FUND BALANCES - END OF YEAR</b>	\$ 1,615,185	\$ 101,141	\$ 3,818,772	\$ 409,635	\$ 3,178,834	\$ 9,123,567	\$ 26,366,134

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
OPERATING GRANTS SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 170,912	\$ 1,330,496	\$ 403,981	\$ (926,515)
Use of Money and Property	-	-	469	469
Total Revenues	170,912	1,330,496	404,450	(926,046)
<b>EXPENDITURES</b>				
Current:				
General Government	-	500	-	500
Public Safety	1,052,421	1,052,421	612,154	440,267
Parks and Recreation	222,882	222,346	124,344	98,002
Capital Outlay	52,479	132,063	99,935	32,128
Total Expenditures	1,327,782	1,407,330	836,433	570,897
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,156,870)	(76,834)	(431,983)	(355,149)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	49,369	49,369	49,369	-
Transfers Out	-	(1,800)	(1,800)	-
Total Other Financing Sources (Uses)	49,369	47,569	47,569	-
<b>NET CHANGE IN FUND BALANCE</b>	(1,107,501)	(29,265)	(384,414)	(355,149)
Fund Balance - Beginning of Year	152,999	152,999	152,999	-
<b>FUND BALANCE - END OF YEAR</b>	\$ (954,502)	\$ 123,734	\$ (231,415)	\$ (355,149)

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
COMMUNITY MAINTENANCE DISTRICTS SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 1,793,836	\$ 2,186,355	\$ 1,907,572	\$ (278,783)
Property Tax	1,675	-	-	-
Use of Money and Property	-	-	(155,193)	(155,193)
Total Revenues	<u>1,795,511</u>	<u>2,186,355</u>	<u>1,752,379</u>	<u>(433,976)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	1,397,619	1,381,673	1,690,902	(309,229)
Debt Service:				
Interest	2,111	2,111	2,110	1
Total Expenditures	<u>1,399,730</u>	<u>1,383,784</u>	<u>1,693,012</u>	<u>(309,228)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	395,781	802,571	59,367	(743,204)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	100,073	165,542	82,771	(82,771)
Total Other Financing Sources (Uses)	<u>100,073</u>	<u>165,542</u>	<u>82,771</u>	<u>(82,771)</u>
<b>NET CHANGE IN FUND BALANCE</b>	495,854	968,113	142,138	(825,975)
Fund Balance - Beginning of Year	<u>4,378,909</u>	<u>4,378,909</u>	<u>4,378,909</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 4,874,763</u>	<u>\$ 5,347,022</u>	<u>\$ 4,521,047</u>	<u>\$ (825,975)</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
TRANSPORTATION SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 3,195,056	\$ 3,026,574	\$ 2,750,445	\$ (276,129)
Charges for Services	-	-	270	270
Use of Money and Property	20,820	20,820	(178,313)	(199,133)
Total Revenues	<u>3,215,876</u>	<u>3,047,394</u>	<u>2,572,402</u>	<u>(474,992)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	542,301	598,750	1,144,841	(546,091)
Capital Outlay	2,106,464	5,958,243	559,115	5,399,128
Total Expenditures	<u>2,648,765</u>	<u>6,556,993</u>	<u>1,703,956</u>	<u>4,853,037</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	567,111	(3,509,599)	868,446	4,378,045
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(100,000)	(100,000)	(100,000)	-
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	467,111	(3,609,599)	768,446	4,378,045
Fund Balance - Beginning of Year	<u>4,590,841</u>	<u>4,590,841</u>	<u>4,590,841</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 5,057,952</u>	<u>\$ 981,242</u>	<u>\$ 5,359,287</u>	<u>\$ 4,378,045</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
GAS TAX FUND  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 6,014,541	\$ 6,453,513	\$ 6,065,949	\$ (387,564)
Use of Money and Property	-	38,599	(206,085)	(244,684)
Total Revenues	<u>6,014,541</u>	<u>6,492,112</u>	<u>5,859,864</u>	<u>(632,248)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	550,255	(550,255)
Capital Outlay	4,024,510	7,351,624	2,152,062	5,199,562
Total Expenditures	<u>4,024,510</u>	<u>7,351,624</u>	<u>2,702,317</u>	<u>4,649,307</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,990,031	(859,512)	3,157,547	4,017,059
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(2,050,000)	(2,050,000)	(2,050,000)	-
Total Other Financing Sources (Uses)	<u>(2,050,000)</u>	<u>(2,050,000)</u>	<u>(2,050,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(59,969)	(2,909,512)	1,107,547	4,017,059
Fund Balance - Beginning of Year	<u>5,878,828</u>	<u>5,878,828</u>	<u>5,878,828</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 5,818,859</u>	<u>\$ 2,969,316</u>	<u>\$ 6,986,375</u>	<u>\$ 4,017,059</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
OTHER SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 160,000	\$ 160,000	\$ 234,223	\$ 74,223
Fines, Forfeitures, and Penalties	20,000	43,299	60,858	17,559
Use of Money and Property	1,174	1,321	(13,262)	(14,583)
Miscellaneous	-	-	7,175	7,175
Total Revenues	181,174	204,620	288,994	84,374
<b>EXPENDITURES</b>				
Current:				
General Government	316,334	341,648	474,152	(132,504)
Public Safety	10,204	10,204	10,204	-
Capital Outlay	176,800	227,638	18,195	209,443
Total Expenditures	503,338	579,490	502,551	76,939
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(322,164)	(374,870)	(213,557)	161,313
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	164,070	250,640	250,640	-
Transfers Out	(20,000)	(39,288)	(39,288)	-
Total Other Financing Sources (Uses)	144,070	211,352	211,352	-
<b>NET CHANGE IN FUND BALANCE</b>	(178,094)	(163,518)	(2,205)	161,313
Fund Balance - Beginning of Year	609,478	609,478	609,478	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 431,384</u>	<u>\$ 445,960</u>	<u>\$ 607,273</u>	<u>\$ 161,313</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
CAPITAL IMPROVEMENTS FUNDS  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 800,000	\$ 800,000	\$ 526,440	\$ (273,560)
Use of Money and Property	-	-	46,650	46,650
Total Revenues	800,000	800,000	573,090	(226,910)
<b>EXPENDITURES</b>				
Current:				
Public Works	3,626,705	3,808,638	1,671,571	2,137,067
Total Expenditures	3,626,705	3,808,638	1,671,571	2,137,067
<b>NET CHANGE IN FUND BALANCE</b>	(2,826,705)	(3,008,638)	(1,098,481)	1,910,157
Fund Balance - Beginning of Year	2,713,666	2,713,666	2,713,666	-
<b>FUND BALANCE - END OF YEAR</b>	\$ (113,039)	\$ (294,972)	\$ 1,615,185	\$ 1,910,157

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
BOND PROCEEDS FUNDS  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ 396	\$ 396
Total Revenues	<u>-</u>	<u>-</u>	<u>396</u>	<u>396</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	511	(511)
Capital Outlay	-	62,958	23,019	39,939
Total Expenditures	<u>-</u>	<u>62,958</u>	<u>23,530</u>	<u>39,428</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	(62,958)	(23,134)	39,824
Fund Balance - Beginning of Year	-	124,275	124,275	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 61,317</u>	<u>\$ 101,141</u>	<u>\$ 39,824</u>



**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FLEET REPLACEMENT AND FACILITY MAINTENANCE  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ (165,904)	\$ (165,904)
Miscellaneous	-	-	58,006	58,006
Total Revenues	-	-	(107,898)	(107,898)
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	639,477	(639,477)
Capital Outlay	3,858,736	6,556,946	1,280,268	5,276,678
Total Expenditures	3,858,736	6,556,946	1,919,745	4,637,201
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(3,858,736)	(6,556,946)	(2,027,643)	4,529,303
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,720,457	4,049,821	3,109,820	(940,001)
Total Other Financing Sources (Uses)	3,720,457	4,049,821	3,109,820	(940,001)
<b>NET CHANGE IN FUND BALANCE</b>	(138,279)	(2,507,125)	1,082,177	3,589,302
Fund Balance - Beginning of Year	2,736,595	2,736,595	2,736,595	-
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 2,598,316</b>	<b>\$ 229,470</b>	<b>\$ 3,818,772</b>	<b>\$ 3,589,302</b>

**CITY OF CHICO, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**REMEDATION FUND**  
**YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ (16,653)	\$ (16,653)
Total Revenues	<u>-</u>	<u>-</u>	<u>(16,653)</u>	<u>(16,653)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	74,736	(74,736)
Capital Outlay	5,000	506,022	-	506,022
Total Expenditures	<u>5,000</u>	<u>506,022</u>	<u>74,736</u>	<u>431,286</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(5,000)	(506,022)	(91,389)	414,633
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	5,000	5,000	-	(5,000)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	(501,022)	(91,389)	409,633
Fund Balance - Beginning of Year	501,024	501,024	501,024	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 501,024</u>	<u>\$ 2</u>	<u>\$ 409,635</u>	<u>\$ 409,633</u>

**CITY OF CHICO, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
PUBLIC INFRASTRUCTURE REPLACEMENT  
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ (94,208)	\$ (94,208)
Total Revenues	<u>-</u>	<u>-</u>	<u>(94,208)</u>	<u>(94,208)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	-	-	73,940	(73,940)
Capital Outlay	1,800,000	3,010,057	699,877	2,310,180
Total Expenditures	<u>1,800,000</u>	<u>3,010,057</u>	<u>773,817</u>	<u>2,236,240</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,800,000)	(3,010,057)	(868,025)	2,142,032
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,520,000	1,520,000	1,507,435	(12,565)
Total Other Financing Sources (Uses)	<u>1,520,000</u>	<u>1,520,000</u>	<u>1,507,435</u>	<u>(12,565)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(280,000)	(1,490,057)	639,410	2,129,467
Fund Balance - Beginning of Year	2,539,424	2,539,424	2,539,424	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 2,259,424</u>	<u>\$ 1,049,367</u>	<u>\$ 3,178,834</u>	<u>\$ 2,129,467</u>

**INTERNAL SERVICE FUNDS**

*Self-Insurance* – Accounts for liability, property, and related insurance program activities; workers' compensation insurance program activities; and unemployment insurance reimbursement transactions to State Unemployment Insurance Fund.

*Central Garage* – Accounts for central garage operating costs which are subsequently distributed to user offices and departments.

*Municipal Building Maintenance* – Accounts for municipal buildings operating costs which are subsequently distributed to user offices and departments.

*Information Services* – Accounts for information and communications systems costs which are subsequently distributed to user offices and departments.

*Retirement Funding* – Accounts for annual payments of CalPERS Unfunded Liability.

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**CITY OF CHICO, CALIFORNIA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2022**

	Self Insurance	Central Garage	Building Maintenance	Information Services	Retirement Funding	Total
<b>ASSETS</b>						
Current Assets:						
Cash and Investments	\$ 7,699,882	\$ -	\$ 85,057	\$ 104,703	\$ 4,649,361	\$ 12,539,003
Receivables:						
Accounts	193,869	-	-	-	-	193,869
Intergovernmental	-	32,466	-	-	-	32,466
Due from Other Cash Funds	-	-	-	-	-	-
Inventories	-	83,748	-	-	-	83,748
Prepaid Items	-	-	-	21,720	-	21,720
Total Current Assets	<u>7,893,751</u>	<u>116,214</u>	<u>85,057</u>	<u>126,423</u>	<u>4,649,361</u>	<u>12,870,806</u>
Noncurrent Assets:						
Lease Assets, Net	-	-	-	107,917	-	107,917
Restricted Cash and Investments	485,000	-	-	-	-	485,000
Land and Construction in Progress	-	30,391	-	-	-	30,391
Net of Accumulated Depreciation	-	20,880	-	-	-	20,880
Total Noncurrent Assets	<u>485,000</u>	<u>51,271</u>	<u>-</u>	<u>107,917</u>	<u>-</u>	<u>644,188</u>
Total Assets	8,378,751	167,485	85,057	234,340	4,649,361	13,514,994
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred Amounts Related to Pension	-	260,874	212,517	400,219	-	873,610
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	628,278	56,364	60,951	49,220	-	794,813
Due to Other Cash Funds	-	1,503	-	-	-	1,503
Accrued Salaries and Benefits	-	26,859	18,454	39,219	-	84,532
Compensated Absences - Current	-	5,909	5,506	8,839	-	20,254
Lease Liability - Current	-	-	-	52,536	-	52,536
Claims Liability - Current Portion	2,667,710	-	-	-	-	2,667,710
Total Current Liabilities	<u>3,295,988</u>	<u>90,635</u>	<u>84,911</u>	<u>149,814</u>	<u>-</u>	<u>3,621,348</u>
Noncurrent Liabilities:						
Compensated Absences	-	51,476	47,962	76,992	-	176,430
Lease Liability	-	-	-	58,225	-	58,225
Claims Liability	4,774,091	-	-	-	-	4,774,091
Net Pension Liability	-	1,849,481	1,506,651	2,837,375	-	6,193,507
Total Noncurrent Liabilities	<u>4,774,091</u>	<u>1,900,957</u>	<u>1,554,613</u>	<u>2,972,592</u>	<u>-</u>	<u>11,202,253</u>
Total Liabilities	8,070,079	1,991,592	1,639,524	3,122,406	-	14,823,601
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Amounts Related to Pension	-	650,058	529,559	997,284	-	2,176,901
<b>NET POSITION</b>						
Net Investment in Capital Assets	-	51,271	-	(2,844)	-	48,427
Unrestricted	308,672	(2,264,562)	(1,871,509)	(3,482,287)	4,649,361	(2,660,325)
Total Net Position	<u>\$ 308,672</u>	<u>\$ (2,213,291)</u>	<u>\$ (1,871,509)</u>	<u>\$ (3,485,131)</u>	<u>\$ 4,649,361</u>	<u>\$ (2,611,898)</u>

**CITY OF CHICO, CALIFORNIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Self Insurance	Central Garage	Municipal Building Maintenance	Information Services	Retirement Funding	Total
<b>OPERATING REVENUES</b>						
Charges for Services - Internal	\$ 5,187,769	\$ 2,208,759	\$ 1,483,179	\$ 2,332,144	\$ 11,924,402	\$ 23,136,253
Charges for Services - External	-	62,787	-	-	-	62,787
Total Operating Revenues	<u>5,187,769</u>	<u>2,271,546</u>	<u>1,483,179</u>	<u>2,332,144</u>	<u>11,924,402</u>	<u>23,199,040</u>
<b>OPERATING EXPENSES</b>						
Salaries and Benefits	-	687,164	795,307	1,051,378	-	2,533,849
Materials and Supplies	1,038	433,529	94,211	47,685	-	576,463
Purchased Services	2,999,341	107,746	359,067	825,406	-	4,291,560
Amortization	-	-	-	51,801	-	51,801
Other Expenses	1,801,901	893,553	349,152	300,917	10,602,176	13,947,699
Depreciation	-	1,740	-	-	-	1,740
Total Operating Expenses	<u>4,802,280</u>	<u>2,123,732</u>	<u>1,597,737</u>	<u>2,277,187</u>	<u>10,602,176</u>	<u>21,403,112</u>
<b>OPERATING INCOME (LOSS)</b>	385,489	147,814	(114,558)	54,957	1,322,226	1,795,928
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment Earnings	(272,272)	-	-	-	17,875	(254,397)
Miscellaneous	13,543	-	-	-	-	13,543
Miscellaneous Expense	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(258,729)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,875</u>	<u>(240,854)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	126,760	147,814	(114,558)	54,957	1,340,101	1,555,074
Transfers In	-	-	-	-	-	-
Transfers Out	(364,369)	(20,149)	(35,796)	-	-	(420,314)
<b>CHANGE IN NET POSITION</b>	(237,609)	127,665	(150,354)	54,957	1,340,101	1,134,760
Net Position - Beginning of Year	546,281	(2,340,956)	(1,721,155)	(3,540,088)	3,309,260	(3,746,658)
<b>NET POSITION (DEFICIT) - END OF YEAR</b>	<u>\$ 308,672</u>	<u>\$ (2,213,291)</u>	<u>\$ (1,871,509)</u>	<u>\$ (3,485,131)</u>	<u>\$ 4,649,361</u>	<u>\$ (2,611,898)</u>

**CITY OF CHICO, CALIFORNIA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2022**

	Self Insurance	Central Garage	Municipal Building Maintenance	Information Services	Retirement Funding	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from Services Provided	\$ 5,198,975	\$ 2,239,080	\$ 1,483,179	\$ 2,332,144	\$ 11,924,402	\$ 23,177,780
Payments to Suppliers and Claimants	(4,653,161)	(1,444,917)	(800,867)	(1,218,770)	(10,602,176)	(18,719,891)
Payments to Employees	-	(826,097)	(685,125)	(1,276,392)	-	(2,787,614)
Net Cash Provided (Used) by Operating Activities	<u>545,814</u>	<u>(31,934)</u>	<u>(2,813)</u>	<u>(163,018)</u>	<u>1,322,226</u>	<u>1,670,275</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Interfund Borrowings	2,639,923	1,503	-	-	-	2,641,426
Transfers Out	(364,369)	(20,149)	(35,796)	-	-	(420,314)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>2,275,554</u>	<u>(18,646)</u>	<u>(35,796)</u>	<u>-</u>	<u>-</u>	<u>2,221,112</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest Received	(272,272)	1	-	-	17,875	(254,396)
Net Cash Provided (Used) by Investing Activities	<u>(272,272)</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>17,875</u>	<u>(254,396)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,549,096	(50,579)	(38,609)	(163,018)	1,340,101	3,636,991
Cash and Cash Equivalents - Beginning of Year	<u>5,635,786</u>	<u>50,579</u>	<u>123,666</u>	<u>267,721</u>	<u>3,309,260</u>	<u>9,387,012</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 8,184,882</u>	<u>\$ -</u>	<u>\$ 85,057</u>	<u>\$ 104,703</u>	<u>\$ 4,649,361</u>	<u>\$ 13,024,003</u>
<b>RECONCILIATION TO STATEMENT OF NET POSITION</b>						
Cash and Investments	\$ 7,699,882	\$ -	\$ 85,057	\$ 104,703	\$ 4,649,361	\$ 12,539,003
Restricted Cash and Investments	<u>485,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>485,000</u>
<b>CASH AND INVESTMENTS - END OF YEAR</b>	<u>\$ 8,184,882</u>	<u>\$ -</u>	<u>\$ 85,057</u>	<u>\$ 104,703</u>	<u>\$ 4,649,361</u>	<u>\$ 13,024,003</u>

**CITY OF CHICO, CALIFORNIA  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2022**

	Self Insurance	Central Garage	Municipal Building Maintenance	Information Services	Retirement Funding	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>						
Operating Income (Loss)	\$ 385,489	\$ 147,814	\$ (114,558)	\$ 54,957	\$ 1,322,226	\$ 1,795,928
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation and amortization	-	1,740	-	51,801	-	53,541
Decrease (increase) in:						
Intergovernmental Receivable	11,206	(32,466)	-	-	-	(21,260)
Inventory and other assets	1,307	(36,603)	-	(21,720)	-	(57,016)
Leases	-	-	-	(48,957)	-	(48,957)
Deferred outflow pension	-	29,876	(4,317)	46,133	-	71,692
Increase (decrease) in:						
Accounts payable	293,460	26,514	1,563	25,915	-	347,452
Accrued salaries and benefits	-	9,025	(496)	6,605	-	15,134
Claims liability	(145,648)	-	-	-	-	(145,648)
Compensated absences	-	12,964	5,282	17,730	-	35,976
Net pension liability	-	(818,448)	(403,800)	(1,258,366)	-	(2,480,614)
Deferred inflow pension	-	627,650	513,513	962,884	-	2,104,047
Total Adjustments	<u>160,325</u>	<u>(179,748)</u>	<u>111,745</u>	<u>(217,975)</u>	<u>-</u>	<u>(125,653)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 545,814</u>	<u>\$ (31,934)</u>	<u>\$ (2,813)</u>	<u>\$ (163,018)</u>	<u>\$ 1,322,226</u>	<u>\$ 1,670,275</u>



**STATISTICAL SECTION (UNAUDITED)**

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

<b>Contents</b>	<b>Page</b>
<i>Financial Trends</i>	100 – 104
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	105 – 109
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
<i>Debt Capacity</i>	110 – 113
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
<i>Demographic and Economic Information</i>	114 – 118
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
<i>Operating Information</i>	119 – 120
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**City of Chico, California**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 305,769	\$ 306,134	\$ 311,705	\$ 313,120	\$ 314,106	\$ 311,573	\$ 312,439	\$ 323,203	\$ 323,631	\$ 337,304
Restricted	69,526	82,485	89,720	87,015	91,661	94,268	98,771	111,599	116,538	145,717
Unrestricted	(11,653)	(3,972)	(92,205)	(82,202)	(77,226)	(77,247)	(70,952)	(60,059)	(51,643)	(51,220)
Total governmental activities net position	<u>\$ 363,642</u>	<u>\$ 384,647</u>	<u>\$ 309,220</u>	<u>\$ 317,933</u>	<u>\$ 328,541</u>	<u>\$ 328,595</u>	<u>\$ 340,258</u>	<u>\$ 374,742</u>	<u>\$ 388,525</u>	<u>\$ 431,801</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 75,135	\$ 79,617	\$ 85,684	\$ 85,451	\$ 90,874	\$ 94,581	\$ 95,524	\$ 105,603	\$ 114,579	\$ 120,254
Restricted	5,230	6,857	8,804	10,641	12,519	14,427	15,311	17,283	-	-
Unrestricted	12,553	12,621	(743)	1,786	3	4	2,807	5,951	32,964	31,257
Total business-type activities net position	<u>\$ 92,918</u>	<u>\$ 99,095</u>	<u>\$ 93,745</u>	<u>\$ 97,878</u>	<u>\$ 103,396</u>	<u>\$ 109,012</u>	<u>\$ 113,642</u>	<u>\$ 128,836</u>	<u>\$ 147,542</u>	<u>\$ 151,511</u>
<b>Primary government</b>										
Net investment in capital assets	\$ 380,904	\$ 385,751	\$ 397,389	\$ 398,571	\$ 404,980	\$ 406,155	\$ 407,963	\$ 428,806	\$ 438,209	\$ 457,558
Restricted	74,756	89,342	98,524	97,656	104,180	108,695	114,082	128,881	116,538	145,717
Unrestricted	900	8,649	(92,948)	(80,416)	(77,223)	(77,243)	(68,145)	(54,108)	(18,679)	(19,963)
Total primary government net position	<u>\$ 456,560</u>	<u>\$ 483,742</u>	<u>\$ 402,965</u>	<u>\$ 415,811</u>	<u>\$ 431,936</u>	<u>\$ 437,607</u>	<u>\$ 453,899</u>	<u>\$ 503,579</u>	<u>\$ 536,068</u>	<u>\$ 583,313</u>

**City of Chico, California**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual bases of accounting)**  
**(amounts expressed in thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 2,667	\$ 2,636	\$ 3,218	\$ 3,972	\$ 4,577	\$ 5,059	\$ 5,160	\$ 7,182	\$ 18,655	\$ 10,465
Public safety	37,797	34,599	36,709	39,324	41,972	41,214	42,712	45,845	34,361	37,539
Public works	19,555	16,823	18,954	18,530	18,589	19,763	20,062	18,097	17,823	17,401
Parks and recreation	3,531	3,360	3,582	3,388	3,537	3,567	3,849	3,901	3,728	3,604
Arts and culture	-	-	-	-	-	-	-	28	-	35
Community development	2,575	2,654	2,296	2,588	3,360	2,432	2,207	2,679	8,362	6,003
Community agencies	323	162	53	99	100	50	2	10	4	-
Health and Human Services	-	-	-	-	-	-	-	-	-	303
Interest on long-term debt	3	3	3	85	80	82	140	46	81	65
<b>Total governmental activities expenses</b>	<b>66,451</b>	<b>60,237</b>	<b>64,815</b>	<b>67,986</b>	<b>72,215</b>	<b>72,167</b>	<b>74,131</b>	<b>77,788</b>	<b>83,013</b>	<b>75,413</b>
Business-type activities:										
Sewer	12,161	12,235	11,428	10,986	11,451	12,092	11,867	13,340	11,636	13,255
Parking	1,017	825	714	839	849	1,027	1,333	1,093	948	1,543
Private development	1,993	2,479	2,746	3,001	3,488	3,686	4,099	4,648	4,365	4,297
Airport	2,001	2,263	2,036	1,927	104,180	2,167	2,593	2,044	2,043	1,911
City Recreation	-	-	-	-	-	-	-	-	-	443
<b>Total business-type activities expenses</b>	<b>17,172</b>	<b>17,802</b>	<b>16,924</b>	<b>16,753</b>	<b>119,968</b>	<b>18,972</b>	<b>19,892</b>	<b>21,125</b>	<b>18,992</b>	<b>21,450</b>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	-	-	349	188	247	318	1,226	7,721	772	2,698
Public safety	1,139	962	1,163	1,118	1,176	1,395	1,592	5,215	1,212	61
Public works	3,439	5,641	8,674	9,462	8,715	8,288	5,894	1,389	11,449	2,334
Community development	2	17	1	94	215	237	16	67	65	8,777
Other activities	106	155	86	282	4,487	1,338	56	10	4	48
Operating grants and contributions	9,297	10,874	11,855	10,752	9,976	8,229	5,537	9,677	9,061	14,615
Capital grants and contributions	3,261	2,235	4,565	2,075	929	3,808	6,714	5,790	8,424	23,877
<b>Total governmental activities program revenues</b>	<b>17,244</b>	<b>19,884</b>	<b>26,693</b>	<b>23,971</b>	<b>25,745</b>	<b>23,612</b>	<b>21,034</b>	<b>29,869</b>	<b>30,986</b>	<b>52,409</b>
Business-type activities:										
Charges for services:										
Sewer	14,857	14,942	16,465	14,333	14,737	13,802	14,788	15,433	18,055	15,042
Private development	2,026	2,470	2,539	3,166	3,906	1,876	2,210	5,061	5,099	5,841
Other activities	1,496	1,506	1,453	1,633	1,745	3,923	4,191	2,110	992	1,966
Operating grants and contributions	318	303	-	270	3,252	2,649	2,266	8,817	-	175
Capital grants and contributions	8,713	4,535	7,352	812	1,942	292	77	2,588	11,223	3,129
<b>Total business-type activities program revenues</b>	<b>27,410</b>	<b>23,756</b>	<b>27,809</b>	<b>20,214</b>	<b>25,582</b>	<b>22,543</b>	<b>23,532</b>	<b>34,010</b>	<b>35,369</b>	<b>26,152</b>
<b>Total primary government program revenues</b>	<b>44,654</b>	<b>43,640</b>	<b>54,502</b>	<b>44,185</b>	<b>51,327</b>	<b>46,155</b>	<b>44,567</b>	<b>63,878</b>	<b>66,355</b>	<b>78,561</b>
Net (expenses)/revenue										
Governmental activities	(49,207)	(40,353)	(38,122)	(44,015)	(46,470)	(48,555)	(53,097)	(47,920)	(52,027)	(23,004)
Business-type activities	10,238	5,954	10,885	3,461	(94,385)	3,571	3,641	12,885	16,377	4,702
<b>Total primary government net expense</b>	<b>\$ (38,969)</b>	<b>\$ (34,399)</b>	<b>\$ (27,237)</b>	<b>\$ (40,554)</b>	<b>\$ (140,855)</b>	<b>\$ (44,984)</b>	<b>\$ (49,456)</b>	<b>\$ (35,035)</b>	<b>\$ (35,650)</b>	<b>\$ (18,302)</b>

**City of Chico, California**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual bases of accounting)**  
**(amounts expressed in thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 11,604	\$ 12,327	\$ 13,649	\$ 14,564	\$ 15,169	\$ 15,410	\$ 16,750	\$ 18,616	\$ 19,896	\$ 21,002
Sales and use tax	12,783	13,945	14,597	17,320	21,134	21,832	25,173	24,435	28,177	31,484
Sales tax in-lieu	4,261	4,597	4,812	2,589	-	-	-	-	-	-
Utility users tax	6,241	6,305	6,203	6,552	6,895	7,052	7,200	7,317	8,119	8,801
Other taxes	4,078	4,324	5,536	4,836	5,200	6,332	7,890	7,507	7,777	9,293
Unrestricted grants and contributions	2,483	8,576	8,837	5,854	0	1,776	5,627	14,110	2,073	-
Unrestricted investment earnings	168	136	231	250	109	266	1,162	1,568	929	(3,871)
Miscellaneous	158	921	155	83	182	588	1,180	714	782	510
Loss on disposition of capital assets	(667)	(118)	(545)	-	-	-	-	-	-	-
Loans received from private-purpose trust fund	6,361	4,100	-	-	-	-	-	-	-	-
Bonds received from private-purpose trust fund	-	6,467	-	-	-	-	-	-	-	-
Special item	-	-	-	-	-	-	-	8,012	-	-
Transfers	(9,729)	(222)	(718)	(601)	(370)	(428)	(195)	125	(1,942)	(939)
Business-type activities:										
Unrestricted investment earnings	-	-	-	70	149	322	793	812	361	(1,688)
Special item	-	-	-	-	-	-	-	1,623	41,771	16
Transfers	9,729	222	718	601	370	428	195	(125)	1,942	939
Total business-type activities	9,729	222	718	671	519	750	988	2,310	44,074	(733)
Total primary government	<u>\$ 47,470</u>	<u>\$ 61,580</u>	<u>\$ 53,475</u>	<u>\$ 52,118</u>	<u>\$ 48,838</u>	<u>\$ 750</u>	<u>\$ 65,775</u>	<u>\$ 84,715</u>	<u>\$ 109,883</u>	<u>\$ 65,547</u>
<b>Change in Net Position</b>										
Governmental activities	\$ (11,467)	\$ 21,005	\$ 14,635	\$ 7,432	\$ 10,607	\$ 2,103	\$ 11,663	\$ 34,485	\$ 13,783	\$ 43,276
Business-type activities	19,968	6,177	11,603	4,133	8,409	4,321	4,629	15,194	18,706	3,969
	<u>\$ 8,501</u>	<u>\$ 27,182</u>	<u>\$ 26,235</u>	<u>\$ 11,565</u>	<u>\$ 19,016</u>	<u>\$ 6,423</u>	<u>\$ 16,292</u>	<u>\$ 49,679</u>	<u>\$ 32,489</u>	<u>\$ 47,245</u>

**City of Chico, California**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year Ending June 30									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Fund:										
Nonspendable	\$ 554	\$ 52	\$ 236	\$ 243	\$ 224	\$ 235	\$ 64	\$ 67	\$ 175	\$ 52
Restricted	-	-	-	-	-	-	1,831	2,229	2,250	2,661
Committed	-	-	988	1,025	2,461	3,650	5,017	12,205	12,329	13,780
Assigned	-	-	2,980	678	3,837	4,576	5,602	11,236	9,488	26,455
Unassigned	(8,219)	(2,858)	-	4,643	2,454	3,835	7,770	4,161	15,191	4,550
Total General Fund	<u>\$ (7,665)</u>	<u>\$ (2,806)</u>	<u>\$ 4,204</u>	<u>\$ 6,589</u>	<u>\$ 8,976</u>	<u>\$ 12,296</u>	<u>\$ 20,284</u>	<u>\$ 29,898</u>	<u>\$ 39,433</u>	<u>\$ 47,498</u>
All other Governmental funds:										
Nonspendable	\$ 3,008	\$ 1,841	\$ 757	\$ 55	\$ 41	\$ -	\$ 5	\$ 152	\$ -	\$ -
Restricted	70,020	82,397	84,034	87,431	92,390	94,714	99,757 <sup>1</sup>	109,407 <sup>1</sup>	114,419 <sup>1</sup>	118,998
Committed	-	-	-	-	-	3,650	-	-	-	-
Assigned	848	2,871	4,263	4,429	4,926	9,233	4,232	4,305	5,951	5,844
Unassigned	(7,871)	(4,985)	(4,413)	(3,527)	(6,560)	(1,416)	(2,594)	(1,519)	(834)	(12,017)
Total other Governmental Funds	<u>\$ 66,005</u>	<u>\$ 82,124</u>	<u>\$ 84,641</u>	<u>\$ 88,388</u>	<u>\$ 90,797</u>	<u>\$ 106,180</u>	<u>\$ 101,399</u>	<u>\$ 112,345</u>	<u>\$ 119,536</u>	<u>\$ 112,824</u>

<sup>1</sup> Changes were due reclassification of individual Public Facilities Impact Fees to one fund.

**City of Chico, California**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Revenues</b>										
Property taxes	\$ 11,589	\$ 12,311	\$ 13,649	\$ 14,564	\$ 15,169	\$ 15,410	\$ 16,750	\$ 18,616	\$ 19,896	\$ 21,002
Sales and use taxes	17,044	18,542	19,408	19,908	21,134	21,832	25,174	24,435	28,177	31,484
Other taxes	10,198	10,509	11,739	11,389	12,095	13,383	15,089	14,824	15,896	18,094
Licenses and permits	136	133	131	108	91	147	139	91	91	79
Intergovernmental	10,831	12,215	14,951	12,817	10,137	11,261	15,450	14,472	18,023	26,241
Charges for services	3,118	5,619	7,994	6,875	9,083	8,811	6,118	13,119	11,758	11,691
Fines, forfeitures, and penalties	776	743	854	777	840	806	904	731	492	814
Use of money and property	426	361	528	728	814	989	1,834	2,161	1,682	(3,377)
Miscellaneous	360	1,138	247	216	524	348	1,180	714	782	497
<b>Total revenues</b>	<u>54,478</u>	<u>61,571</u>	<u>69,501</u>	<u>67,382</u>	<u>69,887</u>	<u>72,987</u>	<u>82,638</u>	<u>89,163</u>	<u>96,796</u>	<u>106,525</u>
<b>Expenditures</b>										
General government	2,278	2,232	2,397	3,692	4,265	4,615	4,456	5,636	5,764	6,242
Public safety	35,332	32,853	34,203	37,820	37,896	37,554	39,528	40,552	42,189	45,951
Public works	9,794	7,652	9,119	9,219	9,639	9,982	10,041	8,026	8,300	10,003
Parks and recreation	3,044	2,883	2,976	3,074	3,153	3,022	3,312	3,275	3,344	3,772
Arts and culture							27	28	-	35
Community development	2,468	2,589	2,228	2,657	3,189	2,393	2,131	2,501	8,344	6,383
Community agencies	323	162	53	99	100	50	2	10	4	-
Health and Human Services										303
Capital outlay	4,357	2,581	8,290	7,427	6,793	7,153	7,897	8,537	10,153	35,903
Principal retirement	-	-	-	279	384	381	392	512	528	444
Interest and fiscal charges	3	3	3	85	80	82	90	96	81	65
<b>Total expenditures</b>	<u>57,600</u>	<u>50,956</u>	<u>59,269</u>	<u>64,352</u>	<u>65,498</u>	<u>65,232</u>	<u>67,875</u>	<u>69,174</u>	<u>78,706</u>	<u>109,100</u>
Excess of revenues over (under) expenditures	(3,122)	10,616	10,232	3,030	4,389	138,219	14,763	19,989	18,090	(2,575)
<b>Other financing sources (uses)</b>										
Transfers in	6,424	5,864	5,038	5,620	4,692	4,624	6,596	5,909	7,561	7,787
Transfers out	(16,306)	(6,069)	(5,742)	(5,651)	(4,754)	(5,737)	(6,962)	(5,338)	(8,925)	(8,306)
Capital leases	-	-	-	3,132	473	-	870	-	-	4,447
Issuance of long-term debt	-	-	-	-	-	-	-	-	-	-
Loans received from private-purpose trust fund	6,361	4,100	-	-	-	-	-	-	-	-
Bond Proceeds from private purpose trust fund	-	6,467	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(3,521)</u>	<u>10,362</u>	<u>(704)</u>	<u>3,101</u>	<u>411</u>	<u>(1,113)</u>	<u>505</u>	<u>571</u>	<u>(1,364)</u>	<u>3,928</u>
<b>Net change in fund balance</b>	<u>\$ (6,643)</u>	<u>\$ 20,977</u>	<u>\$ 9,528</u>	<u>\$ 6,131</u>	<u>\$ 4,799</u>	<u>\$ 137,106</u>	<u>\$ 15,267</u>	<u>\$ 20,560</u>	<u>\$ 16,726</u>	<u>\$ 1,353</u>
Debt service as a percentage of noncapital expenditures	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%

For further analysis, please reference the schedule of Changes in Net Position on page 140-141, and

Total Govt Expenditures  
Less Capital Expenditures

Debt Service Expenditures  
Principal retirement  
Interest and fiscal charges  
Bond issuance and fiscal agent fees  
Advanced refunding of bonds  
Total Debt Service Expenditures

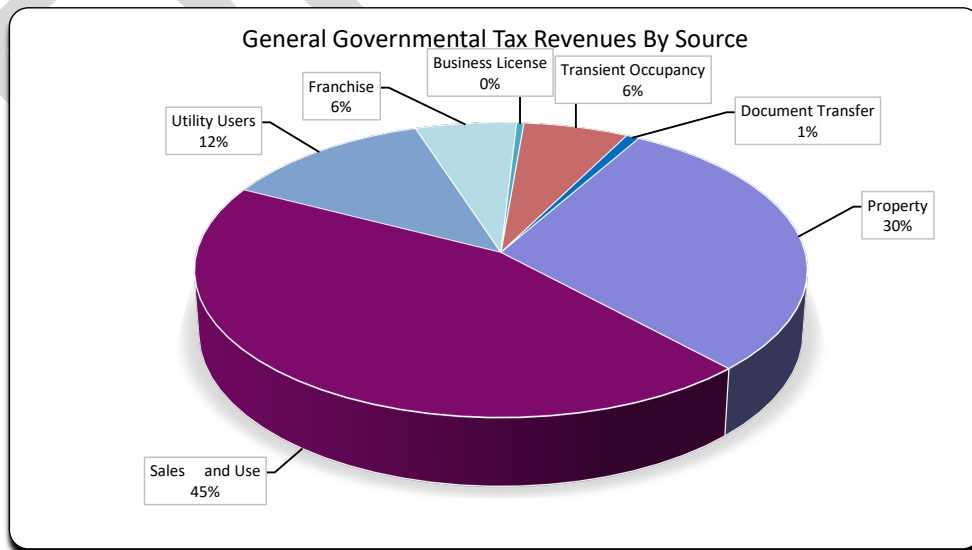
Debt Service Exp as % of Non-Cap Exp

**City of Chico, California**  
**General Governmental Tax Revenues By Source**  
**Last Ten Fiscal Years**  
 (modified accrual basis of accounting)  
 (amounts expressed in thousands)

Fiscal Year	Property	Sales and Use	Utility Users	Other Taxes				Total
				Franchise	Business License	Transient Occupancy	Document Transfer	
2013	11,589	17,044	6,241	1,480	319	2,049	230	38,952
2014	12,311	18,542	6,305	1,548	311	2,219	245	41,481
2015	13,649	19,409	6,203	2,927	304	2,362	288	45,142
2016	14,564	19,909	6,553	1,877	295	2,522	312	46,032
2017	15,169	21,134	6,895	1,998	298	2,712	386	48,592
2018	15,410	21,832	7,052	2,943	296	2,835	441	50,810
2019	16,750	25,174	7,200	3,441	326	3,569	531	56,990
2020	18,616	24,435	7,317	3,737	292	3,000	454	57,851
2021	19,896	28,177	7,360	3,429	386	2,747	532	62,526
2022	21,015	31,484	8,801	4,237	302	4,391	551	70,780

Notes: General Governmental Revenues includes General, Special Revenue, Debt Service and Capital Projects Funds.

Source: City of Chico, Finance Department.



**City of Chico, California**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

**City of Chico**

<b>Fiscal Year</b>	<b>Secured Roll</b>	<b>Utility Roll</b>	<b>Unsecured Roll</b>	<b>Gross Assessed Value</b>	<b>Less Exemptions</b>	<b>Net Assessed Value</b>	<b>Total Direct Tax Rate %</b>
2013	7,051,026	969	474,665	7,526,660	674,431	6,852,229	1.0000
2014	7,300,487	969	474,173	7,775,629	740,734	7,034,895	1.0000
2015	7,506,597	766	496,210	8,003,573	660,197	7,343,376	1.0000
2016	7,974,709	766	497,516	8,472,991	703,805	7,769,186	1.0000
2017	8,334,966	766	527,595	8,863,327	738,780	8,124,547	1.0000
2018	8,805,532	662	560,997	9,367,191	768,498	8,598,694	1.0000
2019	9,336,796	1,057	579,295	9,917,149	803,824	9,113,324	1.0000
2020	9,319,927	527	571,141	9,891,595	1,041,111	9,891,594	1.0000
2021	10,752,282	527	654,294	11,407,103	854,124	10,552,979	1.0000
2022	11,264,533	527	651,791	11,916,851	884,239	11,032,612	1.0000

Source: Butte County Auditor/Controller's Office.



**City of Chico, California**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

Fiscal Year	City of Chico			Overlapping Rates		Total Direct and Overlapping Rates %
	Basic Countywide Levy %	City %	Total Direct Tax Rate %	Chico Unified School District % (1)	Butte College % (2)	
2013	1.00	0.00	1.00	0.0637	0.0209	1.0846
2014	1.00	0.00	1.00	0.0401	0.0209	1.0610
2015	1.00	0.00	1.00	0.0451	0.0209	1.0660
2016	1.00	0.00	1.00	0.0291	0.0209	1.0500
2017	1.00	0.00	1.00	0.0817	0.0466	1.1283
2018	1.00	0.00	1.00	0.0874	0.0413	1.1287
2019	1.00	0.00	1.00	0.0616	0.0413	1.1029
2020	1.00	0.00	1.00	0.0861	0.0411	1.1273
2021	1.00	0.00	1.00	0.0843	0.0414	1.1256
2022	1.00	0.00	1.00	0.0841	0.0331	1.1172

On June 6, 1978, California voters approved an amendment to the Article XIII A of the California Constitution. The amendment, commonly known as Proposition 13, limits the taxing power of California public agencies. The California Legislature enacted legislation to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) providing that local agencies may not levy any property tax except to pay debt service on indebtedness approved by voters prior to July 1, 1978, and that each county will levy the maximum tax permitted of \$1.00 per 100 of full assessed value.

- (1) Chico Unified School District: 1998 Series B, 2012 Chico Refunding and 2012 Measure E Series A.
- (2) Butte-Glenn Community College District: General obligation bonds, Refunded Series A and B, and Series B and C.

Source: Butte County Auditor/Controller's Office.

**City of Chico, California**  
**Principal Secured Property Taxpayers**  
**June 30, 2022**  
**Current Year and Nine Years Ago**  
**(amounts expressed in thousands)**

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Valuation
Sierra Nevada Brewing Company	\$ 100,941	1	0.94%	138,020	1	2.03%
Merle A Webb and Sons LP	94,265	2	0.88%	60,383	2	0.89%
AMCAL Chico LLC	58,975	3	0.55%			
MP Core Chico LLC	58,915	4	0.55%			
Chico Crossroads LP	43,564	5	0.41%	32,375	6	0.48%
North Chico LLC	41,806	6	0.39%			
Comcast	41,338	7	0.39%	\$ 32,591	5	0.48%
EGP Chico LLC	33,423	8	0.31%			
Chico Senior Living LP	32,280	9	0.30%			
ECP TPB1 LLC	31,837	10	0.30%			
Chico Mall Investors LLC				\$ 45,512	3	0.67%
California Water Service				38,925	4	0.57%
Smucker Quality Beverage Inc				31,213	7	0.46%
North Valley Mall LLC				26,590	8	0.39%
Carwood Skypark LLC				24,017	9	0.35%
Safeway Inc				22,497	10	0.33%
Largest Secured Property Valuation	537,345			452,125		
Other Secured Taxpayers	10,197,661			6,353,120		
<b>Total Secured Property Valuation - Net of Exemptions</b>	<b>\$ 10,735,005</b>		<b>100.00%</b>	<b>\$ 6,805,245</b>		<b>100.00%</b>

Source: Butte County Auditor/Controller's Office.  
HdL's " 2021/22 Top Ten Property Taxpayers"  
2013 Comprehensive Annual Financial Report Statistics Table 8

**City of Chico, California**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy		Total Tax Collections	Percent of Total Collections to Tax Levy
			Collected (1)	Delinquent Tax Collections		
2013	\$ 11,589	\$ 11,589	100	-	11,589	100
2014	\$ 12,311	\$ 12,311	100	-	12,311	100
2015	\$ 13,649	\$ 13,649	100	-	13,649	100
2016	\$ 14,564	\$ 14,564	100	-	14,564	100
2017	\$ 15,169	\$ 15,169	100	-	15,169	100
2018	\$ 15,410	\$ 15,410	100	-	15,410	100
2019	\$ 16,750	\$ 16,750	100	-	16,750	100
2020	\$ 18,616	\$ 18,616	100	-	18,616	100
2021	\$ 19,896	\$ 19,896	100	-	19,896	100
2022	\$ 21,015	\$ 21,015	100	-	21,015	100

Source: Butte County Auditor/Controller's Office  
City of Chico, Administrative Services Department

Note: Amounts shown are net of property tax administration fee. The amounts presented include City property taxes and former Chico Redevelopment Agency tax increment. This schedule also includes amounts collected by the City and former Chico Redevelopment Agency that were passed through to other taxing agencies.

(1) The City participates in the County "Teeter Plan" method of property tax distribution. Under the Teeter Plan, the County remits property taxes and assessments to the City based on levy, not on collections.

**City of Chico, California**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
(amounts expressed in thousands, except percentage of personal income)

<b>Fiscal Year</b>	<b>Governmental Activities</b>			<b>Business-Type Activities</b>		<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
	<b>Revenue Bonds</b>	<b>Loans</b>	<b>Capital Leases</b>	<b>Revenue Bonds</b>	<b>Loans</b>			
2013	-	-	-	-	55,746	55,746	0.76	636
2014	-	-	-	-	51,966	51,966	0.66	588
2015	-	-	-	-	48,093	48,093	0.58	537
2016	-	-	2,852	-	44,126	46,978	0.57	508
2017	-	-	2,568	-	40,063	42,631	0.47	457
2018	-	-	2,559	-	35,900	38,459	0.41	351
2019	-	-	3,038	-	31,635	34,673	0.35	314
2020	-	-	2,526	-	27,266	29,792	0.29	323
2021	-	-	1,998	17,850	-	19,848	0.19	215
2022	-	-	6,001	16,240	-	22,241	0.20	216

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: City of Chico, Finance Department  
U.S. Census Bureau  
State of California, Department of Finance, Demographic Research Unit

**City of Chico, California**  
**Direct and Overlapping Government Activities Debt**  
**June 30, 2022**  
**(amounts expressed in thousands)**

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City *	City Share of Debt
Overlapping Debt Repaid with Property Tax:			
Chico Unified School District	\$ 201,075	75.57%	\$ 151,959
Butte-Glenn Community College District	180,520	46.09%	83,205
Subtotal, overlapping debt			<u>235,163</u>
City of Chico direct debt			<u>-</u>
Total direct and overlapping debt			<u>\$ 235,163</u>

\* The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the city's taxable assessed value and dividing it by the Chico Unified School District's and Butte-Glenn Community College District's taxable assessed value.

Chico Unified School District.  
Butte Community College.

**City of Chico, California  
Legal Debt Margin Information  
Last Ten Fiscal Years  
(amounts expressed in thousands)**

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total Assessed Valuation (less other exemptions)	\$ 6,852,229	\$ 7,034,895	\$ 7,343,376	\$ 7,769,186	\$ 8,124,547	\$ 8,598,694	\$ 9,113,324	\$ 9,891,594	\$ 10,552,979	\$ 11,032,612
Debt Limit - 15 Percent of Assessed Valuation (1)	\$ 1,027,834	\$ 1,055,234	\$ 1,101,506	\$ 1,165,378	\$ 1,218,682	\$ 1,289,804	\$ 1,366,999	\$ 1,483,739	\$ 1,582,947	\$ 1,654,892
Amount of Debt Applicable to Debt Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 1,027,834	\$ 1,055,234	\$ 1,101,506	\$ 1,165,378	\$ 1,218,682	\$ 1,289,804	\$ 1,366,999	\$ 1,483,739	\$ 1,582,947	\$ 1,654,892
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Butte County Auditor/Controller's Office

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

**City of Chico, California  
Pledged-Revenue Coverage  
Last Ten Fiscal Years**

<b>Sewer Fund Bonds (1)</b>					
<b>Fiscal Year</b>	<b>Gross Revenue</b>	<b>Operating Expenses</b>	<b>Net Revenue Available for Debt Service</b>	<b>Total Debt Service</b>	<b>% Coverage</b>
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	\$ 18,353,946	\$ 6,652,084	\$ 11,701,862	\$ 2,460,076	4.76
2022	\$ 15,041,654	\$ 8,169,157	\$ 6,872,497	\$ 2,462,250	2.79

Source: City of Chico, Finance Department.

Note: (1) 2020 Sewer Revenue Refunding Bonds:  
- Operating Expenses exclude Depreciation and one-time non-recurring items.

**City of Chico, California  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>City of Chico</b>		<b>Chico Metropolitan Statistical Area</b>			
	<b>City of Chico Population (1)</b>	<b>City of Chico Unemploy- ment Rate (3)</b>	<b>Butte County Population (1)</b>	<b>Butte County Personal Income (thousands of dollars) (2)</b>	<b>Butte County Per Capita Personal Income (2)</b>	<b>Butte County Unemploy- ment Rate (3)</b>
2013	87,671	9.3	221,485	7,347,286	33,173	10.0
2014	88,389	7.5	222,316	7,907,991	35,571	8.1
2015	89,634	5.7	224,323	8,250,752	36,781	6.9
2016	92,464	5.6	224,601	8,298,110	36,946	6.7
2017	93,383	5.3	226,404	9,009,925	39,796	6.3
2018	92,348	4.1	227,621	9,465,874	41,586	4.7
2019	112,111	3.6	226,466	9,925,500	43,828	5.0
2020	110,326	9.2	210,291	10,255,376	48,768	9.0
2021	111,490	7.7	202,669	10,490,209	51,760	7.7
2022	102,892	4.0	201,608	11,393,205	56,512	4.0

- (1) Source: State of California, Department of Finance, Demographic Research Unit.  
(2) Source: U.S. Department of Commerce - Bureau of Economic Analysis.  
(3) Source: Employment Development Department - Labor Market Information.



**City of Chico, California  
Principal Employers  
Current Year and Nine Years Ago**

<u>Employer</u>	<u>2022<sup>1</sup></u>			<u>2013<sup>2</sup></u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Enloe Medical Center	2,268	1	5.14%	2,581	1	8.60%
California State University, Chico	1,800	2	4.08	1,800	2	6.00
Chico Unified School District	1,400	3	3.17	1,300	3	4.33
Sierra Nevada Brewery	587	4	1.33	471	5	1.57
Build.com	500	5	1.13	365	6	1.22
City of Chico	406	6	0.92	340	7	1.13
United Health Care	350	7	0.79	500	4	1.67
Costco	350	8	0.79	279	9	0.93
Work Training Center	320	9	0.73	-	-	-
Walmart	276	10	0.63	310	8	1.03
Milestone Technologies				245	10	0.82
<b>Total</b>	<b>8,257</b>		<b>18.71%</b>	<b>8,191</b>		<b>27.31%</b>

<sup>1</sup> No current data available for this statistic, therefore 2022 statistics are carried forward from 2021 except for City of Chico, which represents the actual 2022 amount.

<sup>2</sup> No current data available for this statistic, therefore 2013 statistics are carried from the Fiscal Year 2012 except the City of Chico, which represents the actual 2012 amount. All numbers are estimates except the City of Chico amounts.

Source: City of Chico staff

**City of Chico, California**  
**Full-time and Part-time City of Chico Employees by Function**  
**Last Ten Fiscal Years**

Function	Full-time and Part-time Employees									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General government	42	29	29	31	30	30	31	31	37	39
Public safety										
Police	143 <sup>1</sup>	131 <sup>1</sup>	136 <sup>1</sup>	143 <sup>1</sup>	143 <sup>1</sup>	148 <sup>1</sup>	153 <sup>1</sup>	154 <sup>1</sup>	157 <sup>1</sup>	160
Fire	67	74	74	74	59	59	59	60	62	65
Public works	67	69	69	72	73	73	76	81	87	90
Parks and recreation	21	12	13	13	14	14	13	14	18	18
Community development	36	20	21	22	22	22	24	27	30	32
Sewer	0	0	0	0	0	0	0	0	0	0
Parking	0	0	0	0	0	0	0	0	0	0
Private development	0	0	0	0	0	0	0	0	0	0
Airport	0	0	0	0	2	0	0	2	2	2
<b>Total</b>	<b>376</b>	<b>334</b>	<b>342</b>	<b>355</b>	<b>343</b>	<b>346</b>	<b>356</b>	<b>369</b>	<b>393</b>	<b>406</b>

Note: Numbers shown reflect budgeted Full-Time Equivalent positions. Budget to actuals variance at any time is immaterial. The number of employees may not agree with the Principal Employers table due to timing and methodology differences. Employees

1 - Full Time (Contractual Services) for the Animal Shelter employees are not included.

Source: City of Chico, Annual Budgets.

**City of Chico  
Operating Indicators by Function  
Last Ten Fiscal Years**

Function	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Police										
Calls for service*	132,143	132,030	126,577	131,077	135,013	126,669	128,699	129,340	112,423	120,020
Arrests*	4,762	4,965	5,150	4,696	6,243	7,120	9,386	9,280	5,671	6,086
Fire										
Service calls answered*	827	883	851	969	929	1,026	1037	1134	1312	1601
Medical emergencies*	8,969	8,919	9,390	9,696	9,537	8,751	8,428	5,365	4,868	6,590
Public works										
Street resurfacing (tons of asphalt)	1,070	491	1,092	1,196	1,401	550	323	575	627	458
Community development										
Annexation activity (net acreage)*	16,252	16,252	16,278	16,280	16,288	16,376	16,385	16,798	17,003	17,003
Code violation notices issued	355	361	434	441	175	214	120	462 <sup>2</sup>	123	793
Sewer										
Maximum daily treatment capacity (million gallons)	12	12	12	12	12	12	12	12	12	12
Parking										
Parking meter repairs	769	1090	1366	573 <sup>3</sup>	624	819	620	846	830	765
Private development										
Residential building permits*	211	226	242	317	306	401	348	311 <sup>4</sup>	335	290
Commercial building permits*	51	64	87	81	88	118	125	33 <sup>4</sup>	31	31
Airport										
Passengers per year (loading/unloading) <sup>1</sup>	37,813 <sup>1</sup>	39,246 <sup>1</sup>	16,825 <sup>1</sup>	0	0	0	0	0	0	0

Note: Indicators are not available for general government, parks and recreation, community

Source: City of Chico departments

1 - Represents passengers through December 2, 2014. Commercial air service terminated in its entirety as of this date.

2 - Represents actual letter notices generated and sent. This amount does not

3 - Number of meter repairs is significantly lower due to transition to smart

meters. It is anticipated to return to normal levels in future years.

4 - New Permit system - data tracked by calendar year.

\* These statistics only available on a calendar year basis.

**City of Chico**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	24	24	24	25	25	25	28	33	33	36
Fire										
Fire stations	6	6	6	6	4	4	4	4	4	4
Fire hydrants*	3,322	3,357	3,834	3,896	4,030	4,042	4,148	4,136	4,200	4,283
Public works										
Street (miles)**	258.3	289.2	296.3	293.8	300	300.8	303.7	312.2	318.4	318.7
Traffic signals	99	100	101	102	102	103	103	103	104	104
Parks and recreation										
Park acreage***	3751.2	3679.0	3679.0	3836.0	3836.0	3836.0	3744.0	3744.0	3744.0	3741.0
Sanitary sewer (miles)	213.8	214.6	216.2	217.3	219.32	220.33	221.97	226.64	222.62	222.99
Storm sewer (miles)	222.8	223.4	225.6	226.67	228.4	229.33	230.94	235.55	236.27	236.67
Parking lots	5	5	5	5	5	5	5	5	5	5
Parking structures	1	1	1	1	1	1	1	1	2	2
Airport										
Runway lengths 13L/31R (feet)	6724	6724	6724	6724	6724	6724	6724	6724	6724	6724
Runway lengths 13R/31L (feet)	3005	3005	3000	3000	3000	3000	3000	3000	3000	3000

Note: Indicators are not available for general government, community development, community agencies, redevelopment, private development and

Source: Various City of Chico departments

\*Data available for calendar year only.

\*\* Based on inventory performed for City's Pavement Management Plan (no longer includes Upper Park Rd graded section) (2016).

\*\*\*Does not include greenways, open space or preserves.

**CITY OF CHICO  
SINGLE AUDIT REPORT  
YEAR ENDED JUNE 30, 2022**

DRAFT



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**WEALTH ADVISORY  
OUTSOURCING  
AUDIT, TAX, AND  
CONSULTING**

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

To the Honorable Mayor and City Council  
City of Chico  
Chico, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Chico (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the the City's basic financial statements, and have issued our report thereon dated [DATE].

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of th City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not

The Honorable Mayor and City Council  
City of Chico

an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**CliftonLarsonAllen LLP**

Roseville, California

[DATE]



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

The Honorable Mayor and City Council  
City of Chico  
Chico, California

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

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

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

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Chico's federal programs.

***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of

The Honorable Mayor and City Council  
City of Chico

assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Chico's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not

The Honorable Mayor and City Council  
City of Chico

identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon, dated [DATE], which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

**CliftonLarsonAllen LLP**

Roseville, California

[DATE]

**CITY OF CHICO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Pass Through to Subrecipients
<b><u>U.S. Department of Housing and Urban Development:</u></b>				
Community Development Block Grants (CDBG)	14.218	B-20-MC-06-0031	\$ 1,191,223	\$ 215,463
Community Development Block Grants (CDBG)	14.218	B-20-MW-06-0031	360,593	331,900
Subtotal CDBG Cluster:			1,551,816	547,363
Community Development Black Grants Disaster Recovery (CDBG-DR)	14.228	21-DRMHP-21006	81,937	-
HOME Investment Partnerships Program	14.239	M20-MC-06-0232	199,826	146,543
HOME Investment Partnerships Program	14.239	HOME Loans	7,845,923	-
Subtotal CFDA 14.239:			7,845,749	146,543
<b>Total U.S. Department of Housing and Urban Development:</b>			<b>\$ 9,479,502</b>	<b>\$ 693,906</b>
<b><u>U.S. Economic Development Administration:</u></b>				
Economic Adjustment Assistance Program	11.307	07-79-07584	\$ 6,141,578	\$ -
<b>Total Economic Development Administration</b>			<b>\$ 6,141,578</b>	<b>\$ -</b>
<b><u>U.S. Department of Justice</u></b>				
Justice Assistance Grant (JAG 21) Program	16.738	2021-GG-01211-JAGX	\$ 32,062	\$ -
<b>Total U.S. Department of Justice</b>			<b>\$ 32,062</b>	<b>\$ -</b>
<b><u>U.S. Department of Transportation:</u></b>				
Federal Aviation Administration:				
Airport Improvement Program 40	20.106	3-06-0041-040	\$ 1,378,422	\$ -
Airport Improvement Program 42	20.106	3-06-0041-042	1,773,317	-
Subtotal CFDA 20.106:			3,151,739	-
Highway Planning and Construction:				
Congestion Mitigation Air Quality (CMAQ)	20.205	03-BUT-0-CHC/5037 (027)	308,237	-
Congestion Mitigation Air Quality (CMAQ)	20.205	03-BUT-0-CHC/5037 (040)	178,558	-
Congestion Mitigation Air Quality (CMAQ)	20.205	03-BUT-0-CHC/5037 (037)	282,120	-
Walnut Ave (SR32) Road Diet	20.205	03-BUT-0-CHC/HSIPL-5037 (029)	893,775	-
SHR 99/Eaton Rd Interchange	20.205	03-BUT-1-CHC/HSIPL-5037 (035)	4,491,395	-
W Sac Avenue Upper RR Xing Imp	20.205	03-BUT-0-CHC/STPLR-130L(292)	8,121	-
Passed through California Department of Transportation:				
Salem Street @ LCC	20.205	BRLO-5037 (022)	138,352	-
Guynn Rd @ Lindo Channel	20.205	BRLO-5037 (023)	66,091	-
Pomona Rd @ LCC	20.205	BRLO-5037 (024)	94,008	-
Subtotal Highway Planning and Construction Cluster			6,460,657	-
<b>Total U.S. Department of Transportation</b>			<b>\$ 9,612,396</b>	<b>\$ -</b>
<b><u>U.S. Department of Treasury</u></b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027		\$ 6,159,983	\$ -
Passed through State of California Cotrollers Office				
COVID-19 Coronavirus Relief Fund (CARES)	21.019	NA	82,011	-
<b>Total U.S. Department of Treasury</b>			<b>\$ 6,241,994</b>	<b>\$ -</b>
<b><u>U.S. Department of Homeland Security</u></b>				
CFAA Suppression - Cooperative Fire Protection Agreement	97.044	EMW-2020-FG-12267	\$ 50,455	\$ -
<b>Total U.S. Department of Homeland Security</b>			<b>\$ 50,455</b>	<b>\$ -</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 31,557,987</b>	<b>\$ 693,906</b>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF CHICO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and presents the activity of all federal awards programs of the City of Chico for the year ended June 30, 2022.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of Assistance Listing 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 ASSISTANCE LISTING NUMBER (ALN)**

The Assistance Listing numbers included in this report were determined based on the program name, review of grant or contract information and the Office of Management and Budget's Catalog of Federal Domestic Assistance.

**NOTE 4 INDIRECT COST RATE**

The City did not elect to use the 10 percent de minimis indirect cost rate as covered in 2 CFR §200.414.

**NOTE 5 PASS-THROUGH ENTITIES' IDENTIFYING NUMBER**

When federal awards were received from a pass-through entity, the schedule of expenditures of federal awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

**CITY OF CHICO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2022**

**NOTE 6 LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS**

Outstanding federally-funded program loans, with a continuing compliance requirement, carried balances as of June 30, 2022 as follows:

Federal Assistance Listing No.	Federal Program	Outstanding Loans June 30, 2022	Loans July 1, 2021	New Loans	Federal Awards Expended June 30, 2022
14.239	Home Investment Partnership Program	7,560,733	5,521,983	2,123,940	7,645,923

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**CITY OF CHICO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes        x   no

**Identification of Major Federal Programs****Assistance Listing Number(s)**

11.307  
14.218  
21.027

**Name of Federal Program or Cluster**

Economic Adjustment Assistance  
Community Development Block Grants (CDBG)  
COVID-19 Coronavirus State and Local Fiscal  
Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$   946,740  

Auditee qualified as low-risk auditee?

  x   yes      \_\_\_\_\_ no

**CITY OF CHICO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

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**CITY OF CHICO**  
**PASSENGER FACILITY**  
**CHARGES REPORT**  
**YEAR ENDED JUNE 30, 2022**

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**CITY OF CHICO**

**PASSENGER FACILITY  
CHARGES REPORT**

**YEAR ENDED JUNE 30, 2022**

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Honorable Mayor and City Council  
City of Chico

## INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF PASSENGER FACILITY CHARGES

To the Honorable Mayor and City Council  
City of Chico  
Chico, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the City of Chico's (City) compliance with the types of requirements described in the Passenger Facility Charge Audit Guide for Public Agencies (PFC Guide), issued by the Federal Aviation Administration (FAA), applicable to the County's Passenger Facility Charge (PFC) program as of and for the fiscal year ended June 30, 2022.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above as of June 30, 2022.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards defined by the Federal Aviation Administration (FAA) of the U.S. Department of Transportation. Our responsibilities under those standards are further described in the Auditors' 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.

#### ***Emphasis of Matter***

As discussed in Note 1, the schedule of Passenger Facility Charges are intended to present the financial position, and other changes in financial position of only that portion of the City that is attributable to the PFC program. It does not purport to, and does not, present fairly the financial position of the City as of June 30, 2022, the changes in its financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the compliance requirements referred to above, and for the design, implementation, and maintenance of internal control relevant to those compliance requirements.

#### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the City complied with the compliance requirements referred to above related to the PFC program. 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 standards defined by FAA will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for

Honorable Mayor and City Council  
City of Chico

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.

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.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with FAA and which are described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002. Our opinion on the PFC program is not modified with respect to these matters.

### **Schedule of Passenger Facility Charges Revenues and Expenditures**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated REPORT DATE, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Passenger Facility Charge Revenues and Expenditures (PFC Schedule) is presented for the purposes of additional analysis as required by the PFC Guide, issued by the FAA, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the PFC schedule is fairly stated in all material respects in related to the basic financial statements as a whole.

**CliftonLarsonAllen LLP**

Roseville, California  
**REPORT DATE**

**CITY OF CHICO  
SCHEDULE OF PASSENGER FACILITY CHARGES  
YEAR ENDED JUNE 30, 2022**

<u>Program Description</u>	<u>Beginning PFC Asset Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Ending PFC Asset Balance</u>
FEDERAL AVIATION ADMINISTRATION				
Passenger Facility Charges (PFC): Application No. 10-05-C-00-CIC	\$ 361,225	\$ (12,748)	\$ -	\$ 348,477
Total	<u>\$ 361,225</u>	<u>\$ (12,748)</u>	<u>\$ -</u>	<u>\$ 348,477</u>

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See accompanying Notes to Schedule of Passenger Facility Charges.

**CITY OF CHICO**  
**NOTES TO THE SCHEDULE OF PASSENGER FACILITY CHARGES**  
**JUNE 30, 2022**

**NOTE 1 PROGRAM DESCRIPTION**

The Schedule of Passenger Facility Charges presents only the activity of the Passenger Facility Charges (PFC) Program of the City of Chico.

PFC are fees imposed by the City on enplaned passengers for the purpose of generating revenue for City projects that increase capacity, increase safety and/or mitigate noise impact.

**NOTE 2 BASIS OF ACCOUNTING**

The Schedule of Passenger Facility Charges is prepared using the accrual basis of accounting. Under this basis of accounting, revenues are recorded when earned and expenditures are recognized when the related liability is incurred.

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**CITY OF CHICO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2022**

**2022 – 001**

Type of Finding:

- Significant Deficiency in internal control over Compliance
- Significant Deficiency in internal control over Financial Reporting

**Condition:** We noted the City was not able to produce the SOAR reports for the 2022 audit period.

**Criteria:** Section 158.63 requires that the public agency provide quarterly reports to carriers collecting PFC revenues for the public agency, with a copy to the appropriate Federal Aviation Administration (FAA) airport's office. Per the Passenger Facility Charge Audit Guide for Public Agencies, data from the quarterly reports should reconcile to supporting documentation and accounting records maintained by the public agency.

**Context:** Without the SOAR reports, we are unable to compare the City's records with the FAA's records.

**Effect:** By not submitting the SOAR reports, the City is at risk of noncompliance with section 158.63.

**Cause:** Based on our discussion with City management, the City has reached out to the FAA several times to discuss obtaining and reconciling reports from the SOAR system. The City is awaiting a solution from the FAA on how best to correct the SOAR accounting in order to obtain accurate reports from SOAR to submit by the deadline.

**Recommendation:** This is a repeat finding from the fiscal year 2021 audit. We recommend that the City continue to work with FAA representatives to obtain accurate reports from the FAA SOAR reporting module that reconcile back to the City's accounting records.

**Views of responsible officials and planned corrective actions:** The City has continued multiple discussions with the FAA regarding the status of the FAA SOAR system and the reconciliation differences that occurred in prior years. The City will continue to work with the FAA to adjust the SOAR reporting.

**CITY OF CHICO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2022**

**2022 – 002**

Type of Finding:

- Significant Deficiency in internal control over Compliance
- Significant Deficiency in internal control over Financial Reporting

**Condition:** During our testing of the quarterly reporting requirements, we identified that the City did not submit the fiscal year 2022 quarterly reports timely (within the period stated in Section 158.63).

**Criteria:** Section 158.63 requires that the public agency provide quarterly reports on or before the last day of the calendar month following the calendar quarter or other period agreed by the public agency and collecting carrier.

**Context:** The conditions noted above were identified during our testing of the quarterly reports. We found that none of the fiscal year 2022 quarterly reports were submitted on or before the last day of the calendar month following the calendar quarter end.

**Effect:** By not submitting the quarterly reports by the required dates, the City is at risk of noncompliance with section 158.63.

**Cause:** The City's procedures do not ensure that the quarterly reports are submitted in compliance with Section 158.63 and the City does not have procedures in place to prevent or detect errors on the quarterly report.

**Recommendation:** This is a repeat finding from the 2021 audit. We recommend that the City ensure that the quarterly reports are submitted timely in accordance with section 158.63. In addition, we recommend the quarterly reports are reviewed by a member of management outside of the preparer prior to submission to the FAA.

**Views of responsible officials and planned corrective actions:** The City is exploring options to submit reporting annually since there is no activity in the PFC other than interest earnings.



**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
(A Component Unit of the City of Chico, California)

Independent Auditors' Report and  
Financial Statements

June 30, 2022

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**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**June 30, 2022**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Chico Urban Joint Powers Financing Authority  
Chico, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of the Chico Urban Area Joint Powers Financing Authority (the "Authority"), a component unit of the City of Chico, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority'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 financial position of the Authority as of June 30, 2022, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

#### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Board of Directors  
Chico Urban Area Joint Powers Financing Authority

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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.

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.

#### ***Supplementary Information***

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not 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. Our opinion on the basic financial statements is not affected by this missing information.

#### ***Other Information Included in the Annual Report***

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

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

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope

Board of Directors  
Chico Urban Area Joint Powers Financing Authority

of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

**CliftonLarsonAllen LLP**

Roseville, California

**REPORT DATE**

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**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**

**Statement of Net Position and**  
**Governmental Funds Balance Sheet**  
**June 30, 2022**

	Capital Projects Fund	Adjustments (Note II D)	Statement of Net Position
<b>Assets</b>			
Current assets:			
Restricted cash and investments	\$ 2,764,810	\$ -	\$ 2,764,810
Total assets	<u>\$ 2,764,810</u>	<u>\$ -</u>	<u>\$ 2,764,810</u>
<b>Liabilities</b>			
Loans payable - due within one year	\$ -	\$ 1,195,793	\$ 1,195,793
Noncurrent liabilities:			
Loans payable - due in more than one year	-	21,524,277	21,524,277
Total non-current liabilities	-	21,524,277	21,524,277
Total liabilities	<u>-</u>	<u>22,720,070</u>	<u>22,720,070</u>
<b>Fund Balance/Net Position</b>			
Fund balances:			
Restricted for sewer projects and debt	2,764,810	(2,764,810)	
Total Liabilities and Fund Balance	<u>\$ 2,764,810</u>		
<b>Net Position:</b>			
Unrestricted		(19,955,260)	(19,955,260)
Total net position (deficit)		<u>\$ (19,955,260)</u>	<u>\$ (19,955,260)</u>

See accompanying notes to the financial statements.

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**

**Statement of Activities and**  
**Governmental Fund Revenues, Expenditures and**  
**Changes in Fund Balance**  
**For the Year Ended June 30, 2022**

	Capital Projects Fund	Adjustments (Note II D)	Statement of Activities
<b>Expenditures:</b>			
Administrative expenses	\$ 36,829	\$ -	\$ 36,829
Principal retirement	1,195,793	(1,195,793)	-
Interest accretion	-	142,734	142,734
	<hr/>	<hr/>	<hr/>
Total expenditures/expenses	1,232,622	(1,053,059)	179,563
	<hr/>	<hr/>	<hr/>
<b>Program revenues:</b>			
Intergovernmental revenue	1,900,000	(1,900,000)	-
Capital grants and contributions	-	1,900,000	1,900,000
Total program revenues	<hr/>	<hr/>	<hr/>
	1,900,000	-	1,900,000
	<hr/>	<hr/>	<hr/>
Net program (expense) revenue	667,378	1,053,059	1,720,437
	<hr/>	<hr/>	<hr/>
<b>General revenues:</b>			
Investment earnings	(235,875)	-	(235,875)
	<hr/>	<hr/>	<hr/>
Total general revenues	(235,875)	-	(235,875)
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	431,503	1,053,059	1,484,562
	<hr/>	<hr/>	<hr/>
Change in fund balance/net position	1,145,154	339,408	1,484,562
	<hr/>	<hr/>	<hr/>
<b>Fund balance/net position (deficit):</b>			
Beginning of the year	<hr/>	<hr/>	<hr/>
	1,619,656	(23,059,478)	(21,439,822)
	<hr/>	<hr/>	<hr/>
End of the year	\$ 2,764,810	\$ (22,720,070)	\$ (19,955,260)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to the financial statements.

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. THE FINANCIAL REPORTING ENTITY**

In August 2005, the governing boards of the Chico Redevelopment Agency, which due to State Assembly Bill 1X 26 is now known as the City of Chico, Successor Agency to the Chico Redevelopment Agency (Agency) and the County of Butte established a joint powers agency known as the Chico Urban Area Joint Powers Financing Authority (JPFA) to facilitate the financing, construction and installation of sewer facilities and improvements in the greater Chico urban area. The JPFA was formed pursuant to the provisions of the joint powers laws of the State of California, as set forth in Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (commencing with Government Code Section 6500). The JPFA is authorized to obtain state or federal loans for the purpose of financing the construction and installation of sewer facilities and improvements. The activity of the JPFA is included in the City of Chico's financial statements as a discretely presented component unit due to the close relationship and financial integration with the City,

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the activities of the JPFA. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Investment earnings and other items which are excluded from program revenues are reported instead as general revenues.

Separate financial statements are provided for the JPFA's major governmental fund and are reported as a separate column in the fund financial statements.

**C. BASIS OF PRESENTATION, BASIS OF ACCOUNTING, AND MEASUREMENT FOCUS**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the JPFA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.



**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Investment earnings are considered to be susceptible to accrual and have been recognized as revenue of the current period. Other revenues are considered to be measurable and available only when cash is received by the JPFA.

The activities of the JPFA are accounted for in a capital projects fund.

When both restricted and unrestricted resources are available for use, it is the JPFA's policy to use restricted resources first, then unrestricted resources as they are needed.

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

**D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY**

Capital Assets/Construction Expenses

Although the JPFA's sole purpose is to construct infrastructure to facilitate the installation of sewer connections for residents located in the benefited area, the infrastructure is ultimately conveyed to the City of Chico, and as a result, the construction costs of the sewer infrastructure are shown as construction expenses (not capital assets) in these financial statements. As the construction occurs, the infrastructure is conveyed to the City of Chico's Sewer Enterprise Fund as capital assets.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities and, in the fund financial statements; the face amount of debt issued is reported as other financing sources.

Fund Equity

Restricted fund balances include amounts that can be spent only for the specific purposes stipulated by constitution or external resource providers.

Net Position

Net position is classified as unrestricted net position which is not restricted for any project or any other purpose. Negative net position occurs when liabilities of the JPFA exceed the assets. In the case of the JPFA, it is assuming the debt of the project, but does not own the assets which can create a negative net position.

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**II. DETAILED NOTES**

**A. CASH AND INVESTMENTS**

Cash and investments held for the JPFA are included in and inseparable from the City's pooled cash and investments. See Note 2 of the City of Chico ACFR for more information on the investment policies of the City as well as the related credit, custodial credit, concentration credit, and interest rate risk applicable to the City's pooled Funds.

June 30, 2022 equity in pooled cash and investments is \$ 2,764,810.

**B. PROGRAM REVENUES/ANNUAL CONTRIBUTION**

After formation of the JPFA in August 2007, it obtained a loan (the Loan) from the California State Water Resources Control Board (SWRCB) to finance the construction and installation of sewer facilities and improvements in the Greater Chico Urban Area Redevelopment Project Area. The Agreement with the State obligated the Chico Redevelopment Agency to repay the loan, in the amount of \$1,900,000 per year for each year commencing with the effective date of the Agreement and ending with the fiscal year in which the last payment is due on the Loan. Neither the City nor the County have any obligation to make the loan payments under the Loan Agreement. The Loan Agreement provides that the sole source of contributions to the JPFA is the pledge by the Redevelopment Agency which, post-dissolution is the obligation of the Successor Agency. On December 17, 2013, the State Department of Finance confirmed that the annual \$1,900,000 payments were considered an enforceable obligation. As of June 30, 2022, \$20,900,000 has been received by the JPFA from the Redevelopment Agency and Successor Agency to the Redevelopment Agency.

**C. RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION**

Total governmental fund balance	\$2,764,810
Amounts reported for governmental activities in the statement of net position are different because:	
Loans payable are not due and payable in the current period and, therefore are not reported in the funds.	<u>(22,720,070)</u>
Net position of governmental activities	<u><u>\$(19,955,260)</u></u>

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**II. DETAILED NOTES (Continued)**

**D. RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

Net change in fund balances - total governmental fund	<u>\$1,145,154</u>
Amounts reported for governmental activities in the statement of activities are different because:	
The issuance of long-term debt (e.g. loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, affects net position. This amount is the net effect of differences in the treatment of long-term debt related items.	482,142
Accreted interest on the long-term debt does not provide financial resources to governmental funds, however, it will be due and payable in the Statement of Net Position.	<u>(142,734)</u>
Change in net position of governmental activities	<u><u>\$1,484,562</u></u>

**E. LONG-TERM DEBT**

Loans Payable

A loan in the amount of \$38,000,000, has been approved by the SWRCB for the JPFA's Nitrate Compliance Program. During the life of the project, the Loan Program allows the JPFA to make loan draws at 83.33% of the project cost, while requiring the JPFA to recognize 16.67% as a local match to be included as an additional loan amount payable to the State. The JPFA records the additional loan amount as accreted interest in the Statement of Activities due to the cost of obtaining the 0% loan from the SWRCB. As of June 30, 2022, construction draws on the loan were \$23,915,863, while the local match totals \$3,986,057. Annual payments are due in June each year in the amount of \$1,195,793. The JPFA will use the \$1,900,000 received annually from the Agency to pay the debt when it becomes due.

Changes to the JPFA's long-term debt for the year ended June 30, 2022 were as follows:

	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>Due Within One Year</u>
Loans Payable:					
State Revolving Fund Loan	<u>\$23,059,478</u>	<u>\$856,385</u>	<u>\$(1,195,793)</u>	<u>\$22,720,070</u>	<u>\$1,195,793</u>

Total accumulated accreted interest as of June 30, 2022 was \$3,986,057.

**CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY**  
**(A Component Unit of the City of Chico, California)**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Capital Projects Fund  
For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance Final Budget
	Original	Final		
<b>Expenditures:</b>				
Administrative	\$ 36,828	\$ 36,828	\$ 36,829	\$ (1)
Principal retirement	-	1,188,657	1,195,793	(7,136)
Total expenditures	<u>36,828</u>	<u>1,225,485</u>	<u>1,232,622</u>	<u>(7,137)</u>
<b>Program revenues:</b>				
Intergovernmental revenue	<u>1,900,000</u>	<u>1,900,000</u>	<u>1,900,000</u>	<u>-</u>
Net program (expenditure) revenue	1,863,172	674,515	667,378	(7,137)
<b>General revenues:</b>				
Investment earnings	<u>20,000</u>	<u>20,000</u>	<u>(235,875)</u>	<u>(255,875)</u>
Excess (deficiency) of revenues over expenditures	1,883,172	694,515	431,503	(263,012)
<b>Other financing sources (uses):</b>				
Issuance of long-term debt	<u>-</u>	<u>713,651</u>	<u>713,651</u>	<u>-</u>
Change in fund balance/net position	<u>1,883,172</u>	<u>1,408,166</u>	<u>1,145,154</u>	<u>(263,012)</u>
<b>Fund balance:</b>				
Beginning of the year	<u>1,605,751</u>	<u>1,619,656</u>	<u>1,619,656</u>	<u>-</u>
End of the year	<u>\$ 3,488,923</u>	<u>\$ 3,027,822</u>	<u>\$ 2,764,810</u>	<u>\$ (263,012)</u>

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

Board of Directors  
Chico Urban Area Joint Powers Financing Authority  
Chico, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and the major fund information of Chico Urban Area Joint Powers Financing Authority (the "Authority"), a component unit of the City of Chico, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated REPORT DATE.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

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

Board of Directors  
Chico Urban Area Joint Powers Financing Authority

opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**CliftonLarsonAllen LLP**

Roseville, California  
**REPORT DATE**

DRAFT



## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Council Members  
City of Chico, California

We have performed the procedures enumerated below on the Appropriations Limit calculation of the City of Chico as of and for the year ended June 30, 2022. The City of Chico management is responsible for the Appropriations Limit calculation.

The City of Chico has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of presenting the Appropriation Limit calculation in accordance with the requirements of Section 1.5 of Article XIII-B of the California Constitution and Proposition 111. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. Obtain the completed Appropriations Limit calculation and compared the limit and annual adjustment factors in the calculation to the limit and annual adjustment factors that were adopted by resolution of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. Compute current year adjustments based on selected population and inflation options, using information provided by the State Department of Finance.

Finding: No exceptions were noted as a result of our procedures.

3. Compare the prior year appropriations limit presented in the Appropriations Limit Calculation to the prior year appropriations limit adopted by the City Council.

Finding: No exceptions were noted as a result of our procedures.

4. Add the results of step two (2) to the prior year Appropriations Limit and compare the resulting amount to the current year approved limit.

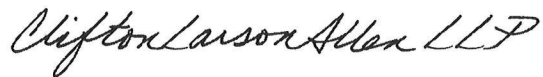
Finding: No exceptions were noted as a result of our procedures.

Honorable Mayor and Council Members  
City of Chico, California

We were engaged by the City of Chico to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Appropriations Limit calculation of the City of Chico. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City of Chico and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City of Chico and management of the City of Chico and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Roseville, California  
September 26, 2022





## Finance Committee Agenda Report

Meeting Date: **2/22/23**

TO: Finance Committee  
FROM: Barbara Martin, Administrative Services Director  
RE: Monthly Financial Report for January 2023

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### REPORT IN BRIEF:

The Administrative Services Director presents to the Finance Committee the Monthly Financial Reports as of January 31, 2023 which include budget monitoring reports and revenue reports that provide a comprehensive look at the City's finances. The purpose of these reports is to enhance transparency, to increase staff's engagement in controlling their budgets, and to provide the Finance Committee timely financial information.

Recommendation: No recommendation is required.

**FISCAL IMPACT:** N/A

### BACKGROUND:

Article IX, Section 908 was added to the City's Charter in 1960, stating, "The finance officer shall submit to the Council through the City Manager monthly statements of receipts, disbursements and balances in such form as to show the exact financial condition of the city. At the end of each fiscal year the finance director shall submit a complete and detailed financial statement."

### DISCUSSION:

**Attachment A** is the Financial Summary by Fund Report. This Report shows a summary of all activity in each City Fund.

**Attachment B** includes Department Operating Summary Reports (totals for each Department by category, Fund/Dept and Fund), Department Expense Reports (summary of totals at the category level by each Departmental budget unit) and Department Expense Reports (totals for each object or account level by each Departmental budget unit).

**Attachment C** includes Department Expense Category Summary Reports (allocations for each Department at the object or account level). Any budgetary savings in the Allocations category are unable to be rebudgeted except by approval of Council.

**Attachment D** includes Fund Revenue Reports (revenue reported for each City Fund).

**Attachment E** is a monthly Cash Flow Projections Report which summarizes recent cash activity and estimates future cash flows.


**Attachment F** is the Investment Portfolio Report for the City of Chico through January 31, 2023.

Prepared by:



Barbara Martin  
Administrative Services Director

Approved and Recommended by:



Mark Sorensen  
City Manager

**DISTRIBUTION:**

City Clerk (2)

**ATTACHMENTS:**

Attachment A – Financial Summary Report by Fund

Attachment B – Department Operating Summary Reports, Department Expense Reports (by category) and  
Department Expense Reports (by object)

Attachment C – Department Expense Category Summary Reports (Allocations Report)

Attachment D – Fund Revenue Reports

Attachment E – Cash Flow Projections Report

Attachment F – Investment Portfolio Report

# CITY OF CHICO

SUMMARY MONTHLY FINANCIAL REPORTS

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**City of Chico**  
**Fiscal Year 2022-23**  
**Financial Report Through January 2023**

	6/30/2022 Available Balance	Year-To-Date Actuals				Modified Adopted Budget			
		Revenues	Expenditures	Xfers In/(Out)	Available Balance	Revenues	Expenditures	Xfers In/(Out)	Available Balance
<b><u>General Fund</u></b>									
001 General	29,396,001	26,195,725	30,633,285	(5,030,900)	19,927,541	67,107,826	62,139,845	(22,104,034)	12,259,948
002 Park	3,998	27,426	1,286,586	754,766	(500,396)	49,529	4,031,599	3,982,072	4,000
003 Emergency Reserve	11,058,827	0	0	2,840	11,061,667	0	0	35,000	11,093,827
006 Compensated Absence Reserve	1,460,109	0	0	0	1,460,109	13,524	0	0	1,473,633
008 American Recue Plan Act of 2021	0	1,650,604	1,888,148	0	(237,544)	15,947,012	13,650,266	(2,285,000)	11,746
009 Debt Service Fund	394	0	782,172	1,854,991	1,073,213	0	1,006,321	1,006,321	394
050 Donations	380,659	55,455	190,291	0	245,823	115,726	424,478	126,066	197,973
051 Arts and Culture	(271)	0	30,635	0	(30,906)	0	30,635	30,635	(271)
052 Specialized Community Services	1,656,102	5,044	1,622,383	0	38,763	0	4,753,183	3,097,082	1
315 General Plan Reserve	919,378	0	7,906	77,765	989,237	6,306	23,136	199,818	1,102,366
316 CASp Certification and Training Fund	104,737	28,891	0	0	133,628	24,000	0	0	128,737
<b>TOTAL General Fund</b>	<b>44,979,934</b>	<b>27,963,145</b>	<b>36,441,406</b>	<b>(2,340,538)</b>	<b>34,161,135</b>	<b>83,263,923</b>	<b>86,059,463</b>	<b>(15,912,040)</b>	<b>26,272,354</b>
<b><u>Enterprise Funds</u></b>									
320 Sewer-Trunk Line Capacity	5,406,875	419,065	81,915	(78,786)	5,665,239	996,766	5,230,998	(88,268)	1,084,375
321 Sewer-WPCP Capacity	14,833	431,265	124	(1,324,530)	(878,556)	1,274,656	145,584	(1,337,387)	(193,482)
322 Sewer-Main Installation	812,668	53,287	300	0	865,655	108,247	754,586	0	166,329
323 Sewer-Lift Stations	456,274	31,901	124	0	488,051	59,242	119,910	0	395,606
850 Sewer	138,745,543	4,938,479	9,502,284	(1,217,435)	132,964,303	12,045,477	18,445,528	(2,347,803)	129,997,689
851 WPCP Capital Reserve	10,044,725	0	0	477,875	10,522,600	159,733	0	1,433,624	11,638,082
852 Sewer Debt Service	(19,248,286)	0	0	2,100,969	(17,147,317)	0	2,101,000	2,101,000	(19,248,286)
853 Parking Revenue	3,926,504	541,886	565,031	(1,200)	3,902,159	862,378	1,715,655	(503,600)	2,569,627
854 Parking Revenue Reserve	298,355	0	0	0	298,355	10,475	0	0	308,830
856 Airport	11,765,256	420,343	441,386	(21,973)	11,722,240	1,219,703	1,763,289	(65,920)	11,155,750
857 Airport Improvement Grants	10,816,839	(184)	30,419	0	10,786,236	12,970,291	14,580,347	0	9,206,783
862 Private Development	(161,423)	888,634	0	0	727,211	0	0	0	(161,423)
863 Subdivisions	(27,317)	(325)	457,893	0	(485,535)	1,234,420	1,207,103	0	0
871 Private Development - Building	2,779,711	729,051	880,478	38,835	2,667,119	1,903,655	2,586,717	119,272	2,215,921
872 Private Development - Planning	927,490	309,328	425,875	20,336	831,279	801,265	1,058,441	52,155	722,469
873 Private Development - Engineering	763,231	303,275	388,342	18,837	697,001	558,633	930,660	86,627	477,831
874 Private Development - Fire	737,004	129,191	142,526	6,457	730,126	336,467	345,662	28,725	756,534
875 Cannabis Permit Program	21,078	0	5,360	0	15,718	52,922	74,000	0	0
876 City Recreation	157,442	6,500	241,402	0	(77,460)	365,000	395,186	0	127,256
877 Fiber Utility	0	0	1,135	0	(1,135)	255,967	255,967	0	0
962 GASB 68-Fund 856	(857,245)	0	(410)	0	(856,835)	0	0	0	(857,245)
<b>TOTAL Enterprise Funds</b>	<b>167,379,557</b>	<b>9,201,696</b>	<b>13,164,184</b>	<b>19,385</b>	<b>163,436,454</b>	<b>35,215,297</b>	<b>51,710,633</b>	<b>(521,575)</b>	<b>150,362,646</b>

**City of Chico**  
**Fiscal Year 2022-23**  
**Financial Report Through January 2023**

	6/30/2022 Available Balance	Year-To-Date Actuals				Modified Adopted Budget			
		Revenues	Expenditures	Xfers In/(Out)	Available Balance	Revenues	Expenditures	Xfers In/(Out)	Available Balance
<b>Capital Improvement Funds</b>									
300 Capital Grants/Reimbursements	(11,785,823)	14,280,134	109,817	(2,797,213)	(412,719)	80,193,954	2,426,251	(66,000,591)	(18,711)
301 Building/Facility Improvement	125,756	0	0	0	125,756	1,316	99,396	0	27,676
303 Passenger Facility Charges	348,477	0	0	0	348,477	3,228	0	0	351,705
305 Bikeway Improvement	1,772,578	150,991	1,218	0	1,922,351	358,097	51,133	(1,527,077)	552,465
306 In Lieu Offsite Improvement	320,841	0	0	0	320,841	43,026	0	(152,776)	211,091
307 Streets and Roads	6,986,374	0	2,763,001	0	4,223,373	0	5,242,232	0	1,744,142
308 Street Facility Improvement	12,739,743	190,036	0	(82,859)	12,846,920	4,064,882	386,546	(15,302,978)	1,115,101
309 Storm Drainage Facility	2,103,925	(1,421)	249,209	0	1,853,295	320,596	963,438	(1,125,429)	335,654
312 Remediation Fund	409,636	0	44,918	0	364,718	2	419,637	10,000	1
330 Community Park	5,148,303	549,928	4,119,360	0	1,578,871	883,670	2,354,710	(8,000)	3,669,263
332 Bidwell Park Land Acquisition	(822,701)	16,000	0	0	(806,701)	70,000	7,010	(700)	(760,411)
333 Linear Parks/Grnws	1,070,986	89,381	1,020	0	1,159,347	108,237	199,048	(1,000)	979,175
335 Street Maintenance Equipment	1,529,069	56,017	46,457	0	1,538,629	73,161	1,220,446	(600)	381,184
336 Administrative Building	(400,357)	10,136	0	0	(390,221)	95,952	6,474	(1,000)	(311,879)
337 Fire Protection Building and Equipment	1,250,576	91,441	487	0	1,341,530	358,110	41,599	(3,500)	1,563,587
338 Police Protection Building and Equipment	4,322,674	103,756	57,725	0	4,368,705	637,826	1,604,096	(6,000)	3,350,404
340 Fund 340 - Neighborhood Parks	3,338,114	(21,024)	15,361	0	3,301,729	253,918	1,084,087	(2,150)	2,505,795
400 Capital Projects	1,168,588	263,256	2,246,049	0	(814,205)	769,912	4,560,396	0	(2,621,896)
410 Bond Proceeds from Former RDA	101,141	(184)	0	(114)	100,843	703	0	(39,427)	62,417
931 Technology Replacement	730,845	0	323,500	155,296	562,641	4,110	1,200,844	465,889	0
932 Fleet Replacement	1,492,221	62,602	1,113,042	1,421,728	1,863,509	78,237	7,607,091	6,036,633	0
933 Facility Maintenance	404,809	0	667,751	212,347	(50,595)	3,640	1,045,491	637,042	0
934 Prefunding Equipment Liability Reserve- Police Dept.	304,518	0	19,977	0	284,541	2,821	201,376	0	105,963
938 Prefunding Equipment Liability Reserve-Fire Dept.	886,378	0	19,474	0	866,904	4,713	1,212,864	321,774	1
943 Public Infrastructure Replacement	3,178,834	0	0	197,772	3,376,606	14,530	0	(2,666,237)	527,127
<b>TOTAL Capital Improvement Funds</b>	<b>36,725,505</b>	<b>15,841,049</b>	<b>11,798,366</b>	<b>(893,043)</b>	<b>39,875,145</b>	<b>88,344,641</b>	<b>31,934,165</b>	<b>(79,366,127)</b>	<b>13,769,854</b>
<b>Internal Service Funds</b>									
010 City Treasury	0	(2,654,699)	22,494	0	(2,677,193)	1,213,376	1,213,376	0	0
900 General Liability Insurance Reserve	461,052	2,318,874	2,099,830	0	680,096	3,073,678	2,386,300	0	1,148,430
901 Work Compensation Insurance Reserve	(443,877)	1,126,856	646,707	0	36,272	1,802,794	1,758,873	0	(399,956)
902 Unemployment Insurance Reserve	291,498	26,783	4,661	0	313,620	37,926	50,000	0	279,424
903 CalPERS Unfunded Liability Reserve	4,649,361	7,598,096	11,433,450	0	814,007	12,563,013	11,433,450	0	5,778,924
904 Pension Stabilization Trust	2,622,014	(141,115)	1,990	0	2,478,909	105,839	0	500,000	3,227,853
929 Central Garage	25,374	683,278	1,403,281	(6,716)	(701,345)	2,084,690	2,094,539	(20,149)	(4,624)
930 Municipal Buildings Maintenance	(47,817)	344,393	869,204	(11,932)	(584,560)	1,879,625	1,843,974	(35,796)	(47,962)
935 Information Systems	(50,690)	1,026,570	1,979,146	0	(1,003,266)	3,586,141	3,615,287	0	(79,836)

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		Revenues	Expenditures	Xfers In/(Out)	Available Balance	Revenues	Expenditures	Xfers In/(Out)	Available Balance
TOTAL Internal Service Funds	7,506,915	10,329,036	18,460,763	(18,648)	(643,460)	26,347,082	24,395,799	444,055	9,902,253
<u>Special Revenue Funds</u>									
098 Justice Assist Grant (JAG)	(764)	0	(5,281)	183	4,700	0	548	548	(764)
099 Supp Law Enforcement Service	0	373,958	138,736	1,932	237,154	410,814	364,924	5,797	51,687
100 Grants-Operating Activities	(230,650)	332,904	311,879	13,233	(196,392)	1,021,780	814,076	39,699	16,753
201 Community Development Blk Grant	982,727	0	904,182	12,103	90,648	2,461,634	2,504,358	36,310	976,313
203 Community Development Blk Grant - DR	0	30,407	32,336	0	(1,929)	32,406,820	32,406,820	0	0
204 HOME - State Grants	1,767,708	0	158,638	0	1,609,070	15,000	158,638	0	1,624,070
206 HOME - Federal Grants	7,529,873	18,128	252,842	0	7,295,159	1,912,208	1,830,960	0	7,611,121
210 PEG - Public, Educational & Government Access	410,624	47,582	135,038	0	323,168	183,985	254,409	0	340,200
211 Traffic Safety	0	31,291	0	(9,359)	21,932	20,000	0	(20,000)	0
212 Transportation	5,359,287	1,274,668	3,318	(55,626)	6,575,011	3,613,781	412,703	(8,557,920)	2,445
213 Abandoned Vehicle Abatement	1,063	0	526	0	537	0	0	0	1,063
217 Asset Forfeiture	30,495	1,117	10,034	0	21,578	189	10,103	0	20,581
220 Assessment District Administration	60,354	901	0	0	61,255	1,486	0	0	61,840
307 Streets and Roads	6,986,374	2,532,536	14,073,153	3,282,480	(1,271,763)	6,862,468	110,821,675	103,822,571	6,849,738
316 CASp Certification and Training Fund	104,737	0	2,405	0	102,332	0	49,381	0	55,356
392 Affordable Housing	55,910,842	330,853	207,263	(12,103)	56,022,329	355,897	559,312	(36,310)	55,671,117
TOTAL Special Revenue Funds	78,912,670	4,974,345	16,225,069	3,232,843	70,894,789	49,266,062	150,187,907	95,290,695	73,281,520
<u>Redevelopment Funds</u>									
TOTAL Redevelopment Funds	0	0	0	0	0	0	0	0	0
<u>Successor Agency Funds</u>									
360 RDA Obligation Retirement Fund	4,994,094	0	0	0	4,994,094	8,344,642	0	(8,252,009)	5,086,727
390 Successor Agency to the Chico RDA	479,011	1,488	53,719	(3,149,863)	(2,723,083)	67,180	2,031,389	1,948,963	463,765
395 CalHome Grant - RDA	323,012	0	0	0	323,012	1,602	0	0	324,614
396 HRBD Remediation Monitoring	739,551	0	6,100	0	733,451	7,318	74,266	0	672,603
399 Chico Urban Area JPFA	1,576,152	0	13,305	0	1,562,847	1,920,000	35,116	0	3,461,036
661 2017 TARBS-A DEBT SERVICE	(3,372)	0	0	3,149,863	3,146,491	0	6,303,152	6,303,046	(3,478)
TOTAL Successor Agency Funds	8,108,448	1,488	73,124	0	8,036,812	10,340,742	8,443,923	0	10,005,267
<u>Assessment District Funds</u>									
443 Eastwood Assessment Capital	(18,029)	6,621	901	0	(12,309)	0	0	0	(18,029)
764 Mission Ranch Redemp	2,544	0	0	0	2,544	0	0	0	2,544
765 Mission Ranch Reserve	49,662	0	0	0	49,662	865	0	0	50,527
TOTAL Assessment District Funds	34,177	6,621	901	0	39,897	865	0	0	35,042
<u>Maintenance District Funds</u>									

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		Revenues	Expenditures	Xfers In/(Out)	Available Balance	Revenues	Expenditures	Xfers In/(Out)	Available Balance
101 CMD No. 1 - Springfield Estates	0	0	6,592	0	(6,592)	6,841	14,635	7,673	(121)
102 CMD No. 2 - Springfield Manor	0	0	6,792	0	(6,792)	8,239	8,892	27,610	26,957
103 CMD No. 3 - Skyway Park	0	0	3,521	0	(3,521)	6,363	8,290	855	(1,072)
104 CMD No. 4 - Target Shopping Center	0	0	2,343	0	(2,343)	3,912	5,302	860	(530)
105 CMD No. 5 - Chico Mall	9,536	646	1,647	0	8,535	5,008	5,317	0	9,227
106 CMD No. 6 - Charolais Estates	3,175	0	786	0	2,389	1,892	2,112	0	2,955
111 CMD No. 11 - Vista Canyon	0	0	6,347	0	(6,347)	5,925	14,587	10,024	1,362
113 CMD No. 13 - Olive Grove Estates	0	0	9,223	0	(9,223)	7,962	11,836	3,575	(299)
114 CMD No. 14 - Glenshire	0	0	886	0	(886)	1,692	1,465	701	928
116 CMD No. 16 - Forest Ave/Hartford	1,273	0	1,058	0	215	2,329	2,512	0	1,090
117 CMD No. 17 - SHR 99/E. 20th Street	9,600	0	40	0	9,560	0	0	0	9,600
118 CMD No. 18 - Lowes	0	0	2,191	0	(2,191)	3,872	4,095	3,360	3,137
121 CMD No. 21 - E. 20th Street/Forest Avenue	0	0	3,235	0	(3,235)	5,142	5,613	41	(430)
122 CMD No. 22 - Oak Meadows Condos	0	0	1,876	0	(1,876)	3,443	4,275	547	(285)
123 CMD No. 23 - Foothill Park No. 11	0	0	4,145	0	(4,145)	8,593	9,851	1,408	150
126 CMD No. 26 - Manzanita Estates	152	0	0	0	152	0	0	0	152
127 CMD No. 27 - Bidwell Vista	0	0	2,228	0	(2,228)	5,191	7,122	138	(1,793)
128 CMD No. 28 - Burney Drive	0	0	115	0	(115)	320	349	147	118
129 CMD No. 29 - Black Hills Estates	496	0	823	0	(327)	2,010	1,771	0	735
130 CMD No. 30 - Foothill Park Unit I	0	0	5,595	0	(5,595)	6,563	10,447	6,034	2,150
131 CMD No. 31 - Capshaw/Smith Subdivision	0	0	254	0	(254)	0	0	1,103	1,103
132 CMD No. 32 - Floral Garden Subdivision	1,588	0	955	0	633	2,172	2,387	0	1,373
133 CMD No. 33 - Eastside Subdivision	0	0	10,155	0	(10,155)	5,024	7,464	4,329	1,889
136 CMD No. 36 - Duncan Subdivision	0	0	920	0	(920)	2,009	2,125	2,839	2,723
137 CMD No. 37 - Springfield Drive	4,622	0	481	0	4,141	1,531	1,848	0	4,305
147 CMD No. 47 - US Rents	4,544	0	0	0	4,544	0	0	0	4,544
160 CMD No. 60 - Camden Park	1,739	0	127	0	1,612	0	0	0	1,739
161 CMD No. 61 - Ravenshoe	6,713	0	847	0	5,866	1,889	1,491	0	7,111
163 CMD No. 63 - Fleur De Parc	13,041	0	0	0	13,041	877	9	0	13,909
164 CMD No. 64 - Eaton Village	42,570	0	1,186	0	41,384	4,869	3,455	0	43,984
165 CMD No. 65 - Parkway Village	18,099	0	5,862	0	12,237	13,330	13,222	0	18,207
166 CMD No. 66 - Heritage Oak	1,042	0	3,246	0	(2,204)	8,738	10,002	0	(222)
167 CMD No. 67 - Cardiff Estates	10,491	0	1,458	0	9,033	3,056	2,828	0	10,719
168 CMD No. 68 - Woest Orchard	37,710	0	254	0	37,456	2,239	950	0	38,999
169 CMD No. 69 - Carriage Park	16,446	0	6,902	0	9,544	9,785	9,754	0	16,477
170 CMD No. 70 - EW Heights	14,006	0	1,640	0	12,366	4,954	4,722	0	14,238
171 CMD No. 71 - Hyde Park	4,385	0	2,889	0	1,496	7,046	7,481	0	3,950

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173 CMD No. 73 - Walnut Park Subdivision	26,254	0	7,567	0	18,687	17,576	14,965	0	28,865
175 CMD No. 75 - Alamo Avenue	0	0	2,041	0	(2,041)	4,542	4,834	1,491	1,199
176 CMD No. 76 - Lindo Channel Estates	6,218	0	1,710	0	4,508	3,315	3,171	0	6,362
177 CMD No. 77 - Ashby Park	63,623	0	9,643	0	53,980	19,366	17,006	0	65,983
178 CMD No. 78 - Creekside Subdivision	47,799	0	115	0	47,684	3,456	816	0	50,439
179 CMD No. 79 - Mission Ranch Commercial	9,217	0	3,648	0	5,569	8,302	7,771	0	9,748
180 CMD No. 80 - Home Depot	268,705	0	4,398	0	264,307	21,914	10,395	0	280,224
181 CMD No. 81 - Aspen Glen	136,420	0	10,809	0	125,611	28,177	23,499	0	141,098
182 CMD No. 82 - Meadowood	58,709	0	3,449	0	55,260	10,510	8,611	0	60,608
183 CMD No. 83 - Eiffel Estates	43,571	0	907	0	42,664	2,565	912	0	45,224
184 CMD No. 84 - Raley's East Avenue	0	0	5,847	0	(5,847)	5,904	13,477	8,373	800
185 CMD No. 85 - Highland Park	36,707	0	1,650	0	35,057	6,680	5,906	0	37,481
186 CMD No. 86 - Marigold Park	26,906	0	1,800	0	25,106	5,032	4,864	0	27,074
189 CMD No. 89 - Heritage Oaks	23,033	0	3,009	0	20,024	8,256	7,539	0	23,750
190 CMD No. 90 - Amber Grove/Greenfield	0	0	2,314	0	(2,314)	1,999	6,040	1,663	(2,378)
191 CMD No. 91 - Stratford Estates	33,835	0	115	0	33,720	1,869	600	0	35,104
193 CMD No. 93 - United Health Care	11,926	0	5,674	0	6,252	2,836	2,408	0	12,354
194 CMD No. 94 - Shastan at Holly	13,429	0	127	0	13,302	803	392	0	13,840
195 CMD No. 95 - Carriage Park Phase II	17,656	0	25,629	0	(7,973)	27,268	28,013	0	16,911
196 CMD No. 96 - Paseo Haciendas Phase I	11,794	0	0	0	11,794	1,080	756	0	12,118
197 CMD No. 97 - Stratford Estates Phase II	44,978	0	3,883	0	41,095	11,295	9,612	0	46,661
198 CMD No. 98 - Foothill Park East	94,195	0	0	0	94,195	6,096	4,843	0	95,448
199 CMD No. 99 - Marigold Estates Phase II	36,159	0	2,340	0	33,819	6,683	5,260	0	37,582
500 CMD No. 500 - Foothill Park Unit 1	31,049	0	78,791	0	(47,742)	169,389	162,391	0	38,047
501 CMD No. 501 - Sunwood	2,052	0	0	0	2,052	0	0	0	2,052
502 CMD No. 502 - Peterson	29,524	0	1,469	0	28,055	4,796	3,794	0	30,526
503 CMD No. 503 - Nob Hill	156,522	0	19,650	0	136,872	56,925	49,865	0	163,582
504 CMD No. 504 - Scout Court	8,701	0	54	0	8,647	620	319	0	9,002
505 CMD No. 505 - Whitehall Park	25,763	0	115	0	25,648	1,672	537	0	26,898
506 CMD No. 506 - Shastan at Idyllwild	21,954	0	5,670	0	16,284	12,825	12,128	0	22,651
507 CMD No. 507 - Ivy Street Business Park	6,523	0	115	0	6,408	1,040	996	0	6,567
508 CMD No. 508 - Pleasant Valley Estates	4,364	0	2,056	0	2,308	5,649	5,357	0	4,656
509 CMD No. 509 - Hidden Park	3,621	0	720	0	2,901	1,948	1,942	0	3,627
510 CMD No. 510 - Marigold Village	14,091	0	908	0	13,183	2,746	2,198	0	14,639
511 CMD No. 511 - Floral Gardens	2,255	0	1,290	0	965	2,366	2,334	0	2,287
512 CMD No. 512 - Dominic Park	18,646	0	2,451	0	16,195	5,636	5,074	0	19,208
513 CMD No. 513 - Almond Tree RV Park	15,050	0	1,024	0	14,026	2,030	1,169	0	15,911



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514 CMD No. 514 - Pheasant Run Plaza	9,465	0	7,057	0	2,408	4,469	3,879	0	10,055
515 CMD No. 515 - Longboard	19,312	0	1,023	0	18,289	2,692	1,838	0	20,166
516 CMD No. 516 - Bidwell Ridge	11,153	0	57	0	11,096	0	0	0	11,153
517 CMD No. 517 - Marion Court	14,650	0	216	0	14,434	1,007	394	0	15,263
518 CMD No. 518 - Stonehill	22,032	0	28	0	22,004	1,066	100	0	22,998
519 CMD No. 519 - Windchime	215	0	2,388	0	(2,173)	4,080	5,807	0	(1,512)
520 CMD No. 520 - Brenni Ranch	7,518	0	1,199	0	6,319	3,293	3,092	0	7,719
521 CMD No. 521 - PM 01-12	80,181	0	706	0	79,475	5,392	1,265	0	84,308
522 CMD No. 522 - Vial Estates	(4,179)	0	1,394	0	(5,573)	4,242	4,005	0	(3,942)
523 CMD No. 523 - Shastan at Chico Canyon	20,101	0	1,464	0	18,637	4,391	3,681	0	20,811
524 CMD No. 524 - Richmond Park	55,333	0	2,904	0	52,429	10,244	8,115	0	57,462
525 CMD No. 525 - Husa Ranch	116,697	0	22,475	0	94,222	56,872	50,880	0	122,689
526 CMD No. 526 - Thoman Court	18,010	0	2,731	0	15,279	5,223	4,530	0	18,703
527 CMD No. 527 - Shastan at Forest Avenue	6,479	0	1,352	0	5,127	3,159	3,067	0	6,571
528 CMD No. 528 - Lake Vista	215,670	0	5,721	0	209,949	24,408	13,752	0	226,326
529 CMD No. 529 - Esplanade Village	19,458	0	1,896	0	17,562	5,590	4,845	0	20,203
530 CMD No. 530 - Brentwood	466,078	0	31,945	0	434,133	83,780	60,388	0	489,470
531 CMD No. 531 - Mariposa Vista	44,624	0	4,354	0	40,270	11,559	9,579	0	46,604
532 CMD No. 532 - Raptor Ridge	13,944	0	230	0	13,714	1,221	592	0	14,573
533 CMD No. 533 - Channel Estates	11,330	0	1,431	0	9,899	4,243	3,918	0	11,655
534 CMD No. 534 - Marigold Gardens	24,198	0	1,527	0	22,671	3,929	2,929	0	25,198
535 CMD No. 535 - California Park/Dead Horse Slough	454	0	4,292	0	(3,838)	9,666	10,402	0	(282)
536 CMD No. 536 - Orchard Commons	7,558	0	1,670	0	5,888	4,331	4,175	0	7,714
537 CMD No. 537 - Herlax Place	16,812	0	539	0	16,273	1,473	651	0	17,634
538 CMD No. 538 - Hidden Oaks	5,048	0	978	0	4,070	2,435	2,321	0	5,162
539 CMD No. 539 - Sequoyah Estates	14,653	0	1,992	0	12,661	4,951	4,477	0	15,127
540 CMD No. 540 - Park Wood Estates	13,297	0	230	0	13,067	1,338	714	0	13,921
541 CMD No. 541 - Park Vista Subdivision	7,586	0	601	0	6,985	2,148	2,006	0	7,728
542 CMD No. 542 - Mission Vista Hills	45,494	0	2,592	0	42,902	7,610	5,181	0	47,923
543 CMD No. 543 - Westmont	13,011	0	1,168	0	11,843	2,714	2,208	0	13,517
544 CMD No. 544 - Longboard Phase 2	14,002	0	1,269	0	12,733	3,341	2,749	0	14,594
545 CMD No. 545 - Yosemite Commons	94,730	0	3,003	0	91,727	13,203	7,839	0	100,094
546 CMD No. 546 - Floral Garden Estates	32,941	0	858	0	32,083	3,959	2,416	0	34,484
547 CMD No. 547 - Paseo Haciendas 2	4,791	0	108	0	4,683	728	687	0	4,832
548 CMD No. 548 - Baltar Estates	45,213	0	4,278	0	40,935	12,280	10,450	0	47,043
549 CMD No. 549 - Holly Estates	19,465	0	1,346	0	18,119	4,212	3,367	0	20,310
550 CMD No. 550 - Crouch Farr	6,239	0	0	0	6,239	56	1,420	(6,186)	(1,311)

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551 CMD No. 551 - Monarch Park	20,041	0	900	0	19,141	3,219	2,322	0	20,938
552 CMD No. 552 - Wandering Hills	9,139	0	547	0	8,592	1,447	1,236	0	9,350
553 CMD No. 553 - Mariposa Vista Unit 1	4,325	1,023	132	0	5,216	621	541	0	4,405
554 CMD No. 554 - Five Mile Court	16,670	0	270	0	16,400	2,150	1,515	0	17,305
555 CMD No. 555 - Hannah's Court	17,046	0	254	0	16,792	1,436	589	0	17,893
556 CMD No. 556 - Valhalla Place	20,080	0	216	0	19,864	1,589	603	0	21,066
557 CMD No. 557 - Floral Arrangement	14,596	0	697	0	13,899	2,237	1,574	0	15,259
558 CMD No. 558 - Hillview Terrace	90,320	0	1,160	0	89,160	10,478	5,237	0	95,561
559 CMD No. 559 - Westside Place	33,891	0	9,107	0	24,784	23,707	23,202	0	34,396
560 CMD No. 560 - Mariposa Vista Unit 2	28,420	73	6,445	0	22,048	12,378	10,677	0	30,121
561 CMD No. 561 - Jensen Park	19,914	0	216	0	19,698	1,804	782	0	20,936
562 CMD No. 562 - Belvedere Heights	80,843	293	6,869	0	74,267	18,869	15,108	0	84,604
563 CMD No. 563 - Sparrow Hawk Ridge	5,593	0	230	0	5,363	823	625	0	5,791
564 CMD No. 564 - Brown	55,143	0	0	0	55,143	3,920	587	0	58,476
565 CMD No. 565 - River Glen Subdivision	21,150	0	8,128	0	13,022	16,516	15,729	0	21,937
566 CMD No. 566 - Bruce Road	7,937	0	216	0	7,721	1,005	596	0	8,346
567 CMD No. 567 - Salisbury Court	6,138	0	156	0	5,982	781	684	0	6,235
568 CMD No. 568 - Shastan at Glenwood	130,784	0	254	0	130,530	10,737	1,273	0	140,248
569 CMD No. 569 - Sky Creek Park Subd.	15,411	0	3,096	0	12,315	7,864	7,396	0	15,879
570 CMD No. 570 - McKinney Ranch Subd.	25,319	0	4,208	0	21,111	7,264	6,019	0	26,564
571 CMD No. 571 - Symm City Subdivision	7,290	0	108	0	7,182	893	735	0	7,448
572 CMD No. 572 - Lassen Glen Subdivision	16,046	0	1,609	0	14,437	6,527	6,016	0	16,557
573 CMD No. 573 - Keystone Manor Subdivision	6,507	0	149	0	6,358	846	669	0	6,684
574 CMD No. 574 - Laburnum Estates	4,731	0	230	0	4,501	980	805	0	4,906
576 CMD No. 576 - Eaton Cottages Subd.	41,421	0	230	0	41,191	3,485	1,057	0	43,849
577 CMD No. 577 - Hawes Subdivision	22,181	0	216	0	21,965	2,272	546	0	23,907
578 CMD No. 578 - Godman Ranch Subdivision	42,073	0	148	0	41,925	3,695	1,089	0	44,679
579 CMD No. 579 - Manzanita Pointe Subd.	16,391	0	1,220	0	15,171	4,160	3,662	0	16,889
580 CMD No. 580 - Avalon Court Subd.	4,088	0	2,725	0	1,363	4,794	4,586	0	4,296
581 CMD No. 581 - Glenshire Park Subd.	27,284	0	216	0	27,068	2,474	704	0	29,054
582 CMD No. 582 - NWCSP Area & CC&RS	(1)	0	0	0	(1)	0	0	0	(1)
584 CMD No. 584 - Marthas Vineyard	12,022	0	0	0	12,022	1,678	967	0	12,733
586 CMD No. 586 - Meriam Park Dev. Proj.	0	0	0	0	0	0	0	0	0
588 CMD No. 588 - Harmony Park	(1)	0	0	0	(1)	0	0	0	(1)
589 CMD No. 589 - Lee Estates Subd.	20,013	0	580	0	19,433	3,332	2,159	0	21,186
590 CMD No. 590 - Baroni Park L & L District	(8,288)	0	292	0	(8,580)	0	0	0	(8,288)
591 CMD No. 591 - Ranch/Nob Hill LLD	(30,395)	0	437	0	(30,832)	15,790	14,587	0	(29,192)

**City of Chico**  
**Fiscal Year 2022-23**  
**Financial Report Through January 2023**

	6/30/2022 Available Balance	Year-To-Date Actuals				Modified Adopted Budget			
		Revenues	Expenditures	Xfers In/(Out)	Available Balance	Revenues	Expenditures	Xfers In/(Out)	Available Balance
941 Maintenance District Administration	0	0	81,102	0	(81,102)	283,026	283,772	746	0
A01 CMD A01 - Wildwood Estates	52,085	0	13,115	0	38,970	54,672	32,527	0	74,230
A02 CMD A02 - 16TH Street Subdivision	(2,426)	0	0	0	(2,426)	0	0	0	(2,426)
A03 CMD No. A03 - Humboldt Trails Subd	16,997	0	1,148	0	15,849	4,753	3,276	0	18,474
A04 CMD No. A04 - Meriam Prk Subd. PH 8	4,726	0	5,528	0	(802)	13,628	14,114	0	4,240
A05 CMD No. A05 - Mtn Vista Sycamore	74,672	2,828	48,765	0	28,735	83,034	74,071	0	83,635
A06 CMD No. A06 - Woodbrook Subdivision	12,593	0	0	0	12,593	2,366	1,655	0	13,304
A07 CMD No. A07 - Deer Park Subdivision	46,175	0	344	0	45,831	4,104	1,353	0	48,926
A08 CMD No. A08 - 16th & 19th St. HFH	157	0	598	0	(441)	829	874	0	112
A11 CMD A11-Crouch Farr-Lamb	5,297	0	230	0	5,067	(3,760)	0	6,186	7,723
A12 CMD No. A12 - Estates @ Hooker Oak	16,537	0	249	0	16,288	2,629	840	0	18,326
A13 CMD A13 Hampton Court	(1,350)	0	1,687	0	(3,037)	2,675	1,828	0	(503)
A14 CMD A14-Estates @ lindo Channel	864	0	3,696	0	(2,832)	10,273	9,249	0	1,888
A15 CMD A15 - Lassen Subdivision	2,468	0	0	0	2,468	3,785	0	0	6,253
A16 A16-NW Chico Specific Plan	63,216	0	102,509	0	(39,293)	230,842	232,784	0	61,274
A17 CMD A17 - Harmony Park Revised	(4,384)	0	4,918	0	(9,302)	10,860	8,809	0	(2,333)
A18 CMD A18-Faithful Est Subdivsn	1,407	0	0	0	1,407	2,595	0	0	4,002
A20 CMD A20-Crossroads Subdivis	6,930	0	1,408	0	5,522	5,990	3,179	0	9,741
A21 CMD A21 - Meriam Park Revised	275,268	755	1,058	0	274,965	62,782	1,948	0	336,102
A22 CMD A22 - Meriam Park ABC	16,621	545	3,623	0	13,543	13,550	7,323	0	22,848
A24 CMD A24-Hopeful Heights Subdivision	2,167	0	0	0	2,167	3,365	0	0	5,532
A25 CMD A25-Domicile Subdivision	2,169	0	0	0	2,169	3,365	0	0	5,534
A26 CMD A26- Burnap Subdivision	5,780	0	1,422	0	4,358	9,222	712	0	14,290
A27 CMD A27- Mariposa Manor Subdivision	16,378	0	0	0	16,378	18,866	0	0	35,244
A28 CMD A28- PM 16-03 392 East 9th Ave	751	0	0	0	751	2,039	0	0	2,790
A29 CMD A29 - Ruthie Subdivision	(1,325)	0	688	0	(2,013)	5,191	2,213	0	1,653
A31 CMD A31- Meriam Park Phase H1-Block 2	4,702	0	0	0	4,702	4,769	0	0	9,471
A32 CMD A32-Carlene Place Subdivision	2,167	0	0	0	2,167	3,368	0	0	5,535
A33 CMD A33- PM 18-04 Karasinski	(164)	0	0	0	(164)	1,001	0	0	837
A34 CMD A34- Trinity Park Subdivision	6,918	0	0	0	6,918	8,415	0	0	15,333
A36 CMD A36- Crusader Court Subdivision	5,330	0	0	0	5,330	5,407	0	0	10,737
A37 CMD A37-Moresman Estate	6,384	0	1,664	0	4,720	7,792	758	0	13,418
A38 CMD A38-Covenant Court Subdivision	2,273	0	0	0	2,273	2,314	0	0	4,587
A40 CMD A40-Meriam Park Subdivisions Ph D	2,857	0	0	0	2,857	2,969	0	0	5,826
A41 CMD A41-Drake Estates	8,098	0	0	0	8,098	10,791	0	0	18,889
A42 CMD A42-Meriam Park North	0	0	0	0	0	18,644	0	0	18,644
A45 CMD A45- Amber Lynn Subdivisions	(1,462)	0	0	0	(1,462)	0	0	0	(1,462)

**City of Chico  
Fiscal Year 2022-23  
Financial Report Through January 2023**

	6/30/2022 Available Balance	Year-To-Date Actuals				Modified Adopted Budget			
		Revenues	Expenditures	Xfers In/(Out)	Available Balance	Revenues	Expenditures	Xfers In/(Out)	Available Balance
TOTAL Maintenance District Funds	4,521,038	6,163	749,642	0	3,777,559	2,017,209	1,678,884	83,517	4,942,880
TOTAL ALL FUNDS	348,168,244	68,323,543	96,913,455	(1)	319,578,331	294,795,821	354,410,774	18,525	288,571,816

\*\* End of Report \*\*

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

Fund: 001 - GENERAL

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
40201 Current Secured 1%	5,172,221.72	0.00	0.00	5,684,608.00	5,684,608.00	0
40204 Current Unsecured 1%	787,536.57	842,390.00	0.00	850,024.00	7,634.00	99
40205 Current Unitary	291,924.49	0.00	0.00	297,763.00	297,763.00	0
40206 Current Supplemental	268,495.18	73,691.70	0.00	100,000.00	26,308.30	74
40215 Residual Tax Increment	4,524,660.21	5,928,673.06	0.00	3,978,000.00	(1,950,673.06)	149
40225 RDA Pass Thru - Secured	395,166.86	4,962.99	0.00	355,288.00	350,325.01	1
40226 RDA Pass Thru - Unsecured	13.16	194.93	0.00	0.00	(194.93)	-
40228 CAMRPA Statutory Pass-Thru	378,176.00	0.00	0.00	416,191.00	416,191.00	0
40230 Prior Secured 1%	40,652.40	1,252.59	0.00	0.00	(1,252.59)	-
40231 Prior Unsecured 1%	20,262.18	11,282.00	0.00	10,000.00	(1,282.00)	113
40234 Prior Unsecured Supp 1%	1,829.12	789.70	0.00	1,000.00	210.30	79
40260 In Lieu Dept of Fish and Game	8,056.55	0.00	0.00	0.00	0.00	0
40265 In Lieu Butte Housing Auth	7,155.50	0.00	0.00	0.00	0.00	0
40270 Payment In Lieu of Taxes	2,476.00	1,632.00	0.00	3,000.00	1,368.00	54
40290 Property Tax In Lieu of VLF	9,223,005.80	0.00	0.00	9,170,928.00	9,170,928.00	0
40295 Property Tax Admin Fee	(117,006.46)	0.00	0.00	(119,326.00)	(119,326.00)	0
Total - Property Taxes	21,004,625.28	6,864,868.97	0.00	20,747,476.00	13,882,607.03	33 / 58
40101 Sales Tax	31,231,738.19	10,650,259.84	0.00	28,700,000.00	18,049,740.16	37
40102 Sales Tax Audit	(18,557.16)	(4,752.25)	0.00	(50,000.00)	(45,247.75)	10
40103 Public Safety Augmentation	270,758.28	69,320.67	0.00	240,000.00	170,679.33	29
Total - Sales and Use Taxes	31,483,939.31	10,714,828.26	0.00	28,890,000.00	18,175,171.74	37 / 58
40460 UUT Refunds	(4,652.44)	0.00	0.00	(2,000.00)	(2,000.00)	0
40490 Utility User Tax - Gas	1,698,256.13	273,231.61	0.00	1,291,080.00	1,017,848.39	21
40491 Utility User Tax - Electric	5,561,611.45	2,675,214.47	0.00	5,321,400.00	2,646,185.53	50
40492 Utility User Tax - Telecom	283,997.95	127,483.91	0.00	200,000.00	72,516.09	64
40493 Utility User Tax - Water	1,261,735.18	690,064.17	0.00	1,215,000.00	524,935.83	57
Total - Utility Users Tax	8,800,948.27	3,765,994.16	0.00	8,025,480.00	4,259,485.84	47 / 58
40301 Business License Tax	282,419.36	211,449.50	0.00	295,000.00	83,550.50	72
40302 DPBIA Bus License Tax - Zone A	13,972.75	8,284.55	0.00	17,700.00	9,415.45	47
40303 DPBIA Bus License Tax - Zone B	5,375.37	4,404.18	0.00	10,500.00	6,095.82	42
40403 Frnch Fees-Cable	996,246.78	0.00	0.00	850,000.00	850,000.00	0
40404 Franchise Fees-Gas/Electric	872,940.15	237,576.47	0.00	775,000.00	537,423.53	31
40405 Franchise Fees-Waste Hauler	2,168,385.28	1,129,864.00	0.00	2,000,000.00	870,136.00	56
40407 Real Property Transfer Tax	550,792.73	216,086.96	0.00	340,000.00	123,913.04	64
40410 Transient Occupancy Tax	3,913,104.21	1,862,167.15	0.00	3,400,000.00	1,537,832.85	55
40414 TOT Short Term Rental	477,441.62	88,971.75	0.00	130,000.00	41,028.25	68
Total - Other Taxes	9,280,678.25	3,758,804.56	0.00	7,818,200.00	4,059,395.44	48 / 58
40314 Business License Tax HdL	163.04	0.00	0.00	0.00	0.00	0
40501 Animal License	28,277.05	15,950.61	0.00	32,000.00	16,049.39	50
40504 Bicycle License	908.00	288.33	0.00	0.00	(288.33)	-
40506 Bingo License	100.00	25.00	0.00	0.00	(25.00)	-
40510 Cardroom Employee Work Permit	4,907.50	238.50	0.00	1,200.00	961.50	20
40513 Vending Permit	485.50	541.00	0.00	2,000.00	1,459.00	27
40514 Solicitor Permit	0.00	93.50	0.00	200.00	106.50	47
40519 Uniform Fire Code Permit	22,264.50	8,699.63	0.00	35,000.00	26,300.37	25
40525 Overload/Wide Load Permit	12,255.80	4,521.60	0.00	8,000.00	3,478.40	57
40528 Vehicle for Hire Permit	1,108.50	149.00	0.00	3,000.00	2,851.00	5
40534 Hydrant Permit	1,989.50	0.00	0.00	1,900.00	1,900.00	0
40540 Parade Permits	946.00	0.00	0.00	1,000.00	1,000.00	0
40541 Street Banner Permit Fees	0.00	0.00	0.00	100.00	100.00	0
40599 Other Licenses & Permits	5,661.00	63.00	0.00	5,000.00	4,937.00	1
Total - Licenses and Permits	79,066.39	30,570.17	0.00	89,400.00	58,829.83	34 / 58
41220 Motor Vehicle In Lieu	128,799.19	0.00	0.00	60,000.00	60,000.00	0
41228 Homeowners - 1%	140,798.42	0.00	0.00	155,000.00	155,000.00	0
41235 Peace Officers Standards & Trg	0.00	127,708.09	0.00	107,781.00	(19,927.09)	118
41245 Highway Maintenance St Payment	13,500.00	7,500.00	0.00	18,000.00	10,500.00	42
41250 Mandated Cost Reimbursement	40.08	50,478.00	0.00	40,000.00	(10,478.00)	126
41256 Pers-Emergency Response	828,635.65	200,809.27	0.00	30,000.00	(170,809.27)	669
41257 Supp-Emergency Response	124,413.26	25,065.53	0.00	30,000.00	4,934.47	84
41258 Mgmt-Emergency Response	33,289.43	0.00	0.00	30,000.00	30,000.00	0

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 001 - GENERAL**

Budget Year: 2023	Prior Year's	Year To Date	Encumbrances	Budget	Balance	Percent Used Budg / Time
	Actuals To 6/30/2022	Actuals				
41299 Other State Revenue	3,201.00	2,413.14	0.00	0.00	(2,413.14)	-
41499 Other Payments from Gov't Agy	323,927.39	298.40	0.00	1,000.00	701.60	30
Total - Intergovernmental Revenues	1,596,604.42	414,272.43	0.00	471,781.00	57,508.57	88 / 58
42104 Weed & Lot Cleaning Fee	3,698.78	8,361.62	0.00	1,700.00	(6,661.62)	492
42105 State Mandated Fire Inspection	49,458.50	18,529.00	0.00	60,000.00	41,471.00	31
42107 Animal Control Impound Fees	12,865.00	5,859.50	0.00	20,000.00	14,140.50	29
42108 Feed and Care	5,089.39	4,041.00	0.00	8,000.00	3,959.00	51
42109 Dog Spay/Neuter Fines	3,684.09	2,045.50	0.00	8,000.00	5,954.50	26
42110 Impound Fees	7,653.00	3,985.00	0.00	10,000.00	6,015.00	40
42111 Repossession of Vehicle Fee	765.41	780.41	0.00	800.00	19.59	98
42112 Parking Citation Sign-Off Fee	1,080.29	426.45	0.00	0.00	(426.45)	-
42115 Abandoned Vehicle Abatement	0.00	59,232.47	0.00	60,000.00	767.53	99
42121 Animal Disposal Fees	2,536.00	505.00	0.00	2,500.00	1,995.00	20
42122 Cremation Services	6,485.00	3,262.00	0.00	4,000.00	738.00	82
42123 Animal Adoptions	13,776.00	14,900.50	0.00	15,000.00	99.50	99
42124 Micro-chipping	0.00	0.00	0.00	1,000.00	1,000.00	0
42417 Abandonment Fee	2,633.50	2,633.50	0.00	0.00	(2,633.50)	-
42601 Parking Fine Admin Fee	(861.62)	(630.88)	0.00	0.00	630.88	-
42603 Fingerprinting Fee	6,058.66	8,059.00	0.00	10,000.00	1,941.00	81
42604 Sale of Docs/Publications	13,603.98	7,871.89	0.00	13,000.00	5,128.11	61
42605 Appeals Fee	38,952.00	735.00	0.00	500.00	(235.00)	147
42670 Franchise Review Fee Event	616.44	669.20	0.00	1,000.00	330.80	67
42699 Other Service Charges	72.00	334.00	0.00	5,000.00	4,666.00	7
43019 Administrative Fees(PBID/TBID)	24,952.54	7,326.41	0.00	13,740.00	6,413.59	53
Total - Charges for Services	193,118.96	148,926.57	0.00	234,240.00	85,313.43	64 / 58
40524 False Alarm Fines	21,759.76	7,423.13	0.00	45,000.00	37,576.87	16
43004 Criminal Fines-Court	108,069.98	47,751.35	0.00	100,000.00	52,248.65	48
43016 Parking Fines	620,875.28	256,380.70	0.00	300,000.00	43,619.30	85
43018 Administrative Citations	2,560.00	1,452.00	0.00	1,000.00	(452.00)	145
Total - Fines & Forfeitures	753,265.02	313,007.18	0.00	446,000.00	132,992.82	70 / 58
44101 Interest on Investments	(1,230,621.49)	0.00	0.00	189,749.00	189,749.00	0
44129 Other Interest Earnings	11.31	0.00	0.00	0.00	0.00	0
44130 Rental & Lease Income	122,786.63	95,485.45	0.00	125,000.00	29,514.55	76
44202 Late Fee-Business License	8,920.27	4,213.71	0.00	3,000.00	(1,213.71)	140
44203 Late Fee-DPBIA	595.29	337.11	0.00	0.00	(337.11)	-
44204 Late Fee-Dog License	1,160.75	952.92	0.00	0.00	(952.92)	-
44207 Late Fee-TOT	45,813.17	14,799.80	0.00	0.00	(14,799.80)	-
44220 Bad Check Fee	91.50	227.50	0.00	0.00	(227.50)	-
Total - Use of Money & Property	(1,051,242.57)	116,016.49	0.00	317,749.00	201,732.51	37 / 58
44501 Cash Over/Short	45.41	5.11	0.00	0.00	(5.11)	-
44505 Miscellaneous Revenues	19,208.61	20,696.30	0.00	10,000.00	(10,696.30)	207
44506 Credit Card Fees	0.00	2,330.35	0.00	0.00	(2,330.35)	-
44512 Reimbursement-Subpeona/Jury Dty	759.02	340.09	0.00	0.00	(340.09)	-
44518 NCEDC Reimbursement	(819.92)	0.00	0.00	0.00	0.00	0
44519 Reimbursement-Other	142,583.10	416.44	0.00	50,000.00	49,583.56	1
44521 Crossing Guard Reimbursement	4,857.28	2,003.64	0.00	2,500.00	496.36	80
44580 Settlement Proceeds	28,796.00	29,902.76	0.00	0.00	(29,902.76)	-
46007 Sale of Real/Personal Property	15,874.71	8,780.62	0.00	0.00	(8,780.62)	-
46010 Reimb of Damage to City Prop	15,214.66	3,963.21	0.00	5,000.00	1,036.79	79
Total - Other Revenues	226,518.87	68,438.52	0.00	67,500.00	(938.52)	101 / 58
49991 Prior Year Revenue Correction	(13.00)	(2.00)	0.00	0.00	2.00	-
Total - Other Financing Sources	(13.00)	(2.00)	0.00	0.00	2.00	0 / 58
<b>Total Revenues</b>	<b>72,367,509.20</b>	<b>26,195,725.31</b>	<b>0.00</b>	<b>67,107,826.00</b>	<b>40,912,100.69</b>	<b>39 / 58</b>

**Expenditures**

4000 Salaries - Permanent	19,552,046.32	11,636,182.85	0.00	22,865,004.00	11,228,821.15	51
4005 Salaries - Supplemental Comp.	90,000.00	22,124.73	0.00	0.00	(22,124.73)	-
4006 Salaries - Sign On Bonus	37,337.28	5,250.00	0.00	0.00	(5,250.00)	-
4010 Salaries-Temporary Disability	189,883.83	163,008.86	0.00	0.00	(163,008.86)	-
4015 Salaries - Holiday Pay	700,049.90	532,505.73	0.00	601,820.00	69,314.27	88
4020 Salaries - Hourly Pay	482,429.66	352,618.30	0.00	280,029.00	(72,589.30)	126

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 001 - GENERAL**

Budget Year: 2023	Prior Year's	Year To Date	Encum-	Budget	Balance	Percent
	Actuals	Actuals	brances			Used
	To 6/30/2022					Budg / Time
4025 Salaries - Separation Payouts	151,110.37	0.00	0.00	0.00	0.00	0
4030 Salaries-Reserve Officers	0.00	0.00	0.00	8,775.00	8,775.00	0
4050 Salaries - Overtime	3,308,108.04	1,788,630.60	0.00	2,260,121.69	471,491.09	79
4051 Salaries - OT Reimbursable	570,364.17	189,990.32	0.00	35,600.00	(154,390.32)	534
4053 OT - Special Event/Emergency	26,639.58	26,562.72	0.00	30,100.00	3,537.28	88
4055 Salaries - Overtime - FLSA	166,827.47	105,661.88	0.00	180,000.00	74,338.12	59
4056 Salaries - CTO Payout	61,289.23	52,704.17	0.00	80,000.00	27,295.83	66
4070 Salaries- OES	21,038.70	0.00	0.00	28,300.00	28,300.00	0
4080 Salaries - Light Duty	216,793.97	122,591.05	0.00	0.00	(122,591.05)	-
4500 Employee Benefit-FICA/Medicare	0.00	1,986.47	0.00	0.00	(1,986.47)	-
4585 Empl. Benefit-Fitness Reimb	24,204.19	14,391.39	0.00	29,200.00	14,808.61	49
4590 Employee Benefit-Wellness Phys	44,944.00	28,308.00	0.00	52,600.00	24,292.00	54
4690 Employee Benefits Other	17,220,959.73	9,874,087.42	0.00	18,174,597.00	8,300,509.58	54
4695 Vol Fire Length of Serv Award	0.00	0.00	0.00	6,000.00	6,000.00	0
<b>Total - Salaries &amp; Employee Benefits</b>	<b>42,864,026.44</b>	<b>24,916,604.49</b>	<b>0.00</b>	<b>44,632,146.69</b>	<b>19,715,542.20</b>	<b>56 / 58</b>
5000 Office Expense	59,892.63	30,443.48	0.00	73,195.00	42,751.52	42
5005 Postage & Mailing	28,955.25	11,878.13	0.00	34,941.00	23,062.87	34
5010 Outside Printing Expense	11,399.70	3,337.64	0.00	31,544.00	28,206.36	11
5050 Books/Periodicals/Software	54,329.58	43,767.66	0.00	63,049.00	19,281.34	69
5070 Special Department Expenses	45,940.19	22,628.15	0.00	18,150.00	(4,478.15)	125
5100 Materials and Supplies	64,330.28	31,307.89	0.00	59,179.00	27,871.11	53
5102 Animal Shelter Food	15,190.87	12,564.41	0.00	15,000.00	2,435.59	84
5103 Medications/Animal Care Supply	7,595.52	4,493.22	0.00	12,000.00	7,506.78	37
5105 Small Tools and Equipment	22,969.68	3,397.75	0.00	19,232.00	15,834.25	18
5110 Safety Equipment	76,329.86	23,101.55	8,384.80	98,283.00	66,796.65	32
5120 Clothing/Uniforms	1,064.20	869.68	0.00	2,900.00	2,030.32	30
5450 Utilities- Gas	0.00	200.23	0.00	0.00	(200.23)	-
5505 Equipment Maintenance/Repair	41,397.24	12,510.49	0.00	33,590.00	21,079.51	37
5515 Building Maintenance/Repair	4,261.42	316.50	0.00	5,000.00	4,683.50	6
6204 Disposal Service Expenses	215.90	2,774.11	0.00	900.00	(1,874.11)	308
6235 Prisoner Transport	4,755.00	2,080.05	0.00	10,593.00	8,512.95	20
6238 Ammunition	106,665.75	85,487.72	0.00	87,000.00	1,512.28	98
6239 Jail Supplies	4,263.48	2,645.59	0.00	6,450.00	3,804.41	41
6240 CSI Supplies	3,548.58	986.91	0.00	3,600.00	2,613.09	27
6241 Range Supplies	7,703.72	5,353.02	0.00	16,800.00	11,446.98	32
6244 Field Services	3,694.00	3,065.00	0.00	3,100.00	35.00	99
6246 Battery Supplies	1,391.08	528.92	0.00	2,430.00	1,901.08	22
6247 K-9 Supplies	14,575.54	16,334.61	0.00	15,000.00	(1,334.61)	109
6250 Donations - Expense	1,245.96	87.99	0.00	0.00	(87.99)	-
6260 VIPs	293.55	1,495.00	0.00	500.00	(995.00)	299
6261 Records Purge	453.37	700.23	0.00	1,435.00	734.77	49
6268 BINTF Expense	15,000.00	15,000.00	0.00	15,000.00	0.00	100
6280 Uniform Allow. Sworn	74,153.10	44,632.81	0.00	89,130.00	44,497.19	50
6282 Uniform Allow Civilian	14,213.65	7,132.81	0.00	26,350.00	19,217.19	27
6283 Uniform Safety Equip	98,263.74	43,294.49	0.00	98,800.00	55,505.51	44
6284 Uniforms - Turnover	640.61	0.00	0.00	4,650.00	4,650.00	0
6285 Uniform - Safety Vests	30,660.77	10,952.78	0.00	46,900.00	35,947.22	23
6289 Crisis Response Unit Equipment	11,410.89	4,821.08	0.00	12,000.00	7,178.92	40
6721 Related Exam Costs	444.98	0.00	0.00	1,000.00	1,000.00	0
7309 Filters	42.89	0.00	0.00	0.00	0.00	0
7317 Graffiti Prevention Expenses	8,746.94	0.00	0.00	0.00	0.00	0
7330 Aggregate Base	11,873.77	0.00	0.00	0.00	0.00	0
7331 Asphalt Concrete	48,733.03	0.00	0.00	0.00	0.00	0
7332 SS1 Emulsion	5,239.95	0.00	0.00	0.00	0.00	0
7334 Road Crack Filler	1,712.82	0.00	0.00	0.00	0.00	0
7335 Sand	2,270.33	0.00	0.00	0.00	0.00	0
7340 Traffic Paint	1,047.00	0.00	0.00	0.00	0.00	0
7341 Thermoplastic	31,187.33	0.00	0.00	0.00	0.00	0
7344 Traffic Signs/Hardware	24,840.56	0.00	0.00	0.00	0.00	0
7345 Traffic Signal Hardware/Supp.	25,087.54	0.00	0.00	0.00	0.00	0
7346 Street Lighting Supplies	40,558.71	0.00	0.00	0.00	0.00	0
<b>Total - Materials &amp; Supplies</b>	<b>1,028,590.96</b>	<b>448,189.90</b>	<b>8,384.80</b>	<b>907,701.00</b>	<b>451,126.30</b>	<b>50 / 58</b>
5330 Contractual	777,320.27	264,094.93	12,493.00	923,369.00	646,781.07	30
5400 Professional Services	702,617.72	339,089.37	61,563.57	894,456.00	493,803.06	45

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

Fund: 001 - GENERAL

Budget Year: 2023	Prior Year's	Year To Date	Encum-	Budget	Balance	Percent
	Actuals	Actuals	brances			Used
	To 6/30/2022					Budg / Time
5401 Audit Services	31,326.98	33,727.06	0.00	30,631.00	(3,096.06)	110
5405 Legal & Court Costs	248.29	0.00	0.00	7,000.00	7,000.00	0
5415 Landscape Maintenance	3,453.20	0.00	0.00	0.00	0.00	0
5420 Laundry Services	14,489.73	6,383.79	0.00	20,000.00	13,616.21	32
5440 Janitorial Services	(566.50)	0.00	0.00	0.00	0.00	0
5441 Portable Toilet Program	566.50	0.00	0.00	0.00	0.00	0
5550 Maint Agreements- Radios	8,757.87	8,407.52	0.00	40,000.00	31,592.48	21
5555 Maint Agreements Other	20,485.01	0.00	0.00	5,680.00	5,680.00	0
6216 Sexual Assault Exams	57,000.00	22,500.00	0.00	76,500.00	54,000.00	29
6218 Medical Testing	10,599.00	956.00	0.00	32,500.00	31,544.00	3
6220 Specialized Medical Testing	655.00	0.00	0.00	1,414.00	1,414.00	0
6224 Veterinary Expenses	7,049.85	1,002.35	0.00	7,500.00	6,497.65	13
6701 Pre Employment Physicals	18,477.00	5,436.00	0.00	8,390.00	2,954.00	65
6702 Psychological Eval & Services	12,000.00	2,800.00	0.00	9,500.00	6,700.00	29
6703 Employee Counseling	8,764.56	7,542.08	0.00	9,000.00	1,457.92	84
6704 In-Service Medical	32,850.83	11,202.00	0.00	20,000.00	8,798.00	56
6706 Drug & Alcohol Testing	8,376.00	2,801.00	0.00	3,990.00	1,189.00	70
6708 Polygraphs	0.00	0.00	0.00	3,000.00	3,000.00	0
6710 Fingerprinting	6,523.00	2,412.00	0.00	3,800.00	1,388.00	63
6720 Testing	429.00	0.00	0.00	5,500.00	5,500.00	0
7347 Weed Control	29,304.15	0.00	0.00	0.00	0.00	0
7375 Sweeping/Trash Disposal	791.66	0.00	0.00	0.00	0.00	0
7380 Pest Control	850.00	420.00	0.00	1,500.00	1,080.00	28
7394 Hazardous Materials Disposal	3,489.54	0.00	0.00	0.00	0.00	0
7413 Outside Repairs/Services Other	25,391.49	(225.26)	0.00	0.00	225.26	-
Total - Purchased Services	1,781,250.15	708,548.84	74,056.57	2,103,730.00	1,321,124.59	37 / 58
Total - Debt Service	0.00	0.00	0.00	0.00	0.00	0 / 58
7992 Capital Projects OH Allocation	48,883.63	21,220.37	0.00	0.00	(21,220.37)	-
8800 Major Cap Projects-Capitalize	407,366.76	262,416.67	239,397.98	6,800,439.00	6,298,624.35	7
8801 Major Cap Proj-Non Capitalize	1,349,019.39	513,011.45	250,738.35	0.00	(763,749.80)	-
Total - Capital Projects	1,805,269.78	796,648.49	490,136.33	6,800,439.00	5,513,654.18	19 / 58
5140 Advertising/Marketing	26,981.65	5,417.97	0.00	31,464.00	26,046.03	17
5160 Licenses/Permits/Fees	6,277.27	480.00	0.00	2,595.00	2,115.00	18
5240 Taxes	812.15	832.87	0.00	350.00	(482.87)	238
5300 Lease/Rental Expense	14,979.94	0.00	0.00	0.00	0.00	0
5370 Memberships/Dues	66,123.33	26,433.42	0.00	66,396.00	39,962.58	40
5385 Business Expenses	31,964.11	4,027.69	0.00	29,876.00	25,848.31	13
5386 Conference Expenses	15,598.89	10,265.35	0.00	36,790.00	26,524.65	28
5390 Training	524,213.76	210,507.49	0.00	564,577.00	354,069.51	37
5391 City-Wide Training Program	100.00	5,043.00	0.00	5,000.00	(43.00)	101
5465 Solid Waste Disposal	3,849.41	1,915.08	0.00	4,660.00	2,744.92	41
5480 Communications	306,977.96	142,989.22	0.00	301,135.00	158,145.78	47
6050 Elections	6,102.83	828.27	0.00	150,000.00	149,171.73	1
6053 Boards and Commissions Expense	4,114.00	1,906.99	0.00	5,500.00	3,593.01	35
6056 Meeting Expenses	5,271.46	1,624.09	0.00	6,500.00	4,875.91	25
6108 LAFCO Operations	204,387.02	222,238.45	43,100.00	340,507.00	75,168.55	78
6109 Economic Services	97,242.03	15,464.34	171,593.63	187,058.00	0.03	100
6114 Council Broadcasts	12,376.09	13,994.75	0.00	16,000.00	2,005.25	87
6115 DCBA Contract	10,043.12	21,302.47	0.00	27,500.00	6,197.53	77
6117 Public Relations Expenses	0.00	0.00	0.00	2,000.00	2,000.00	0
6150 Municipal Code Update	3,261.51	1,102.80	0.00	6,000.00	4,897.20	18
6200 Background Expenses	63,524.00	24,975.00	0.00	29,500.00	4,525.00	85
6249 Special Events Expense	1,197.41	2,748.04	0.00	2,500.00	(248.04)	110
6667 Public Information Officer Exp	0.00	127.41	0.00	300.00	172.59	42
6730 Damaged Property Reimbursement	250.00	0.00	0.00	475.00	475.00	0
7451 Volunteer Mat and Supplies	79.00	0.00	0.00	0.00	0.00	0
Total - Other Expenses	1,405,726.94	714,224.70	214,693.63	1,816,683.00	887,764.67	51 / 58
7500 Non-Recurring Operating	493,037.28	172,609.65	122,706.65	448,506.00	153,189.70	66
Total - Non-Recurring Operating	493,037.28	172,609.65	122,706.65	448,506.00	153,189.70	66 / 58
8900 Depreciation	0.00	931.56	0.00	0.00	(931.56)	-
Total - Depreciation	0.00	931.56	0.00	0.00	(931.56)	999 / 58 <b>Ovr</b>



**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 001 - GENERAL**

Budget Year: 2023	Prior Year's	Year To Date	Encumbrances	Budget	Balance	Percent Used Budg / Time
	Actuals To 6/30/2022	Actuals				
5030 Insurance	2,387,607.00	1,658,342.00	0.00	1,979,746.00	321,404.00	84
5260 Fuel	563,421.37	235,776.49	0.00	305,715.00	69,938.51	77
5455 Electric	899,017.82	364,945.23	0.00	231,056.00	(133,889.23)	158
5456 Natural Gas	38,663.20	26,224.64	0.00	34,097.00	7,872.36	77
5460 Water	42,766.70	16,917.60	0.00	41,084.00	24,166.40	41
5510 Vehicle Maintenance/Repair	1,220,964.69	214,338.14	0.00	896,017.00	681,678.86	24
7993 Indirect Cost Allocation	(2,130,959.00)	(671,729.00)	0.00	(2,015,187.00)	(1,343,458.00)	33
7994 Building Main Allocation	1,053,796.00	229,833.00	0.00	1,230,499.00	1,000,666.00	19
7996 Info Systems Allocation	1,821,264.57	800,879.00	0.00	2,727,612.00	1,926,733.00	29
Total - Allocations	5,896,542.35	2,875,527.10	0.00	5,430,639.00	2,555,111.90	53 / 58
Total Expenditures	55,274,443.90	30,633,284.73	909,977.98	62,139,844.69	30,596,581.98	51 / 58
Excess Deficiency Before						
Financing Sources / (Uses)	17,093,065.30	(4,437,559.42)	(909,977.98)	4,967,981.31	10,315,518.71	0 / 58
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3211 Traffic Safety	39,288.41	9,358.88	0.00	20,000.00	10,641.12	47
3212 Transportation	100,000.00	0.00	0.00	0.00	0.00	0
3307 Streets and Roads	2,050,000.00	0.00	0.00	0.00	0.00	0
3901 Workers Compensation Ins Resve	315,351.00	0.00	0.00	0.00	0.00	0
Total Transfers IN	2,504,639.41	9,358.88	0.00	20,000.00	10,641.12	47 / 58
Operating Transfers OUT						
9002 Park	(3,547,609.78)	(754,765.71)	0.00	(4,225,882.00)	3,471,116.29	18
9003 Emergency Reserve	(478,214.16)	0.00	0.00	0.00	0.00	0
9009 Debt Service	(232,587.10)	(1,854,990.76)	0.00	(1,006,321.00)	-848,669.76	184
9050 Donations	0.00	0.00	0.00	(126,066.00)	126,066.00	0
9051 Arts and Culture	0.00	0.00	0.00	(30,635.00)	30,635.00	0
9052 Specialized Community Svc	0.00	0.00	0.00	(812,082.00)	812,082.00	0
9098 Fed Local Law Enforce Blk Grnt	(5,130.00)	(182.68)	0.00	(548.00)	365.32	33
9099 Supplemental Law Enforce Serv	(8,024.16)	(1,932.32)	0.00	(5,797.00)	3,864.68	33
9100 Grants - Operating Activities	(27,986.66)	(13,233.00)	0.00	(39,699.00)	26,466.00	33
9213 Abandon Vehicle Abatement	(155,604.90)	0.00	0.00	0.00	0.00	0
9307 Streets and Roads	0.00	(112,207.27)	0.00	(6,141,659.00)	6,029,451.73	2
9312 Remediation Fund	0.00	0.00	0.00	(10,000.00)	10,000.00	0
9315 General Plan Reserve	(83,333.34)	(33,333.32)	0.00	(100,000.00)	66,666.68	33
9856 Airport	(256,732.04)	0.00	0.00	0.00	0.00	0
9871 Private Development - Building	(213,855.84)	(72,556.55)	0.00	(188,910.00)	116,353.45	38
9872 Private Development - Planning	(84,307.07)	(30,886.76)	0.00	(79,540.00)	48,653.24	39
9873 Private Development - Engineer	(70,630.26)	(26,900.66)	0.00	(55,500.00)	28,599.34	48
9874 Private Development - Fire	(35,784.89)	(10,392.03)	0.00	(33,250.00)	22,857.97	31
9876 City Recreation	300,000.00	0.00	0.00	0.00	0.00	0
9904 Pension Stabilization Trust	(1,000,000.00)	0.00	0.00	(500,000.00)	500,000.00	0
9931 Technology Replacement	(402,314.16)	(155,296.32)	0.00	(465,889.00)	310,592.68	33
9932 Fleet Replacement	(466,666.66)	(1,329,000.00)	0.00	(5,758,449.00)	4,429,449.00	23
9933 Facility Maintenance Reserve	(250,000.00)	(212,347.32)	0.00	(637,042.00)	424,694.68	33
9938 Prefund Equip Liab Res-Fire	473,959.00	0.00	0.00	(321,774.00)	321,774.00	0
9941 Maintenance District Admin	(82,770.81)	0.00	0.00	(64,991.00)	64,991.00	0
9943 Public Infrastructure Replcmt	(1,507,434.95)	(432,233.86)	0.00	(1,520,000.00)	1,087,766.14	28
Total Transfers OUT	(8,135,027.78)	(5,040,258.56)	0.00	(22,124,034.00)	17,083,775.44	23 / 58
Total Other Financing Sources	(9,458,873.69)	(5,030,899.68)	0.00	(22,104,034.00)	(17,073,134.32)	23 / 58
Excess Deficiency After						
Financing Sources / (Uses)	7,634,191.61	(9,468,459.10)	(909,977.98)	(17,136,052.69)	(6,757,615.61)	

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 001 - GENERAL**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
Beginning Fund Balance	21,761,809.76	29,396,001.37	0.00	29,396,001.37		
Ending Fund Balance	29,396,001.37	19,927,542.27	(909,977.98)	12,259,948.68		
Ending Cash Balance	23,201,723.28	(3,375,957.27)				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

Fund: 002 - PARK

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
42501 Park Use Fees	16,381.42	11,886.82	0.00	8,000.00	(3,886.82)	149
42699 Other Service Charges	637.00	539.00	0.00	1,000.00	461.00	54
Total - Charges for Services	17,018.42	12,425.82	0.00	9,000.00	(3,425.82)	138 / 58
44101 Interest on Investments	6,915.42	0.00	0.00	(1,971.00)	(1,971.00)	0
44131 Lease-Bidwell Park Golf Course	52,789.13	15,000.00	0.00	40,000.00	25,000.00	38
44140 Concession Income	0.00	0.00	0.00	1,500.00	1,500.00	0
Total - Use of Money & Property	59,704.55	15,000.00	0.00	39,529.00	24,529.00	38 / 58
46010 Reimb of Damage to City Prop	0.00	0.00	0.00	1,000.00	1,000.00	0
Total - Other Revenues	0.00	0.00	0.00	1,000.00	1,000.00	0 / 58
<b>Total Revenues</b>	<b>76,722.97</b>	<b>27,425.82</b>	<b>0.00</b>	<b>49,529.00</b>	<b>22,103.18</b>	<b>55 / 58</b>
<b>Expenditures</b>						
4000 Salaries - Permanent	828,672.89	270,664.81	0.00	735,142.00	464,477.19	37
4005 Salaries - Supplemental Comp.	50,000.00	427.16	0.00	0.00	(427.16)	-
4010 Salaries-Temporary Disability	0.00	31,471.50	0.00	0.00	(31,471.50)	-
4015 Salaries - Holiday Pay	4,540.52	5,864.08	0.00	12,500.00	6,635.92	47
4020 Salaries - Hourly Pay	108,869.42	39,505.13	0.00	0.00	(39,505.13)	-
4025 Salaries - Separation Payouts	532.90	0.00	0.00	0.00	0.00	0
4050 Salaries - Overtime	63,772.97	18,507.46	0.00	13,075.00	(5,432.46)	142
4053 OT - Special Event/Emergency	529.67	0.00	0.00	0.00	0.00	0
4056 Salaries - CTO Payout	416.38	69.40	0.00	0.00	(69.40)	-
4080 Salaries - Light Duty	64,312.65	2,389.31	0.00	0.00	(2,389.31)	-
4690 Employee Benefits Other	758,574.50	237,370.03	0.00	585,657.00	348,286.97	41
Total - Salaries & Employee Benefits	1,880,221.90	606,268.88	0.00	1,346,374.00	740,105.12	45 / 58
5000 Office Expense	260.27	80.00	0.00	1,000.00	920.00	8
5005 Postage & Mailing	56.43	0.00	0.00	500.00	500.00	0
5010 Outside Printing Expense	128.84	0.00	0.00	1,000.00	1,000.00	0
5050 Books/Periodicals/Software	557.70	18.00	0.00	18,800.00	18,782.00	0
5100 Materials and Supplies	43,435.83	26,815.81	0.00	35,000.00	8,184.19	77
5105 Small Tools and Equipment	6,938.98	445.31	0.00	7,230.00	6,784.69	6
5110 Safety Equipment	6,828.19	1,158.73	0.00	4,075.00	2,916.27	28
5120 Clothing/Uniforms	3,773.57	1,498.39	0.00	4,085.00	2,586.61	37
5505 Equipment Maintenance/Repair	1,993.58	1,867.45	0.00	2,100.00	232.55	89
5515 Building Maintenance/Repair	10,495.04	2,634.74	0.00	10,000.00	7,365.26	26
6280 Uniform Allow. Sworn	0.00	0.00	0.00	1,050.00	1,050.00	0
7302 Fuel- Unleaded	0.00	26.60	0.00	0.00	(26.60)	-
7320 Custodial Supplies	4,379.06	1,298.96	0.00	8,000.00	6,701.04	16
7321 Flags	207.19	0.00	0.00	0.00	0.00	0
7371 Landscape Maintenance Supplies	2,581.66	302.65	0.00	10,000.00	9,697.35	3
Total - Materials & Supplies	81,636.34	36,146.64	0.00	102,840.00	66,693.36	35 / 58
5330 Contractual	327,114.18	99,895.57	0.00	231,513.00	131,617.43	43
5400 Professional Services	3,123.20	0.00	0.00	2,250.00	2,250.00	0
5415 Landscape Maintenance	416,493.17	77,492.28	0.00	159,000.00	81,507.72	49
5420 Laundry Services	1,858.76	460.42	0.00	1,500.00	1,039.58	31
5440 Janitorial Services	21,636.19	5,032.34	0.00	19,000.00	13,967.66	26
7203 Elderberry Site Monitor & Main	0.00	0.00	0.00	500.00	500.00	0
7375 Sweeping/Trash Disposal	4,903.20	1,151.00	0.00	5,000.00	3,849.00	23
7413 Outside Repairs/Services Other	2,463.94	0.00	0.00	7,500.00	7,500.00	0
Total - Purchased Services	777,592.64	184,031.61	0.00	426,263.00	242,231.39	43 / 58
7992 Capital Projects OH Allocation	7,487.64	2,085.56	0.00	0.00	(2,085.56)	-
8800 Major Cap Projects-Capitalize	140,638.33	0.00	0.00	1,389,441.00	1,389,441.00	0
8801 Major Cap Proj-Non Capitalize	284,137.20	120,144.80	57,498.77	0.00	(177,643.57)	-
Total - Capital Projects	432,263.17	122,230.36	57,498.77	1,389,441.00	1,209,711.87	13 / 58
5140 Advertising/Marketing	302.26	0.00	0.00	500.00	500.00	0
5160 Licenses/Permits/Fees	5,733.13	2,795.63	0.00	5,000.00	2,204.37	56
5300 Lease/Rental Expense	5,833.84	1,648.50	0.00	8,000.00	6,351.50	21
5370 Memberships/Dues	546.48	179.88	0.00	1,000.00	820.12	18
5385 Business Expenses	612.51	0.00	0.00	0.00	0.00	0
5390 Training	7,088.61	145.00	0.00	4,000.00	3,855.00	4

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 002 - PARK**

Budget Year: 2023	Prior Year's	Year To Date	Encum-	Budget	Balance	Percent
	Actuals	Actuals	brances			Used
	To 6/30/2022					Budg / Time
5465 Solid Waste Disposal	406.79	0.00	0.00	0.00	0.00	0
5480 Communications	21,342.61	9,464.79	0.00	20,000.00	10,535.21	47
7322 CARD Park Expenses	3,195.34	30,983.92	0.00	84,300.00	53,316.08	37
7451 Volunteer Mat and Supplies	1,142.07	160.66	0.00	2,185.00	2,024.34	7
7452 Volunteer Small Tools & Equip	657.96	935.29	0.00	2,520.00	1,584.71	37
7453 Volunteer Training	0.00	0.00	0.00	582.00	582.00	0
7454 Water Quality Testing	5,838.00	2,690.00	0.00	5,000.00	2,310.00	54
Total - Other Expenses	52,699.60	49,003.67	0.00	133,087.00	84,083.33	37 / 58
8900 Depreciation	0.00	62.18	0.00	0.00	(62.18)	-
Total - Depreciation	0.00	62.18	0.00	0.00	(62.18)	999 / 58 Ovr
5030 Insurance	110,578.00	41,012.00	0.00	63,928.00	22,916.00	64
5260 Fuel	50,811.47	20,716.68	0.00	21,903.00	1,186.32	95
5455 Electric	22,109.31	45,582.32	0.00	26,156.00	(19,426.32)	174
5460 Water	168,553.54	54,903.84	0.00	67,578.00	12,674.16	81
5510 Vehicle Maintenance/Repair	145,717.10	5,514.23	0.00	63,241.00	57,726.77	9
7993 Indirect Cost Allocation	290,862.00	100,590.68	0.00	301,772.00	201,181.32	33
7994 Building Main Allocation	34,898.00	6,374.00	0.00	34,174.00	27,800.00	19
7996 Info Systems Allocation	31,396.00	14,149.00	0.00	54,842.00	40,693.00	26
Total - Allocations	854,925.42	288,842.75	0.00	633,594.00	344,751.25	46 / 58
Total Expenditures	4,079,339.07	1,286,586.09	57,498.77	4,031,599.00	2,687,514.14	33 / 58
Excess Deficiency Before						
Financing Sources / (Uses)	(4,002,616.10)	(1,259,160.27)	(57,498.77)	(3,982,070.00)	(2,665,410.96)	33 / 58
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3001 General	4,086,109.18	754,765.71	0.00	4,225,882.00	3,471,116.29	18
3100 Grants Operating	1,800.00	0.00	0.00	0.00	0.00	0
Total Transfers IN	4,087,909.18	754,765.71	0.00	4,225,882.00	3,471,116.29	18 / 58
Operating Transfers OUT						
9307 Streets and Roads	0.00	0.00	0.00	(243,810.00)	243,810.00	0
Total Transfers OUT	0.00	0.00	0.00	(243,810.00)	-243,810.00	0 / 58
Total Other Financing Sources	4,087,909.18	754,765.71	0.00	3,982,072.00	3,227,306.29	19 / 58
Excess Deficiency After						
Financing Sources / (Uses)	85,293.08	(504,394.56)	(57,498.77)	2.00	561,895.33	
Beginning Fund Balance	(81,295.08)	3,998.00	0.00	3,998.00		
Ending Fund Balance	3,998.00	(500,396.56)	(57,498.77)	4,000.00		
Ending Cash Balance	252,963.66	(784,916.72)				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 212 - TRANSPORTATION**

<b>Budget Year: 2023</b>	<b>Prior Year's Actuals To 6/30/2022</b>	<b>Year To Date Actuals</b>	<b>Encumbrances</b>	<b>Budget</b>	<b>Balance</b>	<b>Percent Used Budg / Time</b>
<b>Revenues</b>						
41239 TDA-SB325 (LTF)	2,748,765.00	1,269,988.36	0.00	3,560,789.00	2,290,800.64	36
41399 Other County Payments	1,680.00	420.00	0.00	1,200.00	780.00	35
Total - Intergovernmental Revenues	2,750,445.00	1,270,408.36	0.00	3,561,989.00	2,291,580.64	36 / 58
42216 Bicycle Locker Lease	270.00	60.00	0.00	0.00	(60.00)	-
Total - Charges for Services	270.00	60.00	0.00	0.00	(60.00)	999 / 58
44101 Interest on Investments	(185,512.88)	0.00	0.00	30,792.00	30,792.00	0
44130 Rental & Lease Income	7,200.00	4,200.00	0.00	21,000.00	16,800.00	20
Total - Use of Money & Property	(178,312.88)	4,200.00	0.00	51,792.00	47,592.00	8 / 58
<b>Total Revenues</b>	<b>2,572,402.12</b>	<b>1,274,668.36</b>	<b>0.00</b>	<b>3,613,781.00</b>	<b>2,339,112.64</b>	<b>35 / 58</b>
<b>Expenditures</b>						
4000 Salaries - Permanent	187,614.21	0.00	0.00	0.00	0.00	0
4020 Salaries - Hourly Pay	3,867.82	0.00	0.00	0.00	0.00	0
4025 Salaries - Separation Payouts	6,771.21	0.00	0.00	0.00	0.00	0
4050 Salaries - Overtime	3,338.65	0.00	0.00	0.00	0.00	0
4080 Salaries - Light Duty	37.00	0.00	0.00	0.00	0.00	0
4690 Employee Benefits Other	131,564.33	0.00	0.00	0.00	0.00	0
Total - Salaries & Employee Benefits	333,193.22	0.00	0.00	0.00	0.00	0 / 58
5000 Office Expense	7,018.50	0.00	0.00	0.00	0.00	0
5005 Postage & Mailing	1,662.79	0.00	0.00	0.00	0.00	0
5050 Books/Periodicals/Software	7,366.51	0.00	0.00	0.00	0.00	0
5100 Materials and Supplies	47.19	0.00	0.00	0.00	0.00	0
5105 Small Tools and Equipment	298.09	0.00	0.00	0.00	0.00	0
Total - Materials & Supplies	16,393.08	0.00	0.00	0.00	0.00	0 / 58
5330 Contractual	22,121.48	0.00	0.00	0.00	0.00	0
5415 Landscape Maintenance	865.00	0.00	0.00	0.00	0.00	0
5440 Janitorial Services	6,006.36	0.00	0.00	0.00	0.00	0
7375 Sweeping/Trash Disposal	2,442.43	0.00	0.00	0.00	0.00	0
7380 Pest Control	300.00	0.00	0.00	0.00	0.00	0
7425 Transit Services	54,098.75	0.00	0.00	0.00	0.00	0
Total - Purchased Services	85,834.02	0.00	0.00	0.00	0.00	0 / 58
7992 Capital Projects OH Allocation	54,738.53	28.38	0.00	0.00	(28.38)	-
8800 Major Cap Projects-Capitalize	559,115.48	348.00	0.00	412,703.00	412,355.00	0
8801 Major Cap Proj-Non Capitalize	569,600.03	945.97	20,423.33	0.00	(21,369.30)	-
Total - Capital Projects	1,183,454.04	1,322.35	20,423.33	412,703.00	390,957.32	5 / 58
5071 Bike Incentive Program	438.89	0.00	0.00	0.00	0.00	0
5370 Memberships/Dues	300.00	0.00	0.00	0.00	0.00	0
5385 Business Expenses	113.60	0.00	0.00	0.00	0.00	0
5390 Training	9,838.21	0.00	0.00	0.00	0.00	0
5480 Communications	3,031.50	1,195.09	0.00	0.00	(1,195.09)	-
Total - Other Expenses	13,722.20	1,195.09	0.00	0.00	(1,195.09)	999 / 58 Ovr
8900 Depreciation	2,124.99	0.00	0.00	0.00	0.00	0
Total - Depreciation	2,124.99	0.00	0.00	0.00	0.00	0 / 58
5030 Insurance	19,876.00	0.00	0.00	0.00	0.00	0
5455 Electric	2,887.71	666.99	0.00	0.00	(666.99)	-
5460 Water	782.99	133.96	0.00	0.00	(133.96)	-
7993 Indirect Cost Allocation	27,633.00	0.00	0.00	0.00	0.00	0
7994 Building Main Allocation	12,378.00	0.00	0.00	0.00	0.00	0
7996 Info Systems Allocation	5,677.00	0.00	0.00	0.00	0.00	0
Total - Allocations	69,234.70	800.95	0.00	0.00	(800.95)	999 / 58 Ovr
<b>Total Expenditures</b>	<b>1,703,956.25</b>	<b>3,318.39</b>	<b>20,423.33</b>	<b>412,703.00</b>	<b>388,961.28</b>	<b>6 / 58</b>
Excess Deficiency Before						
Financing Sources / (Uses)	868,445.87	1,271,349.97	(20,423.33)	3,201,078.00	1,950,151.36	39 / 58

**Other Sources / Uses**

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 212 - TRANSPORTATION**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
Operating Transfers OUT						
9001 General	(83,333.34)	0.00	0.00	0.00	0.00	0
9307 Streets and Roads	0.00	(55,625.85)	0.00	(8,557,920.00)	8,502,294.15	1
Total Transfers OUT	(83,333.34)	(55,625.85)	0.00	(8,557,920.00)	8,502,294.15	1 / 58
Total Other Financing Sources	(100,000.00)	(55,625.85)	0.00	(8,557,920.00)	(8,502,294.15)	1 / 58
Excess Deficiency After Financing Sources / (Uses)	768,445.87	1,215,724.12	(20,423.33)	(5,356,842.00)	(6,552,142.79)	
Beginning Fund Balance	4,590,840.69	5,359,286.56	0.00	5,359,286.56		
Ending Fund Balance	5,359,286.56	6,575,010.68	(20,423.33)	2,444.56		
Ending Cash Balance	5,513,964.74	1,052,759.54				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

Fund: 307 - STREETS AND ROADS

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
41181 RSTP Exchange	1,271,255.24	(30.00)	0.00	1,080,000.00	1,080,030.00	0
41201 State Gas Tax-Sec 2105	614,342.26	301,834.35	0.00	719,317.00	417,482.65	42
41204 State Gas Tax-Sec 2106	359,740.06	202,010.81	0.00	392,409.00	190,398.19	51
41207 State Gas Tax-Sec 2107	733,759.89	419,123.14	0.00	982,702.00	563,578.86	43
41210 State Gas Tax-Sec 2107.5	10,000.00	10,000.00	0.00	10,000.00	0.00	100
41211 State Gas Tax-Sec 2103	876,717.57	475,907.09	0.00	1,098,064.00	622,156.91	43
41213 State Gas Tax - SB1	2,200,133.57	1,122,624.44	0.00	2,541,377.00	1,418,752.56	44
Total - Intergovernmental Revenues	6,065,948.59	2,531,469.83	0.00	6,823,869.00	4,292,399.17	37 / 58
44101 Interest on Investments	(206,084.75)	0.00	0.00	38,599.00	38,599.00	0
Total - Use of Money & Property	(206,084.75)	0.00	0.00	38,599.00	38,599.00	0 / 58
46010 Reimb of Damage to City Prop	0.00	1,065.98	0.00	0.00	(1,065.98)	-
Total - Other Revenues	0.00	1,065.98	0.00	0.00	(1,065.98)	999 / 58
<b>Total Revenues</b>	<b>5,859,863.84</b>	<b>2,532,535.81</b>	<b>0.00</b>	<b>6,862,468.00</b>	<b>4,329,932.19</b>	<b>37 / 58</b>
<b>Expenditures</b>						
4000 Salaries - Permanent	0.00	925,200.46	0.00	1,921,521.00	996,320.54	48
4005 Salaries - Supplemental Comp.	0.00	798.74	0.00	0.00	(798.74)	-
4020 Salaries - Hourly Pay	0.00	17,288.11	0.00	39,382.00	22,093.89	44
4050 Salaries - Overtime	0.00	50,710.95	0.00	49,777.00	(933.95)	102
4080 Salaries - Light Duty	0.00	37,532.99	0.00	0.00	(37,532.99)	-
4690 Employee Benefits Other	0.00	733,386.70	0.00	1,420,327.00	686,940.30	52
Total - Salaries & Employee Benefits	0.00	1,764,917.95	0.00	3,431,007.00	1,666,089.05	51 / 58
5005 Postage & Mailing	0.00	152.25	0.00	500.00	347.75	30
5050 Books/Periodicals/Software	0.00	0.00	0.00	9,169.00	9,169.00	0
5100 Materials and Supplies	0.00	12,888.85	0.00	18,195.00	5,306.15	71
5105 Small Tools and Equipment	0.00	6,106.10	0.00	15,000.00	8,893.90	41
5110 Safety Equipment	0.00	10,567.03	0.00	13,000.00	2,432.97	81
5120 Clothing/Uniforms	0.00	599.37	0.00	2,000.00	1,400.63	30
5505 Equipment Maintenance/Repair	0.00	1,684.33	0.00	2,710.00	1,025.67	62
5515 Building Maintenance/Repair	0.00	0.00	0.00	1,500.00	1,500.00	0
7317 Graffiti Prevention Expenses	0.00	2,852.35	0.00	6,500.00	3,647.65	44
7320 Custodial Supplies	0.00	0.00	0.00	1,800.00	1,800.00	0
7330 Aggregate Base	0.00	0.00	0.00	12,000.00	12,000.00	0
7331 Asphalt Concrete	0.00	49,562.47	0.00	50,000.00	437.53	99
7332 SS1 Emulsion	0.00	7,459.51	0.00	10,000.00	2,540.49	75
7334 Road Crack Filler	0.00	0.00	0.00	6,400.00	6,400.00	0
7335 Sand	0.00	0.00	0.00	1,000.00	1,000.00	0
7340 Traffic Paint	0.00	1,027.84	0.00	1,000.00	(27.84)	103
7341 Thermoplastic	0.00	19,734.00	0.00	31,000.00	11,266.00	64
7344 Traffic Signs/Hardware	0.00	15,214.30	0.00	14,000.00	(1,214.30)	109
7345 Traffic Signal Hardware/Supp.	0.00	38,391.84	0.00	33,000.00	(5,391.84)	116
7346 Street Lighting Supplies	0.00	19,124.08	0.00	16,000.00	(3,124.08)	120
Total - Materials & Supplies	0.00	185,364.32	0.00	244,774.00	59,409.68	76 / 58
5330 Contractual	0.00	58,273.92	106,513.00	276,920.00	112,133.08	60
5400 Professional Services	0.00	0.00	0.00	380.00	380.00	0
5415 Landscape Maintenance	315.00	164,758.47	0.00	230,000.00	65,241.53	72
5420 Laundry Services	0.00	796.02	0.00	2,600.00	1,803.98	31
5440 Janitorial Services	0.00	3,003.18	0.00	8,600.00	5,596.82	35
7347 Weed Control	0.00	17,117.17	0.00	32,000.00	14,882.83	53
7375 Sweeping/Trash Disposal	0.00	2,226.90	0.00	5,225.00	2,998.10	43
7380 Pest Control	0.00	150.00	0.00	440.00	290.00	34
7394 Hazardous Materials Disposal	0.00	0.00	0.00	5,500.00	5,500.00	0
7413 Outside Repairs/Services Other	0.00	6,120.86	0.00	20,300.00	14,179.14	30
7425 Transit Services	0.00	0.00	0.00	70,000.00	70,000.00	0
Total - Purchased Services	315.00	252,446.52	106,513.00	651,965.00	293,005.48	55 / 58
7992 Capital Projects OH Allocation	84,358.73	216,232.48	0.00	0.00	(216,232.48)	-
8800 Major Cap Projects-Capitalize	2,152,061.85	13,004,613.49	7,746,465.97	110,783,089.00	90,032,009.54	19
8801 Major Cap Proj-Non Capitalize	465,207.84	839,445.24	483,523.31	0.00	(1,322,968.55)	-
Total - Capital Projects	2,701,628.42	14,060,291.21	8,229,989.28	110,783,089.00	88,492,808.51	20 / 58

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 307 - STREETS AND ROADS**

Budget Year: 2023	Prior Year's	Year To Date	Encumbrances	Budget	Balance	Percent Used Budg / Time
	Actuals To 6/30/2022	Actuals				
5071 Bike Incentive Program	0.00	100.00	0.00	600.00	500.00	17
5140 Advertising/Marketing	0.00	56.15	0.00	2,500.00	2,443.85	2
5160 Licenses/Permits/Fees	0.00	0.00	0.00	6,217.00	6,217.00	0
5300 Lease/Rental Expense	0.00	8,203.77	0.00	11,615.00	3,411.23	71
5370 Memberships/Dues	228.33	315.00	0.00	2,235.00	1,920.00	14
5390 Training	146.68	4,851.55	0.00	21,000.00	16,148.45	23
5465 Solid Waste Disposal	0.00	76.22	0.00	3,475.00	3,398.78	2
5480 Communications	0.00	7,250.58	0.00	11,600.00	4,349.42	63
Total - Other Expenses	<u>375.01</u>	<u>20,853.27</u>	<u>0.00</u>	<u>59,242.00</u>	<u>38,388.73</u>	<u>35 / 58</u>
5030 Insurance	0.00	117,631.00	0.00	167,043.00	49,412.00	70
5260 Fuel	0.00	98.68	0.00	0.00	(98.68)	-
5455 Electric	0.00	246,075.58	0.00	3,672.00	(242,403.58)	+
5460 Water	0.00	24,551.01	0.00	1,090.00	(23,461.01)	+
5510 Vehicle Maintenance/Repair	0.00	95,854.64	0.00	462,312.00	366,457.36	21
7993 Indirect Cost Allocation	0.00	12,862.00	0.00	38,586.00	25,724.00	33
7994 Building Main Allocation	0.00	20,135.00	0.00	107,941.00	87,806.00	19
7996 Info Systems Allocation	0.00	35,073.00	0.00	113,186.00	78,113.00	31
Total - Allocations	<u>0.00</u>	<u>552,280.91</u>	<u>0.00</u>	<u>893,830.00</u>	<u>341,549.09</u>	<u>62 / 58</u>
Total Expenditures	<u>2,702,318.43</u>	<u>16,836,154.18</u>	<u>8,336,502.28</u>	<u>116,063,907.00</u>	<u>90,891,250.54</u>	<u>22 / 58</u>
Excess Deficiency Before Financing Sources / (Uses)	<u>3,157,545.41</u>	<u>(14,303,618.37)</u>	<u>(8,336,502.28)</u>	<u>(109,201,439.00)</u>	<u>(86,561,318.35)</u>	<u>21 / 58</u>
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3001 General	0.00	112,207.27	0.00	6,141,659.00	6,029,451.73	2
3002 Park	0.00	0.00	0.00	243,810.00	243,810.00	0
3212 Transportation	0.00	55,625.85	0.00	8,557,920.00	8,502,294.15	1
3300 Capital Grants/Reimbursements	0.00	2,797,212.54	0.00	66,000,591.00	63,203,378.46	4
3305 Bikeway Improvement	0.00	0.00	0.00	1,523,627.00	1,523,627.00	0
3306 In Lieu Offsite Improvement	0.00	0.00	0.00	152,776.00	152,776.00	0
3308 Street Facility Improvement	0.00	82,858.84	0.00	15,263,301.00	15,180,442.16	1
3309 Storm Drainage Facility	0.00	0.00	0.00	1,122,429.00	1,122,429.00	0
3410 Bond Proceeds	0.00	113.88	0.00	39,427.00	39,313.12	0
3850 Sewer	0.00	0.00	0.00	90,794.00	90,794.00	0
3853 Parking Revenue	0.00	0.00	0.00	500,000.00	500,000.00	0
3943 Public Infrastructure	0.00	234,461.55	0.00	4,186,237.00	3,951,775.45	6
Total Transfers IN	<u>0.00</u>	<u>3,282,479.93</u>	<u>0.00</u>	<u>103,822,571.00</u>	<u>100,540,091.07</u>	<u>3 / 58</u>
Operating Transfers OUT						
9001 General	(1,708,333.34)	0.00	0.00	0.00	0.00	0
Total Transfers OUT	<u>(1,708,333.34)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0 / 58</u>
Total Other Financing Sources	<u>(2,050,000.00)</u>	<u>3,282,479.93</u>	<u>0.00</u>	<u>103,822,571.00</u>	<u>100,540,091.07</u>	<u>3 / 58</u>
Excess Deficiency After Financing Sources / (Uses)	<u>1,107,545.41</u>	<u>(11,021,138.44)</u>	<u>(8,336,502.28)</u>	<u>(5,378,868.00)</u>	<u>13,978,772.72</u>	
Beginning Fund Balance	<u>5,878,829.01</u>	<u>6,986,374.42</u>	<u>0.00</u>	<u>6,986,374.42</u>		
Ending Fund Balance	<u>6,986,374.42</u>	<u>(4,034,764.02)</u>	<u>(8,336,502.28)</u>	<u>1,607,506.42</u>		
Ending Cash Balance	<u>5,416,655.77</u>	<u>(10,432,446.35)</u>				



**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 321 - SEWER-WPCP CAPACITY**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
42303 Assmnt In-Lieu of San Swr Fee	35,346.00	0.00	0.00	33,700.00	33,700.00	0
42307 WPCP Capacity Dev Fees	1,086,044.94	431,265.16	0.00	1,250,000.00	818,734.84	35
Total - Charges for Services	1,121,390.94	431,265.16	0.00	1,283,700.00	852,434.84	34 / 58
44101 Interest on Investments	(23,935.49)	0.00	0.00	(9,044.00)	(9,044.00)	0
Total - Use of Money & Property	(23,935.49)	0.00	0.00	(9,044.00)	(9,044.00)	0 / 58
<b>Total Revenues</b>	<b>1,097,455.45</b>	<b>431,265.16</b>	<b>0.00</b>	<b>1,274,656.00</b>	<b>843,390.84</b>	<b>34 / 58</b>
<b>Expenditures</b>						
Total - Debt Service	0.00	0.00	0.00	0.00	0.00	0 / 58
7992 Capital Projects OH Allocation	0.00	57.00	0.00	0.00	(57.00)	-
8800 Major Cap Projects-Capitalize	0.00	0.00	0.00	145,584.00	145,584.00	0
8801 Major Cap Proj-Non Capitalize	0.00	67.14	0.00	0.00	(67.14)	-
Total - Capital Projects	0.00	124.14	0.00	145,584.00	145,459.86	0 / 58
<b>Total Expenditures</b>	<b>0.00</b>	<b>124.14</b>	<b>0.00</b>	<b>145,584.00</b>	<b>145,459.86</b>	<b>0 / 58</b>
Excess Deficiency Before Financing Sources / (Uses)	1,097,455.45	431,141.02	0.00	1,129,072.00	697,930.98	38 / 58
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3850 Sewer	365,646.00	0.00	0.00	0.00	0.00	0
Total Transfers IN	365,646.00	0.00	0.00	0.00	0.00	0 / 58
Operating Transfers OUT						
9852 Sewer Debt Service	(1,596,874.83)	(1,324,529.57)	0.00	(1,324,549.00)	19.43	100
9871 Private Development - Building	(5,602.57)	0.00	0.00	(6,419.00)	6,419.00	0
9873 Private Development - Engineer	(5,602.57)	0.00	0.00	(6,419.00)	6,419.00	0
Total Transfers OUT	(1,608,079.97)	(1,324,529.57)	0.00	(1,337,387.00)	12,857.43	99 / 58
<b>Total Other Financing Sources</b>	<b>(1,153,268.41)</b>	<b>(1,324,529.57)</b>	<b>0.00</b>	<b>(1,337,387.00)</b>	<b>(12,857.43)</b>	<b>99 / 58</b>
Excess Deficiency After Financing Sources / (Uses)	(55,812.96)	(893,388.55)	0.00	(208,315.00)	685,073.55	
Beginning Fund Balance	70,646.31	14,833.35	0.00	14,833.35		
Ending Fund Balance	14,833.35	(878,555.20)	0.00	(193,481.65)		
Ending Cash Balance	13,957.20	(892,512.40)				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

Fund: 850 - SEWER

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
42301 Sewer Service Fees	12,335,811.48	4,841,445.96	0.00	11,710,000.00	6,868,554.04	41
42302 Sewer Application Fee	59,426.00	21,895.00	0.00	30,000.00	8,105.00	73
42303 Assmnt In-Lieu of San Swr Fee	0.00	0.00	0.00	9,000.00	9,000.00	0
42306 Sewer Lift Station Mtce Fee	147,591.86	70,832.17	0.00	100,000.00	29,167.83	71
42308 Sewer In-Lieu Petition Fee	12,490.03	0.00	0.00	6,000.00	6,000.00	0
42370 Industrial User Waste Test Fee	10,468.00	4,236.46	0.00	100,000.00	95,763.54	4
42427 Park Dev Fees-Neighborhood	735.00	0.00	0.00	0.00	0.00	0
Total - Charges for Services	12,566,522.37	4,938,409.59	0.00	11,955,000.00	7,016,590.41	41 / 58
44101 Interest on Investments	(458,888.56)	0.00	0.00	90,477.00	90,477.00	0
44130 Rental & Lease Income	23,997.50	68.94	0.00	0.00	(68.94)	-
Total - Use of Money & Property	(434,891.06)	68.94	0.00	90,477.00	90,408.06	0 / 58
49001 Capital Contribution/Grants	1,078,077.66	0.00	0.00	0.00	0.00	0
Total - Transfers In	1,078,077.66	0.00	0.00	0.00	0.00	0 / 58
Total Revenues	13,209,708.97	4,938,478.53	0.00	12,045,477.00	7,106,998.47	41 / 58
<b>Expenditures</b>						
4000 Salaries - Permanent	1,672,000.95	1,024,786.06	0.00	2,292,043.00	1,267,256.94	45
4005 Salaries - Supplemental Comp.	30,000.00	12,133.43	0.00	0.00	(12,133.43)	-
4006 Salaries - Sign On Bonus	31,000.00	7,000.00	0.00	0.00	(7,000.00)	-
4015 Salaries - Holiday Pay	9,174.88	7,018.33	0.00	7,200.00	181.67	97
4020 Salaries - Hourly Pay	19,520.10	9,492.57	0.00	33,000.00	23,507.43	29
4025 Salaries - Separation Payouts	9,105.93	0.00	0.00	0.00	0.00	0
4050 Salaries - Overtime	46,496.23	20,534.61	0.00	7,500.00	(13,034.61)	274
4056 Salaries - CTO Payout	20.74	1,577.71	0.00	0.00	(1,577.71)	-
4080 Salaries - Light Duty	19,519.65	50,421.20	0.00	0.00	(50,421.20)	-
4690 Employee Benefits Other	1,159,162.71	680,875.67	0.00	1,461,054.00	780,178.33	47
Total - Salaries & Employee Benefits	2,996,001.19	1,813,839.58	0.00	3,800,797.00	1,986,957.42	48 / 58
5000 Office Expense	5,433.11	4,513.82	0.00	3,920.00	(593.82)	115
5005 Postage & Mailing	3,826.19	3,617.02	0.00	4,000.00	382.98	90
5010 Outside Printing Expense	1,074.91	28.95	0.00	2,000.00	1,971.05	1
5050 Books/Periodicals/Software	5,335.13	98.75	0.00	26,226.00	26,127.25	0
5100 Materials and Supplies	16,781.29	11,786.54	0.00	8,374.00	(3,412.54)	141
5105 Small Tools and Equipment	13,077.28	19,289.78	0.00	7,500.00	(11,789.78)	257
5110 Safety Equipment	4,567.81	4,888.31	0.00	11,425.00	6,536.69	43
5120 Clothing/Uniforms	912.47	0.00	0.00	0.00	0.00	0
5505 Equipment Maintenance/Repair	54,977.46	9,791.95	23,168.34	83,345.00	50,384.71	40
6282 Uniform Allow Civilian	0.00	166.23	0.00	2,400.00	2,233.77	7
7303 Stand By Fuels	8,991.23	4,486.49	0.00	10,000.00	5,513.51	45
7305 Lubricants/Cleaners/Soaps/Oil	595.47	750.69	0.00	500.00	(250.69)	150
7310 Oil and Fluids Disposal	95.00	0.00	0.00	1,000.00	1,000.00	0
7320 Custodial Supplies	781.51	178.63	0.00	1,235.00	1,056.37	14
7350 Plant Ops- Materials & Supply	8,831.26	1,558.87	0.00	0.00	(1,558.87)	-
7351 Plant Chemicals	664,143.58	461,430.38	0.00	540,000.00	78,569.62	85
7352 Plant Lab Equipment	35,570.89	14,772.65	0.00	15,000.00	227.35	98
7355 Plant Equip Main Supply	135,108.60	80,953.13	24,868.66	125,000.00	19,178.21	85
7360 Cogeneration Supplies/Material	11,406.88	482.49	0.00	25,044.00	24,561.51	2
7365 Building/Grounds Materials	2,530.38	1,866.34	0.00	6,000.00	4,133.66	31
7370 Collection System Materials	27,382.10	24,202.15	0.00	25,000.00	797.85	97
7371 Landscape Maintenance Supplies	866.50	0.00	0.00	0.00	0.00	0
7419 Lift Station Expenses	21,815.35	11,303.22	22,561.00	30,000.00	(3,864.22)	113
Total - Materials & Supplies	1,024,104.40	656,166.39	70,598.00	927,969.00	201,204.61	78 / 58
5330 Contractual	313,870.10	188,558.70	0.00	279,082.00	90,523.30	68
5400 Professional Services	138,706.97	68,426.02	61,359.67	250,149.00	120,363.31	52
5401 Audit Services	7,077.68	4,861.62	0.00	7,080.00	2,218.38	69
5415 Landscape Maintenance	42,782.98	22,365.00	0.00	42,000.00	19,635.00	53
5420 Laundry Services	7,816.54	3,890.82	0.00	11,000.00	7,109.18	35
5440 Janitorial Services	4,732.81	2,364.55	0.00	7,125.00	4,760.45	33
5555 Maint Agreements Other	52,780.24	21,423.38	20,750.00	91,967.00	49,793.62	46
7347 Weed Control	22,524.00	11,822.50	0.00	14,250.00	2,427.50	83
7380 Pest Control	1,730.00	2,769.54	0.00	10,250.00	7,480.46	27

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 850 - SEWER**

Budget Year: 2023	Prior Year's	Year To Date	Encum-	Budget	Balance	Percent
	Actuals	Actuals	brances			
	To 6/30/2022					Used
						Budg / Time
7384 Fire Alarm/Base Station/Camera	1,505.00	978.55	0.00	2,375.00	1,396.45	41
7400 Outfall Diffuser Inspection	0.00	2,000.00	0.00	5,000.00	3,000.00	40
7403 Testing Services	5,214.20	2,220.33	0.00	6,000.00	3,779.67	37
7404 Sludge Analysis	308.00	0.00	0.00	3,500.00	3,500.00	0
7405 Plant- Lab Analysis	32,214.45	32,385.17	0.00	28,500.00	(3,885.17)	114
7413 Outside Repairs/Services Other	73,961.61	53,047.17	0.00	65,000.00	11,952.83	82
7415 Lab Equipment Repairs	0.00	0.00	0.00	3,000.00	3,000.00	0
7416 Co-Generator Repair	0.00	0.00	0.00	10,750.00	10,750.00	0
7417 Biosolids Disposal	367,127.52	182,054.27	0.00	350,000.00	167,945.73	52
Total - Purchased Services	1,072,352.10	599,167.62	82,109.67	1,187,028.00	505,750.71	57 / 58
Total - Debt Service	0.00	0.00	0.00	0.00	0.00	0 / 58
7992 Capital Projects OH Allocation	27,558.02	6,401.89	0.00	0.00	(6,401.89)	-
8800 Major Cap Projects-Capitalize	0.00	5,284,838.15	1,353,727.00	10,568,687.00	3,930,121.85	63
8801 Major Cap Proj-Non Capitalize	778,143.53	300,475.86	74,000.00	0.00	(374,475.86)	-
Total - Capital Projects	805,701.55	5,591,715.90	1,427,727.00	10,568,687.00	3,549,244.10	66 / 58
5140 Advertising/Marketing	25.00	172.72	0.00	4,000.00	3,827.28	4
5160 Licenses/Permits/Fees	35,697.81	21,581.78	0.00	25,570.00	3,988.22	84
5300 Lease/Rental Expense	0.00	0.00	0.00	1,425.00	1,425.00	0
5370 Memberships/Dues	8,740.14	3,976.00	0.00	10,000.00	6,024.00	40
5385 Business Expenses	1,283.83	414.87	0.00	285.00	(129.87)	146
5390 Training	14,495.94	1,269.00	0.00	28,159.00	26,890.00	5
5465 Solid Waste Disposal	675.00	183.20	0.00	5,630.00	5,446.80	3
5480 Communications	49,781.65	25,304.75	0.00	19,250.00	(6,054.75)	131
7211 Sewer Backup Claims	0.00	0.00	0.00	18,810.00	18,810.00	0
7406 State Certification	2,249.00	581.00	0.00	3,400.00	2,819.00	17
7407 NPDES Fees	79,902.00	61,918.00	0.00	75,000.00	13,082.00	83
7408 Lab Registration	0.00	4,362.63	0.00	4,500.00	137.37	97
7420 WPCP Compliance Requirements	26,837.40	11,545.50	0.00	20,000.00	8,454.50	58
7421 WPCP Fines	0.00	0.00	0.00	80,000.00	80,000.00	0
Total - Other Expenses	219,687.77	131,309.45	0.00	296,029.00	164,719.55	44 / 58
7500 Non-Recurring Operating	0.00	0.00	0.00	40,000.00	40,000.00	0
Total - Non-Recurring Operating	0.00	0.00	0.00	40,000.00	40,000.00	0 / 58
8900 Depreciation	5,026,621.76	0.00	0.00	0.00	0.00	0
Total - Depreciation	5,026,621.76	0.00	0.00	0.00	0.00	0 / 58
5030 Insurance	181,084.00	123,746.00	0.00	195,173.00	71,427.00	63
5260 Fuel	27,826.44	11,285.25	0.00	22,050.00	10,764.75	51
5455 Electric	660,549.06	304,995.72	0.00	588,147.00	283,151.28	52
5456 Natural Gas	140,561.75	46,577.67	0.00	88,130.00	41,552.33	53
5460 Water	1,081.29	513.89	0.00	1,421.00	907.11	36
5510 Vehicle Maintenance/Repair	91,286.91	26,300.00	0.00	94,483.00	68,183.00	28
7993 Indirect Cost Allocation	488,034.00	130,790.04	0.00	392,370.00	261,579.96	33
7994 Building Main Allocation	50,589.00	11,748.00	0.00	62,975.00	51,227.00	19
7996 Info Systems Allocation	92,070.00	54,128.00	0.00	180,269.00	126,141.00	30
Total - Allocations	1,733,082.45	710,084.57	0.00	1,625,018.00	914,933.43	44 / 58
Total Expenditures	12,877,551.22	9,502,283.51	1,580,434.67	18,445,528.00	7,362,809.82	60 / 58
Excess Deficiency Before						
Financing Sources / (Uses)	332,157.75	(4,563,804.98)	(1,580,434.67)	(6,400,051.00)	(255,811.35)	96 / 58
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3851 Sewer Reserve	8,966,772.00	0.00	0.00	0.00	0.00	0
Total Transfers IN	8,966,772.00	0.00	0.00	0.00	0.00	0 / 58
Operating Transfers OUT						
9307 Streets and Roads	0.00	0.00	0.00	(90,794.00)	90,794.00	0
9321 Sewer - WPCP Capacity	(317,846.50)	0.00	0.00	0.00	0.00	0
9851 WPCP Capital Reserve	(1,194,686.66)	(477,874.68)	0.00	(1,433,624.00)	955,749.32	33
9852 Sewer Debt Service	(847,156.27)	(697,652.98)	0.00	(697,663.00)	10.02	100
9932 Fleet Replacement	(60,680.00)	(41,907.32)	0.00	(125,722.00)	83,814.68	33

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 850 - SEWER**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
Total Transfers OUT	(2,420,369.43)	(1,217,434.98)	0.00	(2,347,803.00)	1,130,368.02	52 / 58
Total Other Financing Sources	6,245,950.79	(1,217,434.98)	0.00	(2,347,803.00)	(1,130,368.02)	52 / 58
Excess Deficiency After Financing Sources / (Uses)	6,578,108.54	(5,781,239.96)	(1,580,434.67)	(8,747,854.00)	(1,386,179.37)	
Beginning Fund Balance	132,167,434.93	138,745,543.47	0.00	138,745,543.47		
Ending Fund Balance	138,745,543.47	132,964,303.51	(1,580,434.67)	129,997,689.47		
Ending Cash Balance	19,592,467.05	(3,732,587.05)				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

Fund: 851 - WPCP CAPITAL RESERVE

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
44101 Interest on Investments	(667,221.41)	0.00	0.00	159,733.00	159,733.00	0
Total - Use of Money & Property	(667,221.41)	0.00	0.00	159,733.00	159,733.00	0 / 58
Total Revenues	(667,221.41)	0.00	0.00	159,733.00	159,733.00	0 / 58
<b>Expenditures</b>						
8801 Major Cap Proj-Non Capitalize	0.00	0.00	25,875.33	0.00	(25,875.33)	-
Total - Capital Projects	0.00	0.00	25,875.33	0.00	(25,875.33)	999 / 58 <b>Ovr</b>
Total Expenditures	0.00	0.00	25,875.33	0.00	(25,875.33)	999 / 58 <b>Ovr</b>
Excess Deficiency Before						
Financing Sources / (Uses)	(667,221.41)	0.00	(25,875.33)	159,733.00	185,608.33	0 / 58
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3850 Sewer	1,433,624.00	477,874.68	0.00	1,433,624.00	955,749.32	33
Total Transfers IN	1,433,624.00	477,874.68	0.00	1,433,624.00	955,749.32	33 / 58
Operating Transfers OUT						
9850 Sewer	(8,966,772.00)	0.00	0.00	0.00	0.00	0
Total Transfers OUT	(8,966,772.00)	0.00	0.00	0.00	0.00	0 / 58
Total Other Financing Sources	(7,533,148.00)	477,874.68	0.00	1,433,624.00	955,749.32	33 / 58
Excess Deficiency After						
Financing Sources / (Uses)	(8,200,369.41)	477,874.68	(25,875.33)	1,593,357.00	1,141,357.65	
Beginning Fund Balance	18,245,094.41	10,044,725.00	0.00	10,044,725.00		
Ending Fund Balance	10,044,725.00	10,522,599.68	(25,875.33)	11,638,082.00		
Ending Cash Balance	10,062,754.00	459,845.68				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 853 - PARKING REVENUE**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
42204 Parking Meters-Streets	455,493.80	265,408.66	0.00	394,000.00	128,591.34	67
42207 Parking Meters-Lots	352,171.46	183,213.78	0.00	324,000.00	140,786.22	57
42210 Parking Permits-Preferred	7,035.50	5,272.55	0.00	4,000.00	(1,272.55)	132
42211 Parking Permits-Limited	38,351.43	21,140.00	0.00	92,000.00	70,860.00	23
42213 Parking Space Lease	8,360.00	61,851.00	0.00	32,000.00	(29,851.00)	193
42220 Parking Meter In Lieu	0.00	0.00	0.00	1,000.00	1,000.00	0
Total - Charges for Services	<u>861,412.19</u>	<u>536,885.99</u>	<u>0.00</u>	<u>847,000.00</u>	<u>310,114.01</u>	<u>63 / 58</u>
44101 Interest on Investments	(37,083.41)	0.00	0.00	10,378.00	10,378.00	0
Total - Use of Money & Property	<u>(37,083.41)</u>	<u>0.00</u>	<u>0.00</u>	<u>10,378.00</u>	<u>10,378.00</u>	<u>0 / 58</u>
44519 Reimbursement-Other	5,000.00	5,000.00	0.00	5,000.00	0.00	100
Total - Other Revenues	<u>5,000.00</u>	<u>5,000.00</u>	<u>0.00</u>	<u>5,000.00</u>	<u>0.00</u>	<u>100 / 58</u>
<b>Total Revenues</b>	<u>829,328.78</u>	<u>541,885.99</u>	<u>0.00</u>	<u>862,378.00</u>	<u>320,492.01</u>	<u>63 / 58</u>
<b>Expenditures</b>						
4000 Salaries - Permanent	261,346.97	163,318.12	0.00	399,753.00	236,434.88	41
4005 Salaries - Supplemental Comp.	5,000.00	88.96	0.00	0.00	(88.96)	-
4015 Salaries - Holiday Pay	1,799.52	0.00	0.00	0.00	0.00	0
4020 Salaries - Hourly Pay	567.05	1,280.00	0.00	9,420.00	8,140.00	14
4025 Salaries - Separation Payouts	4,564.21	0.00	0.00	0.00	0.00	0
4050 Salaries - Overtime	585.44	473.98	0.00	0.00	(473.98)	-
4056 Salaries - CTO Payout	1,386.40	0.00	0.00	0.00	0.00	0
4080 Salaries - Light Duty	74.00	0.00	0.00	0.00	0.00	0
4690 Employee Benefits Other	181,147.69	103,302.21	0.00	258,727.00	155,424.79	40
Total - Salaries & Employee Benefits	<u>456,471.28</u>	<u>268,463.27</u>	<u>0.00</u>	<u>667,900.00</u>	<u>399,436.73</u>	<u>40 / 58</u>
5005 Postage & Mailing	2.52	0.00	0.00	300.00	300.00	0
5010 Outside Printing Expense	1,044.80	0.00	0.00	3,000.00	3,000.00	0
5100 Materials and Supplies	39,232.23	34,802.99	0.00	40,000.00	5,197.01	87
5105 Small Tools and Equipment	711.03	196.83	0.00	500.00	303.17	39
5110 Safety Equipment	511.88	0.00	0.00	100.00	100.00	0
5120 Clothing/Uniforms	0.00	0.00	0.00	500.00	500.00	0
5515 Building Maintenance/Repair	0.00	0.00	0.00	1,500.00	1,500.00	0
6283 Uniform Safety Equip	0.00	0.00	0.00	504.00	504.00	0
7320 Custodial Supplies	0.00	0.00	0.00	300.00	300.00	0
Total - Materials & Supplies	<u>41,502.46</u>	<u>34,999.82</u>	<u>0.00</u>	<u>46,704.00</u>	<u>11,704.18</u>	<u>75 / 58</u>
5330 Contractual	89,593.56	30,364.63	0.00	94,959.00	64,594.37	32
5400 Professional Services	1,551.76	0.00	2,733.75	8,504.00	5,770.25	32
5401 Audit Services	613.52	396.47	0.00	611.00	214.53	65
5415 Landscape Maintenance	135.00	0.00	0.00	0.00	0.00	0
5440 Janitorial Services	5,744.86	2,870.18	0.00	7,000.00	4,129.82	41
5555 Maint Agreements Other	57,234.32	28,651.74	0.00	60,000.00	31,348.26	48
7384 Fire Alarm/Base Station/Camera	605.00	385.00	0.00	660.00	275.00	58
7413 Outside Repairs/Services Other	0.00	0.00	0.00	1,000.00	1,000.00	0
Total - Purchased Services	<u>155,478.02</u>	<u>62,668.02</u>	<u>2,733.75</u>	<u>172,734.00</u>	<u>107,332.23</u>	<u>38 / 58</u>
7992 Capital Projects OH Allocation	472.91	949.80	0.00	0.00	(949.80)	-
8800 Major Cap Projects-Capitalize	0.00	90,475.00	0.00	569,239.00	478,764.00	16
8801 Major Cap Proj-Non Capitalize	666,464.77	17,571.06	103,062.82	0.00	(120,633.88)	-
Total - Capital Projects	<u>666,937.68</u>	<u>108,995.86</u>	<u>103,062.82</u>	<u>569,239.00</u>	<u>357,180.32</u>	<u>37 / 58</u>
5390 Training	308.14	0.00	0.00	1,400.00	1,400.00	0
5480 Communications	2,804.06	1,475.57	0.00	2,000.00	524.43	74
Total - Other Expenses	<u>3,112.20</u>	<u>1,475.57</u>	<u>0.00</u>	<u>3,400.00</u>	<u>1,924.43</u>	<u>43 / 58</u>
8900 Depreciation	131,492.27	0.00	0.00	0.00	0.00	0
Total - Depreciation	<u>131,492.27</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0 / 58</u>
5030 Insurance	27,142.00	17,616.00	0.00	35,097.00	17,481.00	50
5260 Fuel	2,427.27	885.88	0.00	1,602.00	716.12	55
5455 Electric	26,734.42	19,180.00	0.00	12,864.00	(6,316.00)	149
5460 Water	6,234.25	2,494.84	0.00	5,129.00	2,634.16	49
5510 Vehicle Maintenance/Repair	3,790.25	77.74	0.00	3,147.00	3,069.26	2

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 853 - PARKING REVENUE**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
7993 Indirect Cost Allocation	91,039.00	20,836.32	0.00	62,509.00	41,672.68	33
7994 Building Main Allocation	96,009.00	22,292.00	0.00	119,516.00	97,224.00	19
7996 Info Systems Allocation	2,697.00	5,046.00	0.00	15,814.00	10,768.00	32
Total - Allocations	<u>256,073.19</u>	<u>88,428.78</u>	<u>0.00</u>	<u>255,678.00</u>	<u>167,249.22</u>	<u>35 / 58</u>
Total Expenditures	<u>1,711,067.10</u>	<u>565,031.32</u>	<u>105,796.57</u>	<u>1,715,655.00</u>	<u>1,044,827.11</u>	<u>39 / 58</u>
Excess Deficiency Before Financing Sources / (Uses)	<u>(881,738.32)</u>	<u>(23,145.33)</u>	<u>(105,796.57)</u>	<u>(853,277.00)</u>	<u>(724,335.10)</u>	<u>15 / 58</u>
<b><u>Other Sources / Uses</u></b>						
Operating Transfers IN						
3008 American Rescue Plan	291,843.00	0.00	0.00	0.00	0.00	0
3854 Parking Revenue Res	<u>801,933.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>
Total Transfers IN	1,093,776.00	0.00	0.00	0.00	0.00	0 / 58
Operating Transfers OUT						
9307 Streets and Roads	0.00	0.00	0.00	(500,000.00)	500,000.00	0
9932 Fleet Replacement	<u>(1,800.00)</u>	<u>(1,200.00)</u>	<u>0.00</u>	<u>(3,600.00)</u>	<u>2,400.00</u>	<u>33</u>
Total Transfers OUT	<u>(1,800.00)</u>	<u>(1,200.00)</u>	<u>0.00</u>	<u>(503,600.00)</u>	<u>502,400.00</u>	<u>0 / 58</u>
Total Other Financing Sources	<u>1,090,176.00</u>	<u>(1,200.00)</u>	<u>0.00</u>	<u>(503,600.00)</u>	<u>(502,400.00)</u>	<u>0 / 58</u>
Excess Deficiency After Financing Sources / (Uses)	208,437.68	(24,345.33)	(105,796.57)	(1,356,877.00)	<u>(1,226,735.10)</u>	
Beginning Fund Balance	<u>3,718,066.58</u>	<u>3,926,504.26</u>	<u>0.00</u>	<u>3,926,504.26</u>		
Ending Fund Balance	<u>3,926,504.26</u>	<u>3,902,158.93</u>	<u>(105,796.57)</u>	<u>2,569,627.26</u>		
Ending Cash Balance	<u>1,929,720.12</u>	<u>(531,959.54)</u>				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

Fund: 856 - AIRPORT

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
41199 Other Federal Payments	0.00	0.00	0.00	649,000.00	649,000.00	0
Total - Intergovernmental Revenues	0.00	0.00	0.00	649,000.00	649,000.00	0 / 58
42250 Fuel Flowage Fees	56,122.82	13,924.60	0.00	35,000.00	21,075.40	40
42251 Landing Fees	40,232.74	6,313.28	0.00	35,000.00	28,686.72	18
Total - Charges for Services	96,355.56	20,237.88	0.00	70,000.00	49,762.12	29 / 58
44101 Interest on Investments	(16,454.03)	0.00	0.00	5,703.00	5,703.00	0
44130 Rental & Lease Income	558,907.50	264,930.72	0.00	350,000.00	85,069.28	76
44132 T-Hanger Rental & Lease Income	76,388.29	89,368.83	0.00	80,000.00	(9,368.83)	112
44140 Concession Income	63,046.49	43,145.13	0.00	60,000.00	16,854.87	72
Total - Use of Money & Property	681,888.25	397,444.68	0.00	495,703.00	98,258.32	80 / 58
44519 Reimbursement-Other	7,354.95	2,660.63	0.00	5,000.00	2,339.37	53
Total - Other Revenues	7,354.95	2,660.63	0.00	5,000.00	2,339.37	53 / 58
<b>Total Revenues</b>	<b>785,598.76</b>	<b>420,343.19</b>	<b>0.00</b>	<b>1,219,703.00</b>	<b>799,359.81</b>	<b>34 / 58</b>
<b>Expenditures</b>						
4000 Salaries - Permanent	171,110.31	118,613.19	0.00	208,599.00	89,985.81	57
4005 Salaries - Supplemental Comp.	5,000.00	631.68	0.00	0.00	(631.68)	-
4020 Salaries - Hourly Pay	14,829.16	4,710.00	0.00	13,037.00	8,327.00	36
4025 Salaries - Separation Payouts	11,016.71	0.00	0.00	0.00	0.00	0
4050 Salaries - Overtime	2,370.35	1,302.74	0.00	4,800.00	3,497.26	27
4080 Salaries - Light Duty	92.50	0.00	0.00	0.00	0.00	0
4690 Employee Benefits Other	121,313.47	87,665.03	0.00	155,092.00	67,426.97	57
Total - Salaries & Employee Benefits	325,732.50	212,922.64	0.00	381,528.00	168,605.36	56 / 58
5000 Office Expense	865.95	617.32	0.00	1,690.00	1,072.68	37
5005 Postage & Mailing	49.91	104.58	0.00	380.00	275.42	28
5010 Outside Printing Expense	197.87	31.09	0.00	500.00	468.91	6
5050 Books/Periodicals/Software	270.00	0.00	0.00	0.00	0.00	0
5100 Materials and Supplies	11,771.20	8,790.53	0.00	17,050.00	8,259.47	52
5105 Small Tools and Equipment	964.92	667.69	0.00	500.00	(167.69)	134
5110 Safety Equipment	490.18	0.00	0.00	400.00	400.00	0
5120 Clothing/Uniforms	50.68	143.72	0.00	0.00	(143.72)	-
5515 Building Maintenance/Repair	485.76	316.96	0.00	4,000.00	3,683.04	8
7320 Custodial Supplies	0.00	23.86	0.00	1,600.00	1,576.14	1
7371 Landscape Maintenance Supplies	27.58	0.00	0.00	0.00	0.00	0
Total - Materials & Supplies	15,174.05	10,695.75	0.00	26,120.00	15,424.25	41 / 58
5330 Contractual	0.00	0.00	0.00	10,000.00	10,000.00	0
5400 Professional Services	64,221.90	33,863.38	12,588.00	92,588.00	46,136.62	50
5401 Audit Services	4,193.48	2,948.95	0.00	4,195.00	1,246.05	70
5415 Landscape Maintenance	5,493.10	163.81	0.00	15,000.00	14,836.19	1
5420 Laundry Services	1,871.02	829.66	0.00	3,000.00	2,170.34	28
5440 Janitorial Services	14,669.50	7,330.54	0.00	12,908.00	5,577.46	57
5555 Maint Agreements Other	6,089.09	2,578.23	0.00	6,500.00	3,921.77	40
7347 Weed Control	23,184.96	13,524.56	0.00	8,000.00	(5,524.56)	169
7380 Pest Control	1,026.32	510.00	0.00	350.00	(160.00)	146
7394 Hazardous Materials Disposal	0.00	0.00	0.00	475.00	475.00	0
7413 Outside Repairs/Services Other	6,272.60	6,979.00	0.00	8,180.00	1,201.00	85
Total - Purchased Services	127,021.97	68,728.13	12,588.00	161,196.00	79,879.87	50 / 58
8800 Major Cap Projects-Capitalize	0.00	0.00	0.00	819,055.00	819,055.00	0
Total - Capital Projects	0.00	0.00	0.00	819,055.00	819,055.00	0 / 58
5140 Advertising/Marketing	658.66	800.96	0.00	2,000.00	1,199.04	40
5160 Licenses/Permits/Fees	2,697.30	235.85	0.00	3,500.00	3,264.15	7
5370 Memberships/Dues	2,130.00	95.00	0.00	945.00	850.00	10
5385 Business Expenses	72.80	0.00	0.00	500.00	500.00	0
5386 Conference Expenses	3,939.36	0.00	0.00	8,000.00	8,000.00	0
5390 Training	0.00	1,830.00	0.00	4,000.00	2,170.00	46
5465 Solid Waste Disposal	0.00	0.00	0.00	950.00	950.00	0
5480 Communications	10,021.69	5,983.83	0.00	8,000.00	2,016.17	75
6731 Moving Expense Reimbursement	1,500.00	0.00	0.00	0.00	0.00	0



**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

Fund: 856 - AIRPORT

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
Total - Other Expenses	21,019.81	8,945.64	0.00	27,895.00	18,949.36	32 / 58
8900 Depreciation	1,121,782.12	0.00	0.00	0.00	0.00	0
Total - Depreciation	1,121,782.12	0.00	0.00	0.00	0.00	0 / 58
5030 Insurance	20,153.00	13,269.00	0.00	18,140.00	4,871.00	73
5260 Fuel	7,935.10	3,218.62	0.00	4,433.00	1,214.38	73
5455 Electric	51,511.34	35,960.81	0.00	54,305.00	18,344.19	66
5456 Natural Gas	2,093.04	212.97	0.00	7,214.00	7,001.03	3
5460 Water	27,612.96	15,472.48	0.00	33,249.00	17,776.52	47
5510 Vehicle Maintenance/Repair	22,877.30	11,121.76	0.00	38,985.00	27,863.24	29
7993 Indirect Cost Allocation	194,678.00	53,394.68	0.00	160,184.00	106,789.32	33
7994 Building Main Allocation	13,959.55	3,241.00	0.00	17,378.00	14,137.00	19
7996 Info Systems Allocation	3,550.00	4,203.00	0.00	13,607.00	9,404.00	31
Total - Allocations	344,370.29	140,094.32	0.00	347,495.00	207,400.68	40 / 58
Total Expenditures	1,955,100.74	441,386.48	12,588.00	1,763,289.00	1,309,314.52	26 / 58
Excess Deficiency Before Financing Sources / (Uses)	(1,169,501.98)	(21,043.29)	(12,588.00)	(543,586.00)	(509,954.71)	6 / 58
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3001 General	256,732.04	0.00	0.00	0.00	0.00	0
Total Transfers IN	256,732.04	0.00	0.00	0.00	0.00	0 / 58
Operating Transfers OUT						
9932 Fleet Replacement	(32,960.00)	(21,973.32)	0.00	(65,920.00)	43,946.68	33
Total Transfers OUT	(32,960.00)	(21,973.32)	0.00	(65,920.00)	43,946.68	33 / 58
Total Other Financing Sources	190,812.04	(21,973.32)	0.00	(65,920.00)	(43,946.68)	33 / 58
Excess Deficiency After Financing Sources / (Uses)	(978,689.94)	(43,016.61)	(12,588.00)	(609,506.00)	(553,901.39)	
Beginning Fund Balance	12,743,945.80	11,765,255.86	0.00	11,765,255.86		
Ending Fund Balance	11,765,255.86	11,722,239.25	(12,588.00)	11,155,749.86		
Ending Cash Balance	517,143.04	970.59				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 871 - PRIVATE DEVELOPMENT-**

<b>Budget Year: 2023</b>	<b>Prior Year's Actuals To 6/30/2022</b>	<b>Year To Date Actuals</b>	<b>Encumbrances</b>	<b>Budget</b>	<b>Balance</b>	<b>Percent Used Budg / Time</b>
<b>Revenues</b>						
40507 Construction Permit	1,822,548.20	543,435.90	0.00	1,100,000.00	556,564.10	49
40531 Encroachment Permit	14,739.88	5,589.58	0.00	4,000.00	(1,589.58)	140
Total - Licenses and Permits	1,837,288.08	549,025.48	0.00	1,104,000.00	554,974.52	50 / 58
42410 Plan Check Fees	533,500.32	150,518.60	0.00	730,000.00	579,481.40	21
42411 Plan Maintenance Fee	82,619.96	26,438.32	0.00	20,000.00	(6,438.32)	132
42439 Northwest Chico Specific Plan	99,597.00	2,840.00	0.00	35,000.00	32,160.00	8
42604 Sale of Docs/Publications	46.20	229.00	0.00	100.00	(129.00)	229
Total - Charges for Services	715,763.48	180,025.92	0.00	785,100.00	605,074.08	23 / 58
44101 Interest on Investments	(94,173.02)	0.00	0.00	14,555.00	14,555.00	0
Total - Use of Money & Property	(94,173.02)	0.00	0.00	14,555.00	14,555.00	0 / 58
<b>Total Revenues</b>	<b>2,458,878.54</b>	<b>729,051.40</b>	<b>0.00</b>	<b>1,903,655.00</b>	<b>1,174,603.60</b>	<b>38 / 58</b>
<b>Expenditures</b>						
4000 Salaries - Permanent	612,260.54	339,275.51	0.00	908,595.00	569,319.49	37
4005 Salaries - Supplemental Comp.	0.00	543.67	0.00	0.00	(543.67)	-
4020 Salaries - Hourly Pay	22,178.71	0.00	0.00	80,288.00	80,288.00	0
4025 Salaries - Separation Payouts	45,420.36	0.00	0.00	0.00	0.00	0
4050 Salaries - Overtime	17,875.87	11,618.44	0.00	12,500.00	881.56	93
4056 Salaries - CTO Payout	20.87	1,055.94	0.00	0.00	(1,055.94)	-
4690 Employee Benefits Other	417,526.97	212,733.34	0.00	644,772.00	432,038.66	33
Total - Salaries & Employee Benefits	1,115,283.32	565,226.90	0.00	1,646,155.00	1,080,928.10	34 / 58
5000 Office Expense	2,411.53	1,156.06	0.00	2,990.00	1,833.94	39
5005 Postage & Mailing	919.58	284.87	0.00	1,283.00	998.13	22
5010 Outside Printing Expense	351.12	67.56	0.00	1,454.00	1,386.44	5
5050 Books/Periodicals/Software	0.00	85.53	0.00	5,700.00	5,614.47	2
5105 Small Tools and Equipment	829.09	0.00	0.00	1,342.00	1,342.00	0
5110 Safety Equipment	132.10	0.00	0.00	1,142.00	1,142.00	0
5505 Equipment Maintenance/Repair	119.75	0.00	0.00	855.00	855.00	0
Total - Materials & Supplies	4,763.17	1,594.02	0.00	14,766.00	13,171.98	11 / 58
5400 Professional Services	393,953.70	171,270.44	7,501.01	257,501.00	78,729.55	69
5401 Audit Services	891.82	830.33	0.00	894.00	63.67	93
Total - Purchased Services	394,845.52	172,100.77	7,501.01	258,395.00	78,793.22	70 / 58
7992 Capital Projects OH Allocation	662.22	64.48	0.00	0.00	(64.48)	-
8800 Major Cap Projects-Capitalize	0.00	0.00	0.00	256,542.00	256,542.00	0
8801 Major Cap Proj-Non Capitalize	24,765.57	2,149.43	0.00	0.00	(2,149.43)	-
Total - Capital Projects	25,427.79	2,213.91	0.00	256,542.00	254,328.09	1 / 58
5370 Memberships/Dues	1,520.00	265.00	0.00	2,000.00	1,735.00	13
5385 Business Expenses	1,031.20	481.76	0.00	2,342.00	1,860.24	21
5390 Training	2,064.29	172.50	0.00	12,500.00	12,327.50	1
5480 Communications	6,666.30	3,206.46	0.00	8,037.00	4,830.54	40
Total - Other Expenses	11,281.79	4,125.72	0.00	24,879.00	20,753.28	17 / 58
7500 Non-Recurring Operating	51,450.20	9,624.72	(0.00)	20,000.00	10,375.28	48
Total - Non-Recurring Operating	51,450.20	9,624.72	(0.00)	20,000.00	10,375.28	48 / 58
5030 Insurance	68,788.00	44,082.00	0.00	78,977.00	34,895.00	56
5260 Fuel	7,068.65	1,954.08	0.00	4,891.00	2,936.92	40
5510 Vehicle Maintenance/Repair	13,197.57	2,147.30	0.00	16,748.00	14,600.70	13
7993 Indirect Cost Allocation	139,833.00	36,524.00	0.00	109,572.00	73,048.00	33
7994 Building Main Allocation	38,463.00	8,932.00	0.00	47,881.00	38,949.00	19
7996 Info Systems Allocation	72,696.00	31,953.00	0.00	107,911.00	75,958.00	30
Total - Allocations	340,046.22	125,592.38	0.00	365,980.00	240,387.62	34 / 58
<b>Total Expenditures</b>	<b>1,943,098.01</b>	<b>880,478.42</b>	<b>7,501.01</b>	<b>2,586,717.00</b>	<b>1,698,737.57</b>	<b>34 / 58</b>
Excess Deficiency Before						
Financing Sources / (Uses)	515,780.53	(151,427.02)	(7,501.01)	(683,062.00)	(524,133.97)	23 / 58

**Other Sources / Uses**

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 871 - PRIVATE DEVELOPMENT-**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
Operating Transfers IN						
3001 General	245,340.84	72,556.55	0.00	188,910.00	116,353.45	38
3305 Bikeway Improvement	2,012.97	0.00	0.00	1,725.00	1,725.00	0
3308 Street Facility Improvement	26,165.80	0.00	0.00	19,838.00	19,838.00	0
3309 Storm Drainage Facility	2,183.26	0.00	0.00	1,500.00	1,500.00	0
3320 Sewer - Trunk Line Capacity	5,242.74	0.00	0.00	4,740.00	4,740.00	0
3321 Sewer - WPCP Capacity	5,602.57	0.00	0.00	6,419.00	6,419.00	0
3330 Community Park	6,709.47	0.00	0.00	4,000.00	4,000.00	0
3332 Bidwell Park Land Acquisition	188.19	0.00	0.00	350.00	350.00	0
3333 Linear Parks/Greenways	1,022.95	0.00	0.00	500.00	500.00	0
3335 Street Maintenance Equipment	750.47	0.00	0.00	300.00	300.00	0
3336 Administration Building	121.28	0.00	0.00	500.00	500.00	0
3337 Fire Protection Building/Equip	1,344.18	0.00	0.00	1,750.00	1,750.00	0
3338 Police Protection Bldg & Equip	1,721.71	0.00	0.00	3,000.00	3,000.00	0
3340 Neighborhood Parks	1,607.07	0.00	0.00	1,075.00	1,075.00	0
Total Transfers IN	<u>300,013.50</u>	<u>72,556.55</u>	<u>0.00</u>	<u>234,607.00</u>	<u>162,050.45</u>	<u>31 / 58</u>
Operating Transfers OUT						
9003 Emergency Reserve	(82,957.00)	(2,840.00)	0.00	(35,000.00)	32,160.00	8
9315 General Plan Reserve	(65,816.87)	(23,060.83)	0.00	(56,872.00)	33,811.17	41
9932 Fleet Replacement	(18,146.66)	(7,821.00)	0.00	(23,463.00)	15,642.00	33
Total Transfers OUT	<u>(166,920.53)</u>	<u>(33,721.83)</u>	<u>0.00</u>	<u>(115,335.00)</u>	<u>81,613.17</u>	<u>29 / 58</u>
Total Other Financing Sources	<u>100,758.63</u>	<u>38,834.72</u>	<u>0.00</u>	<u>119,272.00</u>	<u>80,437.28</u>	<u>33 / 58</u>
Excess Deficiency After Financing Sources / (Uses)	616,539.16	(112,592.30)	(7,501.01)	(563,790.00)	<u>(443,696.69)</u>	
Beginning Fund Balance	<u>2,163,172.08</u>	<u>2,779,711.24</u>	<u>0.00</u>	<u>2,779,711.24</u>		
Ending Fund Balance	<u>2,779,711.24</u>	<u>2,667,118.94</u>	<u>(7,501.01)</u>	<u>2,215,921.24</u>		
Ending Cash Balance	<u>3,030,950.79</u>	<u>(256,952.88)</u>				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

Fund: 872 - PRIVATE DEVELOPMENT-

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
40507 Construction Permit	486,012.85	144,916.24	0.00	316,000.00	171,083.76	46
Total - Licenses and Permits	486,012.85	144,916.24	0.00	316,000.00	171,083.76	46 / 58
42401 Planning Application Deposits	0.00	461.00	0.00	0.00	(461.00)	-
42404 Planning Filing Fees	337,195.82	118,397.91	0.00	268,600.00	150,202.09	44
42410 Plan Check Fees	152,428.66	43,005.32	0.00	210,800.00	167,794.68	20
Total - Charges for Services	489,624.48	161,864.23	0.00	479,400.00	317,535.77	34 / 58
44101 Interest on Investments	(34,699.52)	0.00	0.00	5,865.00	5,865.00	0
Total - Use of Money & Property	(34,699.52)	0.00	0.00	5,865.00	5,865.00	0 / 58
44505 Miscellaneous Revenues	3,240.00	2,548.00	0.00	0.00	(2,548.00)	-
Total - Other Revenues	3,240.00	2,548.00	0.00	0.00	(2,548.00)	999 / 58
<b>Total Revenues</b>	<b>944,177.81</b>	<b>309,328.47</b>	<b>0.00</b>	<b>801,265.00</b>	<b>491,936.53</b>	<b>39 / 58</b>
<b>Expenditures</b>						
4000 Salaries - Permanent	301,240.56	175,215.20	0.00	274,328.00	99,112.80	64
4005 Salaries - Supplemental Comp.	0.00	758.28	0.00	0.00	(758.28)	-
4050 Salaries - Overtime	114.30	0.38	0.00	3,987.00	3,986.62	0
4056 Salaries - CTO Payout	5.44	0.00	0.00	0.00	0.00	0
4690 Employee Benefits Other	204,758.03	105,309.29	0.00	167,920.00	62,610.71	63
Total - Salaries & Employee Benefits	506,118.33	281,283.15	0.00	446,235.00	164,951.85	63 / 58
5000 Office Expense	1,365.51	1,074.44	0.00	1,200.00	125.56	90
5005 Postage & Mailing	5,203.73	1,951.44	0.00	9,700.00	7,748.56	20
5010 Outside Printing Expense	48.57	424.83	0.00	200.00	(224.83)	212
5050 Books/Periodicals/Software	318.49	0.00	0.00	750.00	750.00	0
Total - Materials & Supplies	6,936.30	3,450.71	0.00	11,850.00	8,399.29	29 / 58
5400 Professional Services	92,786.98	54,931.50	(0.03)	240,000.00	185,068.53	23
5401 Audit Services	316.26	329.18	0.00	314.00	(15.18)	105
Total - Purchased Services	93,103.24	55,260.68	(0.03)	240,314.00	185,053.35	23 / 58
7992 Capital Projects OH Allocation	232.09	26.31	0.00	0.00	(26.31)	-
8800 Major Cap Projects-Capitalize	0.00	0.00	0.00	74,822.00	74,822.00	0
8801 Major Cap Proj-Non Capitalize	8,467.31	877.10	0.00	0.00	(877.10)	-
Total - Capital Projects	8,699.40	903.41	0.00	74,822.00	73,918.59	1 / 58
5140 Advertising/Marketing	4,516.77	1,442.93	0.00	12,625.00	11,182.07	11
5370 Memberships/Dues	1,284.00	363.50	0.00	1,286.00	922.50	28
5385 Business Expenses	0.00	197.71	0.00	0.00	(197.71)	-
5390 Training	529.33	2,264.94	0.00	6,869.00	4,604.06	33
5480 Communications	1,076.74	562.37	0.00	1,300.00	737.63	43
6056 Meeting Expenses	31.10	19.04	0.00	240.00	220.96	8
Total - Other Expenses	7,437.94	4,850.49	0.00	22,320.00	17,469.51	22 / 58
7500 Non-Recurring Operating	50,000.00	0.00	(0.00)	0.00	0.00	-
Total - Non-Recurring Operating	50,000.00	0.00	(0.00)	0.00	0.00	0 / 58
5030 Insurance	29,709.00	18,584.00	0.00	23,855.00	5,271.00	78
5260 Fuel	20.24	0.00	0.00	82.00	82.00	0
5510 Vehicle Maintenance/Repair	0.00	0.00	0.00	1,727.00	1,727.00	0
7993 Indirect Cost Allocation	74,684.00	29,095.68	0.00	87,287.00	58,191.32	33
7994 Building Main Allocation	86,999.00	20,202.00	0.00	108,302.00	88,100.00	19
7996 Info Systems Allocation	52,883.00	12,245.00	0.00	41,647.00	29,402.00	29
Total - Allocations	244,295.24	80,126.68	0.00	262,900.00	182,773.32	30 / 58
<b>Total Expenditures</b>	<b>916,590.45</b>	<b>425,875.12</b>	<b>(0.03)</b>	<b>1,058,441.00</b>	<b>632,565.91</b>	<b>40 / 58</b>
Excess Deficiency Before						
Financing Sources / (Uses)	27,587.36	(116,546.65)	0.03	(257,176.00)	(140,629.38)	45 / 58
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3001 General	97,563.73	30,886.76	0.00	79,540.00	48,653.24	39

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 872 - PRIVATE DEVELOPMENT-**

<b>Budget Year: 2023</b>	<b>Prior Year's Actuals To 6/30/2022</b>	<b>Year To Date Actuals</b>	<b>Encum- brances</b>	<b>Budget</b>	<b>Balance</b>	<b>Percent Used Budg / Time</b>
Total Transfers IN	97,563.73	30,886.76	0.00	79,540.00	48,653.24	39 / 58
Operating Transfers OUT						
9315 General Plan Reserve	(25,650.06)	(9,372.86)	0.00	(23,851.00)	14,478.14	39
9932 Fleet Replacement	(2,945.00)	(1,178.00)	0.00	(3,534.00)	2,356.00	33
Total Transfers OUT	(28,595.06)	(10,550.86)	0.00	(27,385.00)	16,834.14	39 / 58
Total Other Financing Sources	64,281.81	20,335.90	0.00	52,155.00	31,819.10	39 / 58
Excess Deficiency After Financing Sources / (Uses)	91,869.17	(96,210.75)	0.03	(205,021.00)	(108,810.28)	
Beginning Fund Balance	835,620.99	927,490.16	0.00	927,490.16		
Ending Fund Balance	927,490.16	831,279.41	0.03	722,469.16		
Ending Cash Balance	1,029,234.64	(146,397.58)				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 873 - PRIVATE DEVELOPMENT-**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
<b>Revenues</b>						
40531 Encroachment Permit	280,057.52	106,201.92	0.00	230,000.00	123,798.08	46
Total - Licenses and Permits	280,057.52	106,201.92	0.00	230,000.00	123,798.08	46 / 58
42302 Sewer Application Fee	245.00	0.00	0.00	0.00	0.00	0
42404 Planning Filing Fees	39,670.08	13,929.17	0.00	31,600.00	17,670.83	44
42407 Engineering Fees	415,722.78	137,259.08	0.00	165,000.00	27,740.92	83
42410 Plan Check Fees	38,107.17	10,751.32	0.00	52,700.00	41,948.68	20
42428 2% Deferred Development Fee	0.00	0.00	0.00	13,700.00	13,700.00	0
42440 Storm Water Plan Review Fees	105,745.70	35,133.10	0.00	62,000.00	26,866.90	57
42442 Fire Plan Check Fees	630.50	0.00	0.00	0.00	0.00	0
Total - Charges for Services	600,121.23	197,072.67	0.00	325,000.00	127,927.33	61 / 58
44101 Interest on Investments	(24,319.32)	0.00	0.00	3,633.00	3,633.00	0
Total - Use of Money & Property	(24,319.32)	0.00	0.00	3,633.00	3,633.00	0 / 58
<b>Total Revenues</b>	<b>855,859.43</b>	<b>303,274.59</b>	<b>0.00</b>	<b>558,633.00</b>	<b>255,358.41</b>	<b>54 / 58</b>
<b>Expenditures</b>						
4000 Salaries - Permanent	361,939.81	210,927.52	0.00	462,209.00	251,281.48	46
4005 Salaries - Supplemental Comp.	0.00	1,028.83	0.00	0.00	(1,028.83)	-
4020 Salaries - Hourly Pay	22,719.07	820.00	0.00	22,000.00	21,180.00	4
4025 Salaries - Separation Payouts	5,002.67	0.00	0.00	0.00	0.00	0
4050 Salaries - Overtime	2,313.78	423.55	0.00	0.00	(423.55)	-
4690 Employee Benefits Other	205,144.74	118,276.41	0.00	260,812.00	142,535.59	45
Total - Salaries & Employee Benefits	597,120.07	331,476.31	0.00	745,021.00	413,544.69	44 / 58
5000 Office Expense	4,210.21	212.24	0.00	1,000.00	787.76	21
5005 Postage & Mailing	0.00	0.00	0.00	1,500.00	1,500.00	0
5050 Books/Periodicals/Software	1,500.00	1,000.00	0.00	1,500.00	500.00	67
5105 Small Tools and Equipment	0.00	0.00	0.00	500.00	500.00	0
5110 Safety Equipment	0.00	0.00	0.00	500.00	500.00	0
5505 Equipment Maintenance/Repair	0.00	0.00	0.00	500.00	500.00	0
Total - Materials & Supplies	5,710.21	1,212.24	0.00	5,500.00	4,287.76	22 / 58
5400 Professional Services	10,475.00	4,158.50	3,350.00	10,850.00	3,341.50	69
5401 Audit Services	297.27	264.96	0.00	297.00	32.04	89
Total - Purchased Services	10,772.27	4,423.46	3,350.00	11,147.00	3,373.54	70 / 58
7992 Capital Projects OH Allocation	99.50	12.03	0.00	0.00	(12.03)	-
8800 Major Cap Projects-Capitalize	0.00	0.00	0.00	38,205.00	38,205.00	0
8801 Major Cap Proj-Non Capitalize	3,643.99	401.05	0.00	0.00	(401.05)	-
Total - Capital Projects	3,743.49	413.08	0.00	38,205.00	37,791.92	1 / 58
5140 Advertising/Marketing	0.00	715.28	0.00	0.00	(715.28)	-
5160 Licenses/Permits/Fees	41.00	0.00	0.00	0.00	0.00	0
5370 Memberships/Dues	0.00	0.00	0.00	500.00	500.00	0
5385 Business Expenses	1,283.82	0.00	0.00	500.00	500.00	0
5390 Training	1,000.00	0.00	0.00	2,500.00	2,500.00	0
5480 Communications	456.12	228.06	0.00	1,500.00	1,271.94	15
Total - Other Expenses	2,780.94	943.34	0.00	5,000.00	4,056.66	19 / 58
5030 Insurance	38,643.00	20,514.00	0.00	36,632.00	16,118.00	56
7993 Indirect Cost Allocation	60,729.00	21,320.32	0.00	63,961.00	42,640.68	33
7996 Info Systems Allocation	0.00	8,039.00	0.00	25,194.00	17,155.00	32
Total - Allocations	99,372.00	49,873.32	0.00	125,787.00	75,913.68	40 / 58
<b>Total Expenditures</b>	<b>719,498.98</b>	<b>388,341.75</b>	<b>3,350.00</b>	<b>930,660.00</b>	<b>538,968.25</b>	<b>42 / 58</b>
Excess Deficiency Before						
Financing Sources / (Uses)	136,360.45	(85,067.16)	(3,350.00)	(372,027.00)	(283,609.84)	24 / 58
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3001 General	77,380.26	26,900.66	0.00	55,500.00	28,599.34	48
3305 Bikeway Improvement	2,013.00	0.00	0.00	1,725.00	1,725.00	0
3308 Street Facility Improvement	26,165.80	0.00	0.00	19,838.00	19,838.00	0

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 873 - PRIVATE DEVELOPMENT-**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
3309 Storm Drainage Facility	2,183.26	0.00	0.00	1,500.00	1,500.00	0
3320 Sewer - Trunk Line Capacity	5,242.74	0.00	0.00	4,740.00	4,740.00	0
3321 Sewer - WPCP Capacity	5,602.57	0.00	0.00	6,419.00	6,419.00	0
3330 Community Park	6,709.47	0.00	0.00	4,000.00	4,000.00	0
3332 Bidwell Park Land Acquisition	188.19	0.00	0.00	350.00	350.00	0
3333 Linear Parks/Greenways	1,022.95	0.00	0.00	500.00	500.00	0
3335 Street Maintenance Equipment	750.47	0.00	0.00	300.00	300.00	0
3336 Administration Building	121.28	0.00	0.00	500.00	500.00	0
3337 Fire Protection Building/Equip	1,344.18	0.00	0.00	1,750.00	1,750.00	0
3338 Police Protection Bldg & Equip	1,721.71	0.00	0.00	3,000.00	3,000.00	0
3340 Neighborhood Parks	1,607.07	0.00	0.00	1,075.00	1,075.00	0
Total Transfers IN	132,052.95	26,900.66	0.00	101,197.00	74,296.34	27 / 58
Operating Transfers OUT						
9315 General Plan Reserve	(20,318.03)	(8,063.20)	0.00	(14,570.00)	6,506.80	55
Total Transfers OUT	(20,318.03)	(8,063.20)	0.00	(14,570.00)	6,506.80	55 / 58
Total Other Financing Sources	108,957.74	18,837.46	0.00	86,627.00	67,789.54	22 / 58
Excess Deficiency After Financing Sources / (Uses)	245,318.19	(66,229.70)	(3,350.00)	(285,400.00)	(215,820.30)	
Beginning Fund Balance	517,912.81	763,231.00	0.00	763,231.00		
Ending Fund Balance	763,231.00	697,001.30	(3,350.00)	477,831.00		
Ending Cash Balance	864,246.78	(71,816.48)				

**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 874 - PRIVATE DEVELOPMENT-FIRE**

<b>Budget Year: 2023</b>	<b>Prior Year's Actuals To 6/30/2022</b>	<b>Year To Date Actuals</b>	<b>Encumbrances</b>	<b>Budget</b>	<b>Balance</b>	<b>Percent Used Budg / Time</b>
<b>Revenues</b>						
40507 Construction Permit	121,503.22	36,229.07	0.00	79,000.00	42,770.93	46
40518 Fire System Compliance Fee	2,620.56	1,425.57	0.00	0.00	(1,425.57)	-
Total - Licenses and Permits	124,123.78	37,654.64	0.00	79,000.00	41,345.36	48 / 58
42404 Planning Filing Fees	19,835.06	6,964.58	0.00	15,800.00	8,835.42	44
42410 Plan Check Fees	38,107.15	10,751.33	0.00	52,700.00	41,948.67	20
42442 Fire Plan Check Fees	233,820.10	73,820.00	0.00	185,000.00	111,180.00	40
Total - Charges for Services	291,762.31	91,535.91	0.00	253,500.00	161,964.09	36 / 58
44101 Interest on Investments	(23,544.87)	0.00	0.00	3,967.00	3,967.00	0
Total - Use of Money & Property	(23,544.87)	0.00	0.00	3,967.00	3,967.00	0 / 58
<b>Total Revenues</b>	<b>392,341.22</b>	<b>129,190.55</b>	<b>0.00</b>	<b>336,467.00</b>	<b>207,276.45</b>	<b>38 / 58</b>
<b>Expenditures</b>						
4000 Salaries - Permanent	85,859.60	57,071.54	0.00	134,584.00	77,512.46	42
4020 Salaries - Hourly Pay	4,113.84	4,967.29	0.00	24,700.00	19,732.71	20
4050 Salaries - Overtime	2,597.21	139.62	0.00	0.00	(139.62)	-
4056 Salaries - CTO Payout	0.00	716.84	0.00	0.00	(716.84)	-
4585 Empl. Benefit-Fitness Reimb	188.50	87.00	0.00	0.00	(87.00)	-
4690 Employee Benefits Other	75,827.43	48,551.96	0.00	106,142.00	57,590.04	46
Total - Salaries & Employee Benefits	168,586.58	111,534.25	0.00	265,426.00	153,891.75	42 / 58
5000 Office Expense	107.97	42.88	0.00	0.00	(42.88)	-
5010 Outside Printing Expense	124.32	0.00	0.00	0.00	0.00	0
5050 Books/Periodicals/Software	1,000.00	65.88	0.00	0.00	(65.88)	-
5070 Special Department Expenses	168.83	207.79	0.00	0.00	(207.79)	-
5105 Small Tools and Equipment	192.98	13.92	0.00	0.00	(13.92)	-
5110 Safety Equipment	648.55	23.58	0.00	0.00	(23.58)	-
5120 Clothing/Uniforms	1,590.19	264.91	0.00	0.00	(264.91)	-
Total - Materials & Supplies	3,832.84	618.96	0.00	0.00	(618.96)	999 / 58 Ovr
5330 Contractual	66,872.50	16,940.00	0.00	32,000.00	15,060.00	53
5401 Audit Services	94.87	75.38	0.00	97.00	21.62	78
Total - Purchased Services	66,967.37	17,015.38	0.00	32,097.00	15,081.62	53 / 58
7992 Capital Projects OH Allocation	55.97	7.60	0.00	0.00	(7.60)	-
8800 Major Cap Projects-Capitalize	0.00	0.00	0.00	22,053.00	22,053.00	0
8801 Major Cap Proj-Non Capitalize	2,074.24	253.27	0.00	0.00	(253.27)	-
Total - Capital Projects	2,130.21	260.87	0.00	22,053.00	21,792.13	1 / 58
5370 Memberships/Dues	665.00	60.00	0.00	0.00	(60.00)	-
5390 Training	1,078.88	535.85	0.00	0.00	(535.85)	-
Total - Other Expenses	1,743.88	595.85	0.00	0.00	(595.85)	999 / 58 Ovr
8900 Depreciation	1,614.15	0.00	0.00	0.00	0.00	0
Total - Depreciation	1,614.15	0.00	0.00	0.00	0.00	0 / 58
5030 Insurance	9,126.00	7,638.00	0.00	11,497.00	3,859.00	66
7993 Indirect Cost Allocation	10,432.00	4,863.00	0.00	14,589.00	9,726.00	33
Total - Allocations	19,558.00	12,501.00	0.00	26,086.00	13,585.00	48 / 58
<b>Total Expenditures</b>	<b>264,433.03</b>	<b>142,526.31</b>	<b>0.00</b>	<b>345,662.00</b>	<b>203,135.69</b>	<b>41 / 58</b>
Excess Deficiency Before Financing Sources / (Uses)	127,908.19	(13,335.76)	0.00	(9,195.00)	4,140.76	145 / 58
<b>Other Sources / Uses</b>						
Operating Transfers IN						
3001 General	41,326.55	10,392.03	0.00	33,250.00	22,857.97	31
Total Transfers IN	41,326.55	10,392.03	0.00	33,250.00	22,857.97	31 / 58
Operating Transfers OUT						
9315 General Plan Reserve	(10,096.15)	(3,934.61)	0.00	(4,525.00)	590.39	87
Total Transfers OUT	(10,096.15)	(3,934.61)	0.00	(4,525.00)	590.39	87 / 58



**City of Chico**  
**Fund Income Statement**

Data Through 1/31/2023

Budget Version 10: Working

**Fund: 874 - PRIVATE DEVELOPMENT-FIRE**

Budget Year: 2023	Prior Year's Actuals To 6/30/2022	Year To Date Actuals	Encum- brances	Budget	Balance	Percent Used Budg / Time
Total Other Financing Sources	29,147.60	6,457.42	0.00	28,725.00	22,267.58	22 / 58
Excess Deficiency After Financing Sources / (Uses)	157,055.79	(6,878.34)	0.00	19,530.00	26,408.34	
Beginning Fund Balance	579,947.75	737,003.54	0.00	737,003.54		
Ending Fund Balance	737,003.54	730,125.20	0.00	756,533.54		
Ending Cash Balance	716,192.05	(25,067.83)				

# Monthly Budget Monitoring Report

Administrative Services Department

Fiscal Year 2022-23 Monthly Report for the period ending: January 2023

**Department Contact:** Barbara Martin, Administrative Services Director

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**Purpose:** The purpose of the review is to identify any expenditure trends which would hinder a department's ability to meet their approved budget targets or to highlight any trends of interest for the governing body. Budget overages are monitored and controlled at the category level, not object (account) level. Therefore, the analysis considers the category level.

**Overall Summary:** As of January 31, 2023, the City is seven months of the way through this fiscal year. The areas requiring explanation are listed below.

## Items of Interest:

### **NEW**

None

### **PREVIOUS**

#### Item #1

Location: **Fund/Dept 935-180 – Information Systems**

Expenditure Item: **Category – Purchased Services**

Description: Several annual contracts and annual technology maintenance agreements are payable at the beginning of the fiscal year. This type of charge will not continue at this level throughout the fiscal year.

#### Item #2

Location: **Fund/Dept 935-180 – Information Systems**

Expenditure Item: **Category – Other Expenses**

Description: Training expenses are averaging higher than previous years. Several seminars and conferences were held at the beginning of the fiscal year. Communications expenses are averaging higher than previous years due to additional costs for network connection and internet service in City buildings. Will continue to monitor and request a supplemental appropriation if necessary.

#### Item #3

Location: **Fund/Dept 935-180 – Information Tech, 935-182 – Information Tech - Radios**

Expenditure Item: **Category – Allocations**

Description: Charges for annual premiums in insurance fund occurred at the beginning of the fiscal year causing a large allocation. This will not continue through fiscal year.

## APPROVALS:

Review	Signature	Date
Department Director <b>Barbara Martin, ASD</b>	<i>Barbara Martin</i>	2/7/2023

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Administrative Services**

Administrative Services Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds		
Salaries & Employee Benefits	2,490,455	2,536,743	704,192	669,383	1,373,575	1,655,658	1,523,273	3,178,931	1,805,355	43
Materials & Supplies	77,687	85,180	10,932	35,344	46,277	30,928	133,235	164,163	117,885	28
Purchased Services	901,780	1,085,712	104,021	890,643	994,664	234,185	1,252,064	1,486,249	491,584	67
Other Expenses	240,066	249,032	26,353	147,458	173,811	53,660	289,770	343,430	169,618	51
Non-Recurring Operating Allocations	0 (1,665,733)	0 (1,740,439)	0 (554,956)	0 42,441	0 (512,514)	25,000 (1,656,974)	0 85,365	25,000 (1,571,609)	25,000 (1,059,094)	0 33
<b>Department Total</b>	<b>2,044,256</b>	<b>2,216,229</b>	<b>290,543</b>	<b>1,785,271</b>	<b>2,075,815</b>	<b>342,457</b>	<b>3,283,707</b>	<b>3,626,164</b>	<b>1,550,348</b>	<b>57 59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22				
<b>001-150 Finance</b>						
4000 Salaries & Employee Benefits	1,398,102	1,409,439	704,192	1,655,658	951,466	43
5000 Materials & Supplies	28,440	39,946	10,933	30,928	19,995	35
5400 Purchased Services	147,516	167,018	104,022	234,185	130,163	44
8900 Other Expenses	45,746	28,625	26,353	53,660	27,307	49
8910 Non-Recurring Operating	0	0	0	25,000	25,000	0
8990 Allocations	283,909	319,940	116,773	358,213	241,440	33
<b>Total 001-150</b>	<b>1,903,713</b>	<b>1,964,968</b>	<b>962,273</b>	<b>2,357,644</b>	<b>1,395,371</b>	<b>41 59</b>
<b>001-995 Indirect Cost Allocation</b>						
8990 Allocations	(1,990,798)	(2,130,959)	(671,729)	(2,015,187)	-1,343,458	33
<b>Total 001-995</b>	<b>(1,990,798)</b>	<b>(2,130,959)</b>	<b>(671,729)</b>	<b>(2,015,187)</b>	<b>(1,343,458)</b>	<b>33 59</b>
<b>Total General/Park Funds</b>	<b>(87,085)</b>	<b>(165,991)</b>	<b>290,544</b>	<b>342,457</b>	<b>51,913</b>	<b>84 59</b>
<b>010-150 City Treasury</b>						
5400 Purchased Services	64,545	68,215	22,494	60,000	37,506	37
8900 Other Expenses	0	0	0	3,270	3,270	0
<b>Total 010-150</b>	<b>64,545</b>	<b>68,215</b>	<b>22,494</b>	<b>63,270</b>	<b>40,776</b>	<b>36 59</b>
<b>050-150 Donations</b>						
5400 Purchased Services	0	28,870	10,566	63,601	53,035	17

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Administrative Services**

Administrative Services	Prior Year Actuals		FY2022-23	FY2022-23	Remaining	Percent	
Department Summary by Fund-Activity	FY2020-21	FY2021-22	YTD Actuals	Modified Adopted	Budget	Used Budg / Time	
<b>Total 050-150</b>	<b>0</b>	<b>28,870</b>	<b>10,566</b>	<b>63,601</b>	<b>53,035</b>	<b>17</b>	<b>59</b>
<b>853-150 Parking Revenue</b>							
5400 Purchased Services	11,122	34,835	12,942	36,000	23,058	36	
<b>Total 853-150</b>	<b>11,122</b>	<b>34,835</b>	<b>12,942</b>	<b>36,000</b>	<b>23,058</b>	<b>36</b>	<b>59</b>
<b>877-184 Fiber Utility</b>							
4000 Salaries & Employee Benefits	0	0	0	193,577	193,577	0	
5000 Materials & Supplies	0	0	1,083	9,000	7,917	12	
5400 Purchased Services	0	0	0	5,000	5,000	0	
8900 Other Expenses	0	0	52	37,500	37,448	0	
8990 Allocations	0	0	0	10,890	10,890	0	
<b>Total 877-184</b>	<b>0</b>	<b>0</b>	<b>1,135</b>	<b>255,967</b>	<b>254,832</b>	<b>0</b>	<b>59</b>
<b>935-180 Information Systems</b>							
4000 Salaries & Employee Benefits	935,072	931,642	532,863	1,091,171	558,308	49	
5000 Materials & Supplies	49,247	38,827	31,506	64,235	32,729	49	
5400 Purchased Services	678,598	786,775	843,282	1,077,463	234,181	78	
8900 Other Expenses	194,321	220,408	145,306	229,000	83,694	63	
8990 Allocations	36,768	59,166	33,340	61,652	28,312	54	
<b>Total 935-180</b>	<b>1,894,006</b>	<b>2,036,818</b>	<b>1,586,297</b>	<b>2,523,521</b>	<b>937,224</b>	<b>63</b>	<b>59</b>
<b>935-182 Information Systems</b>							
4000 Salaries & Employee Benefits	157,282	195,663	136,520	238,525	102,005	57	
5000 Materials & Supplies	0	6,406	2,755	60,000	57,245	5	
5400 Purchased Services	0	0	1,360	10,000	8,640	14	
8900 Other Expenses	0	0	2,101	20,000	17,899	11	
8990 Allocations	4,387	11,414	9,102	12,823	3,721	71	
<b>Total 935-182</b>	<b>161,669</b>	<b>213,483</b>	<b>151,838</b>	<b>341,348</b>	<b>189,510</b>	<b>44</b>	<b>59</b>
<b>Total Other Funds</b>	<b>2,131,342</b>	<b>2,382,221</b>	<b>1,785,272</b>	<b>3,283,707</b>	<b>1,498,435</b>	<b>54</b>	<b>59</b>
<b>Department Total</b>	<b>2,044,257</b>	<b>2,216,230</b>	<b>2,075,816</b>	<b>3,626,164</b>	<b>1,550,348</b>	<b>57</b>	<b>59</b>

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**

**City Attorney**

City Attorney Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds		
Materials & Supplies	521	49	95	0	95	250	0	250	154	38
Purchased Services	1,432,510	2,419,708	147,233	695,382	842,615	612,847	650,000	1,262,847	420,231	67
Other Expenses	1,624	1,814	844	0	844	1,805	0	1,805	960	47
Allocations	29,870	24,826	4,511	0	4,511	24,187	0	24,187	19,676	19
<b>Department Total</b>	<b>1,464,526</b>	<b>2,446,399</b>	<b>152,685</b>	<b>695,382</b>	<b>848,067</b>	<b>639,089</b>	<b>650,000</b>	<b>1,289,089</b>	<b>441,021</b>	<b>66 59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22				
<b>001-160 City Attorney</b>						
5000 Materials & Supplies		522	50	96	250	154 38
5400 Purchased Services		729,089	564,111	147,233	612,847	465,614 24
8900 Other Expenses		1,624	1,815	845	1,805	960 47
8990 Allocations		29,870	24,826	4,511	24,187	19,676 19
<b>Total 001-160</b>		<b>761,105</b>	<b>590,802</b>	<b>152,685</b>	<b>639,089</b>	<b>486,404 24 59</b>
<b>Total General/Park Funds</b>		<b>761,105</b>	<b>590,802</b>	<b>152,685</b>	<b>639,089</b>	<b>486,404 23 59</b>
<b>052-160 Specialized Community Services</b>						
5400 Purchased Services		14,366	0	0	0	0 0
<b>Total 052-160</b>		<b>14,366</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0 59</b>
<b>900-160 General Liability Insurance Reserve</b>						
5400 Purchased Services		689,055	1,855,598	695,383	650,000	(45,383) 107
<b>Total 900-160</b>		<b>689,055</b>	<b>1,855,598</b>	<b>695,383</b>	<b>650,000</b>	<b>(45,383) 107 59</b>
<b>Total Other Funds</b>		<b>703,421</b>	<b>1,855,598</b>	<b>695,383</b>	<b>650,000</b>	<b>(45,383) 107 59</b>
<b>Department Total</b>		<b>1,464,526</b>	<b>2,446,400</b>	<b>848,068</b>	<b>1,289,089</b>	<b>441,021 66 59</b>

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**

**City Clerk**

City Clerk Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds		
Salaries & Employee Benefits	583,451	600,440	372,635	0	372,635	784,462	0	784,462	411,826	48
Materials & Supplies	12,298	6,985	2,608	0	2,608	18,250	0	18,250	15,641	14
Purchased Services	43,283	137,785	32,991	95,349	128,340	205,065	100,375	305,440	177,099	42
Other Expenses	230,434	72,870	25,185	0	25,185	250,665	0	250,665	225,479	10
Non-Recurring Operating Allocations	0	7,253	749	0	749	0	0	0	(749)	10
	137,899	183,059	58,158	0	58,158	195,042	0	195,042	136,884	30
<b>Department Total</b>	<b>1,007,367</b>	<b>1,008,394</b>	<b>492,329</b>	<b>95,349</b>	<b>587,678</b>	<b>1,453,484</b>	<b>100,375</b>	<b>1,553,859</b>	<b>966,180</b>	<b>38 59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time	
	FY2020-21	FY2021-22					
<b>001-101 City Council</b>							
4000 Salaries & Employee Benefits	108,790	113,173	72,223	142,855	70,632	51	
5000 Materials & Supplies	7,018	1,310	0	9,900	9,900	0	
5400 Purchased Services	2,400	7,500	0	21,000	21,000	0	
8900 Other Expenses	67,746	56,003	18,366	67,765	49,399	27	
8990 Allocations	72,502	85,610	15,908	77,349	61,441	21	
<b>Total 001-101</b>	<b>258,456</b>	<b>263,596</b>	<b>106,497</b>	<b>318,869</b>	<b>212,372</b>	<b>33</b>	<b>59</b>
<b>001-103 City Clerk</b>							
4000 Salaries & Employee Benefits	474,662	487,268	300,413	641,607	341,194	47	
5000 Materials & Supplies	5,280	5,675	2,608	8,350	5,742	31	
5400 Purchased Services	37,375	50,586	32,992	184,065	151,073	18	
8900 Other Expenses	162,688	16,867	6,819	182,900	176,081	4	
8910 Non-Recurring Operating	0	7,254	750	0	-750	0	
8990 Allocations	65,397	97,449	42,250	117,693	75,443	36	
<b>Total 001-103</b>	<b>745,402</b>	<b>665,099</b>	<b>385,832</b>	<b>1,134,615</b>	<b>748,783</b>	<b>34</b>	<b>59</b>
<b>Total General/Park Funds</b>	<b>1,003,858</b>	<b>928,695</b>	<b>492,329</b>	<b>1,453,484</b>	<b>961,155</b>	<b>33</b>	<b>59</b>
<b>051-000 Arts and Culture</b>							
5400 Purchased Services	0	34,669	30,635	30,635	0	100	
<b>Total 051-000</b>	<b>0</b>	<b>34,669</b>	<b>30,635</b>	<b>30,635</b>	<b>0</b>	<b>100</b>	<b>59</b>

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**

**City Clerk**

City Clerk Department Summary by Fund-Activity	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time	
	FY2020-21	FY2021-22					
<b>052-101 Specialized Community Services</b>							
5400 Purchased Services	3,508	0	0	25,000	25,000	0	
<b>Total 052-101</b>	<b>3,508</b>	<b>0</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>	<b>59</b>
<b>210-000 PEG - Public, Educational &amp; Government</b>							
<b>Total 210-000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>210-103 PEG - Public, Educational &amp; Government</b>							
<b>Total 210-103</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>210-180 PEG - Public, Educational &amp; Government</b>							
5400 Purchased Services	0	45,031	64,714	44,740	(19,974)	145	
<b>Total 210-180</b>	<b>0</b>	<b>45,031</b>	<b>64,714</b>	<b>44,740</b>	<b>(19,974)</b>	<b>145</b>	<b>59</b>
<b>Total Other Funds</b>	<b>3,508</b>	<b>79,700</b>	<b>95,349</b>	<b>100,375</b>	<b>5,026</b>	<b>95</b>	<b>59</b>
<b>Department Total</b>	<b>1,007,366</b>	<b>1,008,395</b>	<b>587,678</b>	<b>1,553,859</b>	<b>966,181</b>	<b>38</b>	<b>59</b>

# Monthly Budget Monitoring Report

City Manager's Office

Fiscal Year 2022-23 Monthly Report for the period ending January 31, 2023

**Department Contacts:** Management Analyst (896-7202)

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**Purpose:** The purpose of the review is to identify any expenditure trends which would hinder a department's ability to meet their approved budget targets or to highlight any trends of interest for the governing body. Budget overages are monitored and controlled at the category level, not object (account) level. Therefore, the analysis considers the category level.

**Overall Summary:** The City Manager's Office does not believe current expenditure trends will exceed budget appropriations.

**Items of Interest:**

**NEW**

**None.**

**PREVIOUS**

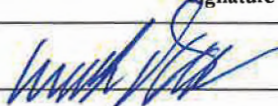
Location: **Fund/Dept 050-106 – Donations**

Expenditure Item: **Category 5000 – Materials & Supplies**

Description & Analysis: One-time grant funding received from PG&E in 2014 to be used in support of Team Chico.

Action Plan: No action necessary.

**APPROVALS:**

Review	Signature	Date
Department Director <b>Mark Sorensen, City Manager</b>		February 6, 2023



**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**City Manager**

City Manager Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds		
Salaries & Employee Benefits	1,058,263	985,287	477,489	831	478,321	921,450	20,000	941,450	463,128	51
Materials & Supplies	2,798	3,481	3,003	159	3,162	6,695	0	6,695	3,532	47
Purchased Services	71,100	306,435	26,697	4,159	30,856	202,721	54,000	256,721	225,864	12
Other Expenses	82,790	121,567	42,389	204	42,594	230,741	500	231,241	188,646	18
Non-Recurring Operating Allocations	0	0	0	0	0	50,000	0	50,000	50,000	0
	117,614	159,769	57,798	6	57,804	160,208	0	160,208	102,404	36
<b>Department Total</b>	<b>1,332,568</b>	<b>1,576,541</b>	<b>607,378</b>	<b>5,360</b>	<b>612,738</b>	<b>1,571,815</b>	<b>74,500</b>	<b>1,646,315</b>	<b>1,033,576</b>	<b>37 59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22				
<b>001-106 City Management</b>						
4000 Salaries & Employee Benefits	926,064	969,793	477,490	921,450	443,960	52
5000 Materials & Supplies	2,395	3,175	3,003	6,195	3,192	48
5400 Purchased Services	0	134,575	26,697	81,500	54,803	33
8900 Other Expenses	10,951	6,633	10,564	23,905	13,341	44
8910 Non-Recurring Operating	0	0	0	25,000	25,000	0
8990 Allocations	116,153	158,608	57,521	158,693	101,172	36
<b>Total 001-106</b>	<b>1,055,563</b>	<b>1,272,784</b>	<b>575,275</b>	<b>1,216,743</b>	<b>641,468</b>	<b>47 59</b>
<b>001-112 Economic Development</b>						
5000 Materials & Supplies	0	0	0	500	500	0
5400 Purchased Services	70,850	74,362	0	121,221	121,221	0
8900 Other Expenses	67,089	113,988	31,826	206,836	175,010	15
8910 Non-Recurring Operating	0	0	0	25,000	25,000	0
8990 Allocations	1,462	1,161	277	1,515	1,238	18
<b>Total 001-112</b>	<b>139,401</b>	<b>189,511</b>	<b>32,103</b>	<b>355,072</b>	<b>322,969</b>	<b>9 59</b>
<b>Total General/Park Funds</b>	<b>1,194,964</b>	<b>1,462,295</b>	<b>607,378</b>	<b>1,571,815</b>	<b>964,437</b>	<b>38 59</b>
<b>050-106 Donations</b>						
4000 Salaries & Employee Benefits	130,783	0	0	0	0	0
5000 Materials & Supplies	404	0	0	0	0	0

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**

**City Manager**

City Manager Department Summary by Fund-Activity	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time	
	FY2020-21	FY2021-22					
8990 Allocations	0	0	0	0	0	0	
<b>Total 050-106</b>	<b>131,187</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>052-106 Specialized Community Services</b>							
<b>Total 052-106</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>098-106 Justice Assist Grant (JAG)</b>							
<b>Total 098-106</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>100-106 Grants-Operating Activities</b>							
8900 Other Expenses	4,750	0	0	500	500	0	
<b>Total 100-106</b>	<b>4,750</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>500</b>	<b>0</b>	<b>59</b>
<b>875-106 Cannabis Permit Program</b>							
4000 Salaries & Employee Benefits	1,417	15,495	831	20,000	19,169	4	
5000 Materials & Supplies	0	306	160	0	(160)	0	
5400 Purchased Services	250	97,498	4,159	54,000	49,841	8	
8900 Other Expenses	0	947	204	0	(204)	0	
8990 Allocations	0	0	6	0	(6)	0	
<b>Total 875-106</b>	<b>1,667</b>	<b>114,246</b>	<b>5,360</b>	<b>74,000</b>	<b>68,640</b>	<b>7</b>	<b>59</b>
<b>Total Other Funds</b>	<b>137,604</b>	<b>114,246</b>	<b>5,360</b>	<b>74,500</b>	<b>69,140</b>	<b>7</b>	<b>59</b>
<b>Department Total</b>	<b>1,332,568</b>	<b>1,576,541</b>	<b>612,738</b>	<b>1,646,315</b>	<b>1,033,577</b>	<b>37</b>	<b>59</b>

# Monthly Budget Monitoring Report

Community Development Department

(Dept Name)

Fiscal Year 22-23 Monthly Report for the **period ending:** January 31, 2023

**Department Contact:** Brendan Vieg, Community Development Director

**Purpose:** The purpose of the review is to identify any expenditure trends which would hinder a department's ability to meet its approved budget targets, and to highlight any trends of interest for the governing body.

**Overall Summary:** The Community Development Department's Fiscal Year 2022-23 expense reports as provided by the Finance Division have been reviewed by CDD staff, and expenditures do not exceed budget appropriations. The Department's Operating Summary figures, as of January 31, 2023, show only 44% of the total departmental budget used and 59% time used in the fiscal year. The Department is trending 15% underbudget.

The below items of interest only include category level trends and not trends at the object code level.

## Items of Interest:

### NEW

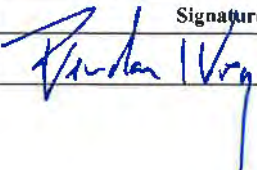
No new items to report.

### PREVIOUS

#### Item #1

**Location:** Community Development, Subdivisions-Planning (863-510)  
**Expenditure Item:** Purchased Services category, 5400-Professional Services  
**Description:** Costs related to professional consultant agreements for processing of land entitlement real-time fee applications.  
**Analysis:** This budget line is trending over due to costs for the Barber Yard Environmental Impact Report consultant agreement. All costs are billed to the applicant and reimbursed to the City through real-time billing.  
**Action Plan:** Continuc to monitor and department will request a supplemental appropriation/budget modification from available Fund 863 revenue as necessary.

#### APPROVALS:

	Review	Signature	Date
X	Department Director		2/7/23

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Community Development**

Community Development Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds		
Salaries & Employee Benefits	2,835,695	2,850,932	430,185	1,214,256	1,644,442	805,690	2,734,749	3,540,439	1,895,996	46
Materials & Supplies	24,038	25,414	1,970	7,338	9,308	11,492	50,161	61,653	52,344	15
Purchased Services	678,590	921,264	62,180	456,142	518,322	151,573	1,015,257	1,166,830	648,507	44
Other Expenses	253,194	251,664	231,077	19,797	250,874	372,421	88,064	460,485	209,610	54
Non-Recurring Operating Allocations	111,256	101,450	0	9,624	9,624	0	25,000	25,000	15,375	38
	825,634	987,898	89,773	289,733	379,506	323,842	878,391	1,202,233	822,726	32
<b>Department Total</b>	<b>4,728,410</b>	<b>5,138,624</b>	<b>815,185</b>	<b>1,996,892</b>	<b>2,812,078</b>	<b>1,665,018</b>	<b>4,791,622</b>	<b>6,456,640</b>	<b>3,644,561</b>	<b>44 59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22				
<b>001-510 Planning</b>						
4000 Salaries & Employee Benefits	287,663	302,852	183,092	347,362	164,270	53
5000 Materials & Supplies	779	510	574	2,137	1,563	27
5400 Purchased Services	35,000	38,097	0	40,000	40,000	0
8900 Other Expenses	205,931	208,991	223,768	355,641	131,873	63
8990 Allocations	96,479	132,256	54,754	234,106	179,352	23
<b>Total 001-510</b>	<b>625,852</b>	<b>682,706</b>	<b>462,188</b>	<b>979,246</b>	<b>517,058</b>	<b>47 59</b>
<b>001-520 Building Inspection</b>						
8900 Other Expenses	(114)	0	0	0	0	0
<b>Total 001-520</b>	<b>(114)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0 59</b>
<b>001-535 Code Enforcement</b>						
4000 Salaries & Employee Benefits	282,673	273,434	247,094	458,328	211,234	54
5000 Materials & Supplies	3,799	4,344	1,396	9,355	7,959	15
5400 Purchased Services	6,888	13,627	62,180	111,573	49,393	56
8900 Other Expenses	7,616	11,583	7,309	16,780	9,471	44
8990 Allocations	59,727	65,875	35,019	89,736	54,717	39
<b>Total 001-535</b>	<b>360,703</b>	<b>368,863</b>	<b>352,998</b>	<b>685,772</b>	<b>332,774</b>	<b>51 59</b>
<b>Total General/Park Funds</b>	<b>986,441</b>	<b>1,051,569</b>	<b>815,186</b>	<b>1,665,018</b>	<b>849,832</b>	<b>48 59</b>

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Community Development**

Community Development Department Summary by Fund-Activity		Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time	
		FY2020-21	FY2021-22					
<b>201-995</b>	<b>Community Development Blk Grant</b>							
8990	Allocations	47,195	31,518	12,103	36,310	24,207	33	
<b>Total</b>	<b>201-995</b>	<b>47,195</b>	<b>31,518</b>	<b>12,103</b>	<b>36,310</b>	<b>24,207</b>	<b>33</b>	<b>59</b>
<b>206-995</b>	<b>HOME - Federal Grants</b>							
8990	Allocations	10,720	8,085	16,796	50,388	33,592	33	
<b>Total</b>	<b>206-995</b>	<b>10,720</b>	<b>8,085</b>	<b>16,796</b>	<b>50,388</b>	<b>33,592</b>	<b>33</b>	<b>59</b>
<b>213-535</b>	<b>Abandoned Vehicle Abatement</b>							
4000	Salaries & Employee Benefits	104,434	143,675	526	0	(526)	0	
5000	Materials & Supplies	1,881	1,690	0	0	0	0	
5400	Purchased Services	22,475	74,835	0	0	0	0	
8900	Other Expenses	232	67	0	0	0	0	
8990	Allocations	14,129	18,390	0	0	0	0	
<b>Total</b>	<b>213-535</b>	<b>143,151</b>	<b>238,657</b>	<b>526</b>	<b>0</b>	<b>(526)</b>	<b>0</b>	<b>59</b>
<b>213-995</b>	<b>Abandoned Vehicle Abatement</b>							
8990	Allocations	8,503	9,535	0	0	0	0	
<b>Total</b>	<b>213-995</b>	<b>8,503</b>	<b>9,535</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>316-520</b>	<b>CASp Certification and Training Fund</b>							
4000	Salaries & Employee Benefits	29	3,895	1,777	25,870	24,093	7	
5000	Materials & Supplies	0	0	0	500	500	0	
5400	Purchased Services	0	0	0	15,000	15,000	0	
8900	Other Expenses	944	160	0	5,000	5,000	0	
8990	Allocations	0	300	628	3,011	2,383	21	
<b>Total</b>	<b>316-520</b>	<b>973</b>	<b>4,355</b>	<b>2,405</b>	<b>49,381</b>	<b>46,976</b>	<b>5</b>	<b>59</b>
<b>392-540</b>	<b>Affordable Housing</b>							
4000	Salaries & Employee Benefits	188,803	189,353	115,145	201,866	86,721	57	
5000	Materials & Supplies	1,471	2,083	818	3,275	2,457	25	
5400	Purchased Services	25,566	35,418	16,745	120,273	103,528	14	
8900	Other Expenses	5,087	5,190	2,411	13,230	10,819	18	
8910	Non-Recurring Operating	0	0	0	5,000	5,000	0	
8990	Allocations	48,864	56,058	22,105	85,891	63,786	26	
<b>Total</b>	<b>392-540</b>	<b>269,791</b>	<b>288,102</b>	<b>157,224</b>	<b>429,535</b>	<b>272,311</b>	<b>37</b>	<b>59</b>
<b>392-995</b>	<b>Affordable Housing</b>							
8990	Allocations	38,430	41,212	9,926	29,777	19,851	33	

**City of Chico**  
**2022-23 Annual Budget**  
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**FY To Date: 1/31/2023**  
**Community Development**

Community Development Department Summary by Fund-Activity		Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used	
		FY2020-21	FY2021-22	YTD Actuals	Modified Adopted		Budg / Time	
<b>Total</b>	<b>392-995</b>	<b>38,430</b>	<b>41,212</b>	<b>9,926</b>	<b>29,777</b>	<b>19,851</b>	<b>33</b>	<b>59</b>
<b>863-510</b>	<b>Subdivisions</b>							
4000	Salaries & Employee Benefits	105,988	142,901	107,290	168,386	61,096	64	
5000	Materials & Supplies	1,341	2,636	1,156	6,853	5,697	17	
5400	Purchased Services	230,425	233,105	175,320	283,638	108,318	62	
8900	Other Expenses	4,258	6,558	6,112	18,060	11,948	34	
8990	Allocations	24,441	30,399	12,846	31,497	18,651	41	
<b>Total</b>	<b>863-510</b>	<b>366,453</b>	<b>415,599</b>	<b>302,724</b>	<b>508,434</b>	<b>205,710</b>	<b>60</b>	<b>59</b>
<b>871-000</b>	<b>Private Development - Building</b>							
<b>Total</b>	<b>871-000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>871-520</b>	<b>Private Development - Building</b>							
4000	Salaries & Employee Benefits	1,295,614	1,115,283	565,227	1,646,155	1,080,928	34	
5000	Materials & Supplies	6,194	4,763	1,594	14,766	13,172	11	
5400	Purchased Services	229,108	394,846	172,101	258,395	86,294	67	
8900	Other Expenses	13,988	11,282	4,126	24,879	20,753	17	
8910	Non-Recurring Operating	111,256	51,450	9,625	20,000	10,375	48	
8990	Allocations	136,816	200,213	89,068	256,408	167,340	35	
<b>Total</b>	<b>871-520</b>	<b>1,792,976</b>	<b>1,777,837</b>	<b>841,741</b>	<b>2,220,603</b>	<b>1,378,862</b>	<b>38</b>	<b>59</b>
<b>871-995</b>	<b>Private Development - Building</b>							
8990	Allocations	111,078	139,833	36,524	109,572	73,048	33	
<b>Total</b>	<b>871-995</b>	<b>111,078</b>	<b>139,833</b>	<b>36,524</b>	<b>109,572</b>	<b>73,048</b>	<b>33</b>	<b>59</b>
<b>872-510</b>	<b>Private Development - Planning</b>							
4000	Salaries & Employee Benefits	441,272	506,118	281,283	446,235	164,952	63	
5000	Materials & Supplies	7,968	6,936	3,451	11,850	8,399	29	
5400	Purchased Services	84,893	93,103	55,261	240,314	185,053	23	
8900	Other Expenses	15,222	7,438	4,850	22,320	17,470	22	
8910	Non-Recurring Operating	0	50,000	0	0	0	0	
8990	Allocations	150,185	169,611	51,031	175,613	124,582	29	
<b>Total</b>	<b>872-510</b>	<b>699,540</b>	<b>833,206</b>	<b>395,876</b>	<b>896,332</b>	<b>500,456</b>	<b>44</b>	<b>59</b>
<b>872-995</b>	<b>Private Development - Planning</b>							
8990	Allocations	75,457	74,684	29,096	87,287	58,191	33	
<b>Total</b>	<b>872-995</b>	<b>75,457</b>	<b>74,684</b>	<b>29,096</b>	<b>87,287</b>	<b>58,191</b>	<b>33</b>	<b>59</b>
<b>935-185</b>	<b>Information Systems</b>							

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Community Development**

<b>Community Development</b>	<b>Prior Year Actuals</b>		<b>FY2022-23</b>	<b>FY2022-23</b>	<b>Remaining</b>	<b>Percent</b>
<b>Department Summary by Fund-Activity</b>	<b>FY2020-21</b>	<b>FY2021-22</b>	<b>YTD</b>	<b>Modified</b>	<b>Budget</b>	<b>Used</b>
			<b>Actuals</b>	<b>Adopted</b>		<b>Budg / Time</b>
4000 Salaries & Employee Benefits	129,220	173,421	143,008	246,237	103,229	58
5000 Materials & Supplies	605	2,452	319	12,917	12,598	2
5400 Purchased Services	44,235	38,235	36,716	97,637	60,921	38
8900 Other Expenses	29	396	2,298	4,575	2,277	50
8990 Allocations	3,610	9,929	9,610	12,637	3,027	76
<b>Total 935-185</b>	<b>177,699</b>	<b>224,433</b>	<b>191,951</b>	<b>374,003</b>	<b>182,052</b>	<b>51 59</b>
<b>Total Other Funds</b>	<b>3,741,966</b>	<b>4,087,056</b>	<b>1,996,892</b>	<b>4,791,622</b>	<b>2,794,730</b>	<b>42 59</b>
<b>Department Total</b>	<b>4,728,407</b>	<b>5,138,625</b>	<b>2,812,078</b>	<b>6,456,640</b>	<b>3,644,562</b>	<b>44 59</b>

# Monthly Budget Monitoring Report

FIRE

(Dept. Name)

Fiscal Year 2022-23 Monthly Report for the **period ending:** January 31, 2023

**Department Contact:** Steve Standridge, Fire Chief

**Purpose:** The purpose of the review is to identify any expenditure trends which would hinder a department's ability to meet their approved budget targets or to highlight any trends of interest for the governing body.

### Overall Summary:

Fire-Rescue budget actuals are trending within budget.

### Items of Interest:

#### Item #1

Location: Fund 001-410  
Expenditure Item: Category 4000  
Description: Salaries and Employee Benefits

#### Analysis:

Fund 410 tracks the reimbursable responses for OES incidents. Due to the way this fund is presented, it shows as over-budget but in reality, it is not. Chico Fire personnel assist CAL Fire and the U.S. Forest Service through the California Fire Assistance Agreement. These costs are proportional to incidents and are fully reimbursable. As such, costs will not be over reimbursements.

#### Action Plan:

Chico Fire personnel last responded out of county in January of 2023 and reimbursements are pending for three incidents at this time. When reimbursement is received, the account will be adjusted to reflect actuals.

#### Item #2

Location: Fund 874-400  
Expenditure Item: Category 5000 and 8900  
Description: Materials and Supplies/Other Expenses

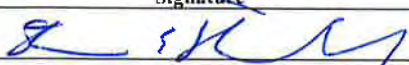
#### Analysis:

874-400 Operating funding accounts were not part of the Council adopted budget in FY21/22; rather they were added on later in the year through a supplemental process. Because of this, 874-400 was not a part of the "baseline" budget Finance rolled to begin the budgeting process for the following fiscal year (FY22-23). These private development operating accounts are fully funded directly from revenue generated from private development during the plan review process.

#### Action Plan:

A Supplemental Appropriation will be brought to Council from the Finance Office soon requesting funding for these two categories.

### APPROVALS:

X	Review	Signature	Date
X	Department Director		2/7/23



**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**

**Fire**

Fire Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds		
Salaries & Employee Benefits	13,169,629	13,396,016	8,022,945	111,534	8,134,479	14,160,570	265,426	14,425,996	6,291,516	56
Materials & Supplies	227,209	170,637	71,151	618	71,770	215,634	0	215,634	143,863	33
Purchased Services	174,112	106,939	21,833	17,015	38,849	38,438	32,097	70,535	31,685	55
Other Expenses	146,127	185,064	84,377	595	84,973	212,226	0	212,226	127,252	40
Non-Recurring Operating Allocations	0	23,503	44,362	0	44,362	158,692	0	158,692	114,329	28
	1,245,071	1,836,772	1,004,766	12,501	1,017,267	2,008,766	26,086	2,034,852	1,017,584	50
<b>Department Total</b>	<b>14,962,151</b>	<b>15,718,932</b>	<b>9,249,437</b>	<b>142,265</b>	<b>9,391,703</b>	<b>16,794,326</b>	<b>323,609</b>	<b>17,117,935</b>	<b>7,726,232</b>	<b>55 59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22				
<b>001-400 Fire</b>						
4000 Salaries & Employee Benefits	12,386,308	12,574,989	7,812,292	14,103,463	6,291,171	55
5000 Materials & Supplies	227,210	166,804	71,151	215,634	144,483	33
5400 Purchased Services	131,109	39,972	21,834	38,438	16,604	57
8900 Other Expenses	145,225	179,499	84,365	208,302	123,937	41
8910 Non-Recurring Operating	0	23,503	44,362	158,692	114,330	28
8990 Allocations	1,230,163	1,817,214	1,004,766	2,008,766	1,004,000	50
<b>Total 001-400</b>	<b>14,120,015</b>	<b>14,801,981</b>	<b>9,038,770</b>	<b>16,733,295</b>	<b>7,694,525</b>	<b>54 59</b>
<b>001-410 Fire Reimbursable Response</b>						
4000 Salaries & Employee Benefits	645,286	652,440	210,653	57,107	-153,546	369
8900 Other Expenses	902	3,821	13	3,924	3,911	0
<b>Total 001-410</b>	<b>646,188</b>	<b>656,261</b>	<b>210,666</b>	<b>61,031</b>	<b>(149,635)</b>	<b>345 59</b>
<b>Total General/Park Funds</b>	<b>14,766,203</b>	<b>15,458,242</b>	<b>9,249,436</b>	<b>16,794,326</b>	<b>7,544,890</b>	<b>55 59</b>
<b>098-400 Justice Assist Grant (JAG)</b>						
<b>Total 098-400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0 59</b>
<b>874-400 Private Development - Fire</b>						
4000 Salaries & Employee Benefits	138,036	168,587	111,534	265,426	153,892	42
5000 Materials & Supplies	0	3,833	619	0	(619)	0
5400 Purchased Services	43,004	66,967	17,015	32,097	15,082	53

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**

**Fire**

Fire Department Summary by Fund-Activity	Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used Budg / Time	
	FY2020-21	FY2021-22	YTD Actuals	Modified Adopted			
8900 Other Expenses	0	1,744	596	0	(596)	0	
8990 Allocations	4,703	9,126	7,638	11,497	3,859	66	
<b>Total 874-400</b>	<b>185,743</b>	<b>250,257</b>	<b>137,402</b>	<b>309,020</b>	<b>171,618</b>	<b>44</b>	<b>59</b>
<b>874-995 Private Development - Fire</b>							
8990 Allocations	10,206	10,432	4,863	14,589	9,726	33	
<b>Total 874-995</b>	<b>10,206</b>	<b>10,432</b>	<b>4,863</b>	<b>14,589</b>	<b>9,726</b>	<b>33</b>	<b>59</b>
<b>Total Other Funds</b>	<b>195,949</b>	<b>260,689</b>	<b>142,265</b>	<b>323,609</b>	<b>181,344</b>	<b>44</b>	<b>59</b>
<b>Department Total</b>	<b>14,962,152</b>	<b>15,718,931</b>	<b>9,391,701</b>	<b>17,117,935</b>	<b>7,726,234</b>	<b>55</b>	<b>59</b>

**Monthly Budget Monitoring Report**  
Human Resources and Risk Management Department

Fiscal Year 2022-23 Monthly Report for the period ending: January 2023

**Department Contact:** Chelsea Phebus, Director of Human Resources/Risk Management

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**Purpose:** The purpose of the review is to identify any expenditure trends which would hinder a department's ability to meet their approved budget targets or to highlight any trends of interest for the governing body. Budget overages are monitored and controlled at the category level, not object (account) level. Therefore, the analysis considers the category level.

**Overall Summary:** Human Resources & Risk Management Department does not believe current expenditure trends will exceed budget appropriations.

**Items of Interest:**

**NEW:** None

**PREVIOUS:**

**Item #1**

Location: **Fund/Dept 001-130 – Human Resources**

Expenditure Item: **Category 5400 – Purchased Services**

Description: Recruitment contract services for key City positions expended more of the budget than expected. These costs won't continue going forward.

**Item #2**

Location: **Fund/Dept 900-140 – General Liability Insurance Reserve**

Expenditure Item: **Category 5400 – Purchased Services**

Description: Annual contract charges were paid at the beginning of the fiscal year. These costs won't continue going forward.

**Item #3**

Location: **Fund/Dept 900-140 – General Liability Insurance Reserve**

Expenditure Item: **Category 8900 – Other Expenses**

Description: Annual premiums were paid at the beginning of the fiscal year. These costs won't continue going forward.

**Item #4**

Location: **Fund/Dept 901-130 – Workers Compensation Insurance Reserve**

Expenditure Item: **Category 8900 – Other Expenses**

Description: Annual premiums were paid at the beginning of the fiscal year. These costs won't continue going forward.


**Item #5**

Location: **Fund/Dept 900-140 – General Liability Insurance Reserve**

Expenditure Item: **Category 5000 – Materials & Supplies**

Description: One-time purchase for office supplies. These costs won't continue going forward.

**APPROVALS:**

<b>Review</b>	<b>Signature</b>	<b>Date</b>
Department Director: Chelsea Phebus, Director of HR/RM		2/9/2023

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Human Resources**

Human Resources Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds		
Salaries & Employee Benefits	519,585	541,387	353,089	0	353,089	625,440	298,452	923,892	570,802	38
Materials & Supplies	12,145	7,845	3,143	471	3,614	8,220	550	8,770	5,155	41
Purchased Services	1,439,620	1,368,884	203,548	418,089	621,638	220,180	1,222,500	1,442,680	821,041	43
Other Expenses	977,191	1,970,665	9,621	1,637,255	1,646,876	28,835	2,023,671	2,052,506	405,629	80
Non-Recurring Operating Allocations	3,840	66,080	0	0	0	0	0	0	0	80
	73,559	85,295	73,149	0	73,149	162,616	0	162,616	89,467	45
<b>Department Total</b>	<b>3,025,942</b>	<b>4,040,157</b>	<b>642,552</b>	<b>2,055,815</b>	<b>2,698,368</b>	<b>1,045,291</b>	<b>3,545,173</b>	<b>4,590,464</b>	<b>1,892,095</b>	<b>59 59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time
<b>001-130 Human Resources</b>						
4000 Salaries & Employee Benefits	519,585	541,387	353,090	625,440	272,350	56
5000 Materials & Supplies	11,664	6,808	3,144	8,220	5,076	38
5400 Purchased Services	171,501	225,141	203,549	220,180	16,631	92
8900 Other Expenses	16,582	23,116	9,621	28,835	19,214	33
8910 Non-Recurring Operating	3,840	66,080	0	0	0	0
8990 Allocations	73,559	85,295	73,149	162,616	89,467	45
<b>Total 001-130</b>	<b>796,731</b>	<b>947,827</b>	<b>642,553</b>	<b>1,045,291</b>	<b>402,738</b>	<b>61 59</b>
<b>Total General/Park Funds</b>	<b>796,731</b>	<b>947,827</b>	<b>642,553</b>	<b>1,045,291</b>	<b>402,738</b>	<b>61 59</b>
<b>900-140 General Liability Insurance Reserve</b>						
5000 Materials & Supplies	481	1,037	471	400	(71)	118
5400 Purchased Services	45,659	45,659	49,031	52,500	3,469	93
8900 Other Expenses	751,194	1,667,266	1,354,946	1,683,400	328,454	80
<b>Total 900-140</b>	<b>797,334</b>	<b>1,713,962</b>	<b>1,404,448</b>	<b>1,736,300</b>	<b>331,852</b>	<b>81 59</b>
<b>901-130 Work Compensation Insurance Reserve</b>						
4000 Salaries & Employee Benefits	0	0	0	298,452	298,452	0
5000 Materials & Supplies	0	0	0	150	150	0
5400 Purchased Services	1,168,136	1,101,993	364,397	1,120,000	755,603	33
8900 Other Expenses	209,415	280,283	282,310	340,271	57,961	83

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Human Resources**

Human Resources	Prior Year Actuals		FY2022-23 YTD	FY2022-23	Remaining	Percent	
Department Summary by Fund-Activity	FY2020-21	FY2021-22	Actuals	Modified Adopted	Budget	Used Budg / Time	
<b>Total 901-130</b>	<b>1,377,551</b>	<b>1,382,276</b>	<b>646,707</b>	<b>1,758,873</b>	<b>1,112,166</b>	<b>37</b>	<b>59</b>
<b>902-130 Unemployment Insurance Reserve</b>							
5400 Purchased Services	54,325	(3,909)	4,661	50,000	45,339	9	
<b>Total 902-130</b>	<b>54,325</b>	<b>(3,909)</b>	<b>4,661</b>	<b>50,000</b>	<b>45,339</b>	<b>9</b>	<b>59</b>
<b>Total Other Funds</b>	<b>2,229,210</b>	<b>3,092,329</b>	<b>2,055,816</b>	<b>3,545,173</b>	<b>1,489,357</b>	<b>58</b>	<b>59</b>
<b>Department Total</b>	<b>3,025,941</b>	<b>4,040,156</b>	<b>2,698,369</b>	<b>4,590,464</b>	<b>1,892,095</b>	<b>59</b>	<b>59</b>

# Monthly Budget Monitoring Report

POLICE

(Department)

Fiscal Year 2022/23 Monthly Report for the **period ending 1/31/2023**

**Department Contact: Billy Aldridge, Chief of Police**

**Purpose:** The purpose of the review is to identify any expenditure trends which would hinder a department's ability to meet their approved budget targets or to highlight any trends of interest for the governing body.

**Overall Summary:**

**Items of Interest:**

**001-348 PD-Animal Services**

The use of temporary staffing to perform necessary animal shelter duties while permanent staffing was recruited, interviewed and hired caused a increase in budget activity. Strong mitigation efforts have been enacted to reduce expenses. The use of temporary staffing has been suspended.

**001-300 PD-Non-Recurring Operating**

Coding errors caused this category to be over budget. The errors will be corrected.


**217-300 Asset Forfeiture**

The Police Department annual Butte Interagency Narcotics Task Force (BINTF) participation fee is budgeted in this category. The entire fee of \$10,000 is paid in July. This is a one-time expenditure per year.

**050-300 (PD Donations) and 050-348 (Animal Shelter Donations)**

These categories are for expenditures to donation accounts. Reimbursements appear in revenue and offset donation expenses.

**APPROVAL:**

	Review	Signature	Date
X	Billy Aldridge, Chief of Police		2/8/23

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**

**Police**

Police Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds		
Salaries & Employee Benefits	22,732,924	24,483,636	14,595,676	502,244	15,097,920	25,696,187	1,252,212	26,948,399	11,850,478	56
Materials & Supplies	603,906	616,227	329,046	58,487	387,534	588,982	88,937	677,919	290,384	57
Purchased Services	223,477	339,681	110,267	0	110,267	438,721	0	438,721	328,453	25
Other Expenses	460,542	696,410	291,664	0	291,664	648,440	0	648,440	356,775	45
Non-Recurring Operating Allocations	190,959	396,200	94,497	(5,463)	89,034	89,814	0	89,814	779	99
	2,929,719	3,745,990	1,853,573	23,378	1,876,951	4,056,477	62,020	4,118,497	2,241,545	46
<b>Department Total</b>	<b>27,141,529</b>	<b>30,278,146</b>	<b>17,274,725</b>	<b>578,646</b>	<b>17,853,372</b>	<b>31,518,621</b>	<b>1,403,169</b>	<b>32,921,790</b>	<b>15,068,418</b>	<b>54 59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22				
<b>001-300 Police</b>						
4000 Salaries & Employee Benefits	19,639,829	22,153,704	14,078,076	24,694,399	10,616,323	57
5000 Materials & Supplies	481,224	480,730	291,651	527,232	235,581	55
5400 Purchased Services	203,367	315,829	38,773	393,557	354,784	10
8900 Other Expenses	455,423	687,411	289,474	637,480	348,006	45
8910 Non-Recurring Operating	174,126	396,200	94,497	89,814	-4,683	105
8990 Allocations	2,845,457	3,601,439	1,791,570	3,951,944	2,160,374	45
<b>Total 001-300</b>	<b>23,799,426</b>	<b>27,635,313</b>	<b>16,584,041</b>	<b>30,294,426</b>	<b>13,710,385</b>	<b>55 59</b>
<b>001-322 PD-Patrol</b>						
4000 Salaries & Employee Benefits	1,109,684	596,587	0	0	0	0
<b>Total 001-322</b>	<b>1,109,684</b>	<b>596,587</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0 59</b>
<b>001-342 PD-Communications</b>						
4000 Salaries & Employee Benefits	242,975	121,320	0	0	0	0
<b>Total 001-342</b>	<b>242,975</b>	<b>121,320</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0 59</b>
<b>001-345 PD-Detective Bureau</b>						
4000 Salaries & Employee Benefits	94,328	67,884	0	0	0	0
<b>Total 001-345</b>	<b>94,328</b>	<b>67,884</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0 59</b>
<b>001-347 PD-School Resources</b>						



**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**

**Police**

Police Department Summary by Fund-Activity	Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used	
	FY2020-21	FY2021-22	YTD Actuals	Modified Adopted		Budg / Time	
<b>Total 001-347</b>	0	0	0	0	0	0	59
<b>001-348 PD-Animal Services</b>							
4000 Salaries & Employee Benefits	508,539	542,533	328,783	602,817	274,034		55
5000 Materials & Supplies	44,668	56,284	37,396	60,700	23,304		62
5400 Purchased Services	20,111	23,852	71,494	45,164	-26,330		158
8900 Other Expenses	5,119	4,725	2,190	10,960	8,770		20
8990 Allocations	65,919	77,205	49,204	85,774	36,570		57
<b>Total 001-348</b>	<b>644,356</b>	<b>704,599</b>	<b>489,067</b>	<b>805,415</b>	<b>316,348</b>		<b>61 59</b>
<b>002-300 Police</b>							
4000 Salaries & Employee Benefits	152,590	274,396	188,817	398,971	210,154		47
5000 Materials & Supplies	998	0	0	1,050	1,050		0
8990 Allocations	6,772	16,342	12,800	18,759	5,959		68
<b>Total 002-300</b>	<b>160,360</b>	<b>290,738</b>	<b>201,617</b>	<b>418,780</b>	<b>217,163</b>		<b>48 59</b>
<b>Total General/Park Funds</b>	<b>26,051,129</b>	<b>29,416,441</b>	<b>17,274,725</b>	<b>31,518,621</b>	<b>14,243,896</b>		<b>54 59</b>
<b>050-300 Donations</b>							
4000 Salaries & Employee Benefits	157,031	172,450	108,268	167,025	58,757		65
5000 Materials & Supplies	8,647	11,064	5,436	28,012	22,576		19
8990 Allocations	0	0	7,640	6,865	(775)		111
<b>Total 050-300</b>	<b>165,678</b>	<b>183,514</b>	<b>121,344</b>	<b>201,902</b>	<b>80,558</b>		<b>60 59</b>
<b>050-348 Donations</b>							
5000 Materials & Supplies	56,533	54,436	41,059	28,394	(12,665)		145
<b>Total 050-348</b>	<b>56,533</b>	<b>54,436</b>	<b>41,059</b>	<b>28,394</b>	<b>(12,665)</b>		<b>145 59</b>
<b>098-300 Justice Assist Grant (JAG)</b>							
4000 Salaries & Employee Benefits	1,228	0	0	0	0		0
8910 Non-Recurring Operating	16,834	0	(5,463)	0	5,463		0
<b>Total 098-300</b>	<b>18,062</b>	<b>0</b>	<b>(5,463)</b>	<b>0</b>	<b>5,463</b>		<b>0 59</b>
<b>098-995 Justice Assist Grant (JAG)</b>							
8990 Allocations	166	6,156	183	548	365		33
<b>Total 098-995</b>	<b>166</b>	<b>6,156</b>	<b>183</b>	<b>548</b>	<b>365</b>		<b>33 59</b>
<b>099-300 Supp Law Enforcement Service</b>							
4000 Salaries & Employee Benefits	190,309	214,320	136,803	359,127	222,324		38

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**

**Police**

Police Department Summary by Fund-Activity	Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used	
	FY2020-21	FY2021-22	YTD Actuals	Modified Adopted		Budg / Time	
<b>Total 099-300</b>	<b>190,309</b>	<b>214,320</b>	<b>136,803</b>	<b>359,127</b>	<b>222,324</b>	<b>38</b>	<b>59</b>
<b>099-995 Supp Law Enforcement Service</b>							
8990 Allocations	7,284	9,629	1,932	5,797	3,865	33	
<b>Total 099-995</b>	<b>7,284</b>	<b>9,629</b>	<b>1,932</b>	<b>5,797</b>	<b>3,865</b>	<b>33</b>	<b>59</b>
<b>100-300 Grants-Operating Activities</b>							
4000 Salaries & Employee Benefits	624,781	308,416	248,824	536,976	288,152	46	
5000 Materials & Supplies	1,538	440	157	600	443	26	
8900 Other Expenses	0	4,274	0	0	0	0	
<b>Total 100-300</b>	<b>626,319</b>	<b>313,130</b>	<b>248,981</b>	<b>537,576</b>	<b>288,595</b>	<b>46</b>	<b>59</b>
<b>100-348 Grants-Operating Activities</b>							
5000 Materials & Supplies	300	3,273	1,836	21,427	19,591	9	
<b>Total 100-348</b>	<b>300</b>	<b>3,273</b>	<b>1,836</b>	<b>21,427</b>	<b>19,591</b>	<b>9</b>	<b>59</b>
<b>100-995 Grants-Operating Activities</b>							
8990 Allocations	837	33,584	13,233	39,699	26,466	33	
<b>Total 100-995</b>	<b>837</b>	<b>33,584</b>	<b>13,233</b>	<b>39,699</b>	<b>26,466</b>	<b>33</b>	<b>59</b>
<b>217-300 Asset Forfeiture</b>							
5000 Materials & Supplies	10,000	10,000	10,000	10,000	0	100	
<b>Total 217-300</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>0</b>	<b>100</b>	<b>59</b>
<b>217-995 Asset Forfeiture</b>							
8990 Allocations	321	204	34	103	69	33	
<b>Total 217-995</b>	<b>321</b>	<b>204</b>	<b>34</b>	<b>103</b>	<b>69</b>	<b>33</b>	<b>59</b>
<b>853-300 Parking Revenue</b>							
4000 Salaries & Employee Benefits	11,632	32,027	8,349	189,084	180,735	4	
5000 Materials & Supplies	0	0	0	504	504	0	
8990 Allocations	2,963	1,431	356	9,008	8,652	4	
<b>Total 853-300</b>	<b>14,595</b>	<b>33,458</b>	<b>8,705</b>	<b>198,596</b>	<b>189,891</b>	<b>4</b>	<b>59</b>
<b>Total Other Funds</b>	<b>1,090,404</b>	<b>861,704</b>	<b>578,647</b>	<b>1,403,169</b>	<b>824,522</b>	<b>41</b>	<b>59</b>
<b>Department Total</b>	<b>27,141,533</b>	<b>30,278,145</b>	<b>17,853,372</b>	<b>32,921,790</b>	<b>15,068,418</b>	<b>54</b>	<b>59</b>

# Monthly Budget Monitoring Report

Public Works Department - Engineering  
(Dept. Name)

Fiscal Year 2022-2023 Monthly Report for the **period ending: 01/31/23**

**Department Contact: Leigh Ann Sutton (879-6901)**

**Purpose:** The purpose of the review is to identify any expenditure trends which would hinder a department's ability to meet their approved budget targets or to highlight any trends of interest for the governing body.

**Overall Summary:** The various budget accounts in the Public Works Department are on track for FY 22-23 except for the few items listed below.

## NO NEW ITEMS

## PREVIOUS ITEMS

### Item #1

Location: Sewer

Expenditure Category: 850-000-4000

Description: Salaries & Employee Benefits

Analysis: This category is tracking behind due to some leave balances that were paid out.

Action Plan: None needed, this account will be on track by Fiscal Year end.

### Item #2

Location: City Recreation


Expenditure Category: 876-610-5400

Description: Purchased Services

Analysis: This category is tracking the Chico Ice Rink and the season will end at the end of January.

Action Plan: None needed, this account will be on track by Fiscal Year end.

## APPROVALS:

	Review	Signature	Date
X	Leigh Ann Sutton Department Director- Engineering		2/7/23

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Public Works Engineering**

Public Works - Eng Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds		
Salaries & Employee Benefits	3,576,141	4,160,458	65,618	1,846,760	1,912,379	194,376	4,850,995	5,045,371	3,132,991	38
Materials & Supplies	45,902	66,604	99	15,609	15,708	0	56,985	56,985	41,276	28
Purchased Services	192,257	586,221	0	273,694	273,694	0	648,165	648,165	374,470	42
Other Expenses	19,521	66,476	0	16,347	16,347	0	105,905	105,905	89,557	15
Non-Recurring Operating Allocations	0	12,261	0	5,701	5,701	0	60,000	60,000	54,298	10
	804,791	1,095,928	6,648	366,595	373,243	17,747	1,039,507	1,057,254	684,010	35
<b>Department Total</b>	<b>4,638,613</b>	<b>5,987,951</b>	<b>72,365</b>	<b>2,524,708</b>	<b>2,597,074</b>	<b>212,123</b>	<b>6,761,557</b>	<b>6,973,680</b>	<b>4,376,605</b>	<b>37 59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time
	FY2020-21	FY2021-22				
<b>001-610 Public Works - Engineering</b>						
4000 Salaries & Employee Benefits	221,111	204,770	65,619	194,376	128,757	34
5000 Materials & Supplies	199	973	99	0	-99	0
5400 Purchased Services	0	0	0	0	0	0
8900 Other Expenses	364	1,399	0	0	0	0
8990 Allocations	10,931	12,634	6,648	17,747	11,099	37
<b>Total 001-610</b>	<b>232,605</b>	<b>219,776</b>	<b>72,366</b>	<b>212,123</b>	<b>139,757</b>	<b>34 59</b>
<b>Total General/Park Funds</b>	<b>232,605</b>	<b>219,776</b>	<b>72,366</b>	<b>212,123</b>	<b>139,757</b>	<b>34 59</b>
<b>212-653 Transportation</b>						
4000 Salaries & Employee Benefits	3,820	6,603	0	0	0	0
5400 Purchased Services	13,564	54,189	0	0	0	0
8990 Allocations	1,346	1,370	197	0	(197)	0
<b>Total 212-653</b>	<b>18,730</b>	<b>62,162</b>	<b>197</b>	<b>0</b>	<b>(197)</b>	<b>0 59</b>
<b>212-654 Transportation</b>						
4000 Salaries & Employee Benefits	51,788	111,253	0	0	0	0
5000 Materials & Supplies	108	296	0	0	0	0
8900 Other Expenses	514	3,266	0	0	0	0
8990 Allocations	13,637	15,796	0	0	0	0
<b>Total 212-654</b>	<b>66,047</b>	<b>130,611</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0 59</b>

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Public Works Engineering**

Public Works - Eng Department Summary by Fund-Activity		Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used	
		FY2020-21	FY2021-22	YTD Actuals	Modified Adopted		Budg / Time	
<b>212-655</b>	<b>Transportation</b>							
4000	Salaries & Employee Benefits	169,844	156,678	0	0	0	0	
5000	Materials & Supplies	14,609	16,097	0	0	0	0	
8900	Other Expenses	2,629	10,456	1,195	0	(1,195)	0	
8990	Allocations	15,726	18,497	0	0	0	0	
<b>Total</b>	<b>212-655</b>	<b>202,808</b>	<b>201,728</b>	<b>1,195</b>	<b>0</b>	<b>(1,195)</b>	<b>0</b>	<b>59</b>
<b>212-995</b>	<b>Transportation</b>							
8990	Allocations	71,741	27,633	0	0	0	0	
<b>Total</b>	<b>212-995</b>	<b>71,741</b>	<b>27,633</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>307-995</b>	<b>Streets and Roads</b>							
8990	Allocations	0	0	12,862	38,586	25,724	33	
<b>Total</b>	<b>307-995</b>	<b>0</b>	<b>0</b>	<b>12,862</b>	<b>38,586</b>	<b>25,724</b>	<b>33</b>	<b>59</b>
<b>400-000</b>	<b>Capital Projects</b>							
4000	Salaries & Employee Benefits	2,150,071	2,609,019	1,302,250	3,299,428	1,997,178	39	
5000	Materials & Supplies	0	1,719	0	0	0	0	
8990	Allocations	90,403	212,329	127,263	295,851	168,588	43	
<b>Total</b>	<b>400-000</b>	<b>2,240,474</b>	<b>2,823,067</b>	<b>1,429,513</b>	<b>3,595,279</b>	<b>2,165,766</b>	<b>40</b>	<b>59</b>
<b>400-610</b>	<b>Capital Projects</b>							
5000	Materials & Supplies	21,985	30,574	13,598	39,175	25,577	35	
5400	Purchased Services	25,937	14,550	9,018	70,333	61,315	13	
8900	Other Expenses	13,050	21,311	10,876	31,223	20,347	35	
8990	Allocations	128,743	155,566	18,112	83,092	64,980	22	
<b>Total</b>	<b>400-610</b>	<b>189,715</b>	<b>222,001</b>	<b>51,604</b>	<b>223,823</b>	<b>172,219</b>	<b>23</b>	<b>59</b>
<b>400-995</b>	<b>Capital Projects</b>							
8990	Allocations	262,474	312,971	97,657	292,972	195,315	33	
<b>Total</b>	<b>400-995</b>	<b>262,474</b>	<b>312,971</b>	<b>97,657</b>	<b>292,972</b>	<b>195,315</b>	<b>33</b>	<b>59</b>
<b>850-000</b>	<b>Sewer</b>							
4000	Salaries & Employee Benefits	20,093	37,511	11,491	17,345	5,854	66	
8990	Allocations	633	2,362	1,464	2,000	536	73	
<b>Total</b>	<b>850-000</b>	<b>20,726</b>	<b>39,873</b>	<b>12,955</b>	<b>19,345</b>	<b>6,390</b>	<b>67</b>	<b>59</b>
<b>850-615</b>	<b>Sewer</b>							
4000	Salaries & Employee Benefits	333,095	306,438	133,400	574,486	441,086	23	
5000	Materials & Supplies	7,360	8,832	0	7,710	7,710	0	

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Public Works Engineering**

Public Works - Eng Department Summary by Fund-Activity		Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used	
		FY2020-21	FY2021-22	YTD Actuals	Modified Adopted		Budg / Time	
5400	Purchased Services	0	0	0	10,000	10,000	0	
8900	Other Expenses	268	4,096	485	12,979	12,494	4	
8910	Non-Recurring Operating	0	0	0	40,000	40,000	0	
8990	Allocations	61,515	84,208	28,240	97,233	68,993	29	
<b>Total</b>	<b>850-615</b>	<b>402,238</b>	<b>403,574</b>	<b>162,125</b>	<b>742,408</b>	<b>580,283</b>	<b>22</b>	<b>59</b>
<b>862-000</b>	<b>Private Development</b>							
<b>Total</b>	<b>862-000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>863-000</b>	<b>Subdivisions</b>							
4000	Salaries & Employee Benefits	3,537	7,232	2,828	0	(2,828)	0	
5400	Purchased Services	3,999	0	0	50,004	50,004	0	
8990	Allocations	636	41,740	250	950	700	26	
<b>Total</b>	<b>863-000</b>	<b>8,172</b>	<b>48,972</b>	<b>3,078</b>	<b>50,954</b>	<b>47,876</b>	<b>6</b>	<b>59</b>
<b>863-615</b>	<b>Subdivisions</b>							
4000	Salaries & Employee Benefits	80,064	100,721	64,222	214,715	150,493	30	
5000	Materials & Supplies	1,596	2,403	799	4,600	3,801	17	
5400	Purchased Services	113,253	119,075	42,777	181,495	138,718	24	
8900	Other Expenses	1,489	2,803	2,849	6,703	3,854	43	
8990	Allocations	37,756	38,253	11,786	46,636	34,850	25	
<b>Total</b>	<b>863-615</b>	<b>234,158</b>	<b>263,255</b>	<b>122,433</b>	<b>454,149</b>	<b>331,716</b>	<b>27</b>	<b>59</b>
<b>863-995</b>	<b>Subdivisions</b>							
8990	Allocations	52,041	73,197	18,800	56,400	37,600	33	
<b>Total</b>	<b>863-995</b>	<b>52,041</b>	<b>73,197</b>	<b>18,800</b>	<b>56,400</b>	<b>37,600</b>	<b>33</b>	<b>59</b>
<b>873-000</b>	<b>Private Development - Engineering</b>							
<b>Total</b>	<b>873-000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>873-615</b>	<b>Private Development - Engineering</b>							
4000	Salaries & Employee Benefits	542,719	597,120	331,476	745,021	413,545	44	
5000	Materials & Supplies	45	5,710	1,212	5,500	4,288	22	
5400	Purchased Services	35,504	10,772	4,423	11,147	6,724	40	
8900	Other Expenses	1,207	2,781	943	5,000	4,057	19	
8990	Allocations	17,585	38,643	28,553	61,826	33,273	46	
<b>Total</b>	<b>873-615</b>	<b>597,060</b>	<b>655,026</b>	<b>366,607</b>	<b>828,494</b>	<b>461,887</b>	<b>44</b>	<b>59</b>
<b>873-995</b>	<b>Private Development - Engineering</b>							
8990	Allocations	39,625	60,729	21,320	63,961	42,641	33	

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Public Works Engineering**

Public Works - Eng Department Summary by Fund-Activity	Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used Budg / Time	
	FY2020-21	FY2021-22	YTD Actuals	Modified Adopted			
<b>Total 873-995</b>	<b>39,625</b>	<b>60,729</b>	<b>21,320</b>	<b>63,961</b>	<b>42,641</b>	<b>33</b>	<b>59</b>
<b>876-610 City Recreation</b>							
0000 N/A	0	0	17,039	0	(17,039)	0	
4000 Salaries & Employee Benefits	0	23,114	1,094	0	(1,094)	0	
5400 Purchased Services	0	387,634	217,476	325,186	107,710	67	
8900 Other Expenses	0	20,364	0	50,000	50,000	0	
8910 Non-Recurring Operating	0	12,262	5,702	20,000	14,298	29	
8990 Allocations	0	0	91	0	(91)	0	
<b>Total 876-610</b>	<b>0</b>	<b>443,374</b>	<b>241,402</b>	<b>395,186</b>	<b>153,784</b>	<b>61</b>	<b>59</b>
<b>Total Other Funds</b>	<b>4,406,009</b>	<b>5,768,173</b>	<b>2,541,748</b>	<b>6,761,557</b>	<b>4,219,809</b>	<b>38</b>	<b>59</b>
<b>Department Total</b>	<b>4,638,614</b>	<b>5,987,949</b>	<b>2,614,114</b>	<b>6,973,680</b>	<b>4,359,566</b>	<b>37</b>	<b>59</b>

# Monthly Budget Monitoring Report

Public Works Department – O&M

(Dept. Name)

Fiscal Year 2022-23 Monthly Report for the **period ending:** 1/31/23

**Department Contact: Erik Gustafson (894-4202)**

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**Purpose:** The purpose of the review is to identify any expenditure trends which would hinder a department's ability to meet their approved budget targets or to highlight any trends of interest for the governing body.

**Overall Summary:** The various budget accounts in the Public Works Department are on track for FY 22-23 except for the few items listed below.

## Items of Interest:

### **NEW**

#### **Item #1**

**Location:** Central Garage

**Expenditure Category:** 929-630-8900

**Description:** Other Expenses

**Analysis:** This category is tracking over budget due to multiple Mechanics attending week-long, out-of-state trainings in late 2022.

**Action Plan:** None at this time - this category should be on track by year end.

### **PREVIOUS**

#### **Item #1**

**Location:** Public Works Administration

**Expenditure Category:** 001-601-5000

**Description:** Materials & Supplies

**Analysis:** This category is tracking behind due to the Mobile MMS annual subscription in line item 5050.

**Action Plan:** The annual software subscription price has increased, so O&M will request additional funding for this renewal next FY. Staff will monitor this category and prepare a supplemental appropriation or budget modification if needed at the end of the fiscal year.

#### **Item #2**

**Location:** Street Cleaning

**Expenditure Category:** 001-620-4000

**Description:** Salaries & Employee Benefits

**Analysis:** This category is tracking over budget due to time being charged to the incorrect Fund. All street and road related activity should be captured in Fund 307, not Fund 001.



Action Plan: A Finance Office Correction Request (FOCR) has been submitted to Finance to move the timecard coding from 001-620-4000 to 307-620-4000.

**Item #3**

Location: **Public Right-of-Way Mtce**

Expenditure Category: **001-650-4000**

Description: **Salaries & Benefits**

Analysis: This category is tracking over budget due to employee time being charged to the incorrect Fund. All street and road related activity should be captured in Fund 307, not Fund 001.

Action Plan: A Finance Office Correction Request (FOCR) has been submitted to Finance to move the charges from 001-650-4000 to 307-650-4000.

**Item #4**

Location: **Public Right-of-Way Mtce**

Expenditure Category: **001-650-5000**

Description: **Materials & Supplies**

Analysis: This category is tracking over budget due to purchases being charged to the incorrect Fund. All street and road related activity should be captured in Fund 307, not Fund 001.

Action Plan: A Finance Office Correction Request (FOCR) has been submitted to Finance to move the charges from 001-650-5000 to 307-650-5000.

**Item #5**

Location: **Public Right-of-Way Mtce**

Expenditure Category: **001-650-5400**

Description: **Purchased Services**

Analysis: This category is tracking over budget due to purchases being charged to the incorrect Fund. All street and road related activity should be captured in Fund 307, not Fund 001.

Action Plan: A Finance Office Correction Request (FOCR) has been submitted to Finance to move the charges from 001-650-5400 to 307-650-5400.

**Item #6**

Location: **Public Right-of-Way Mtce**

Expenditure Category: **001-650-8900**

Description: **Other Expenses**

Analysis: This category is tracking over budget due to purchases being charged to the incorrect Fund. All street and road related activity should be captured in Fund 307, not Fund 001.

Action Plan: A Finance Office Correction Request (FOCR) has been submitted to Finance to move the charges from 001-650-8900 to 307-650-8900.

**Item #7**

Location: **Specialized Community Services**

Expenditure Category: **052-682-4000**

Description: **Salaries & Benefits**

Analysis: This category is tracking behind due to multi-day, multi-location encampment clean ups that utilize all O&M Divisions, not just the Encampment Clean Up Crew. All employees who participate in these clean ups charge their time to the 052-682 Salaries line item.

Action Plan: Staff will monitor this category and prepare a supplemental appropriation or budget modification if needed at the end of the fiscal year.

**Item #8**

Location: **Specialized Community Services**

Expenditure Category: **052-682-5000**

Description: **Materials & Supplies**

Analysis: This category is tracking over budget due to encampment clean up purchases being charged to the Materials & Supplies line item, where no budget was requested for FY 2022/23.

Action Plan: Budget will be requested for Materials & Supplies next fiscal year. This is a new Department, so staff is building the budget by charging purchases to the appropriate line items.

**Item #9**

Location: **Specialized Community Services**

Expenditure Category: **052-688-5000**

Description: **Materials & Supplies**

Analysis: This category is tracking over budget due to Pallet Shelter purchases being charged to the Materials & Supplies line item, where no budget was requested for FY 2022/23.

Action Plan: Budget will be requested for Materials & Supplies next fiscal year. This is a new Department, so staff is building the budget by charging purchases to the appropriate line items.

**Item #10**

Location: **Streets & Roads (Right of Way)**

Expenditure Category: **307-650-5000**

Description: **Materials & Supplies**

Analysis: This category is tracking over budget due to an increase in traffic signal hardware purchases in December 2022. There were two traffic signal cabinet knockdowns that had to be repaired. In addition, damage to street light poles has increased, resulting in more charges to the Street Lighting Supplies line item.

Action Plan: Staff will monitor this category and prepare a supplemental appropriation or budget modification if needed at the end of the fiscal year.

**Item #11**

Location: **Streets & Roads (Transit Services)**

Expenditure Category: **307-653--4000**

Description: **Salaries & Employee Benefits**

Analysis: This category is tracking over budget due to Salaries and Employee Benefits being charged where no budget was requested for FY 2022/23.

Action Plan: Budget will be requested for Salaries & Employee Benefits next fiscal year. This Department recently moved from Fund 212 to Fund 307, so staff is building the budget by charging their time to the appropriate account.

**Item #12**

Location: **Streets & Roads (Transportation - Depot)**

Expenditure Category: **307-659--4000**

Description: **Salaries & Employee Benefits**

Analysis: This category is tracking over budget due to Salaries and Employee Benefits being charged where no budget was requested for FY 2022/23.

Action Plan: Budget will be requested for Salaries & Employee Benefits next fiscal year. This Department recently moved from Fund 212 to Fund 307, so staff is building the budget by charging their time to the appropriate account.

**Item #13**

Location: Sewer

Expenditure Category: 850-670-5000

Description: Materials & Supplies

Analysis: This category is tracking behind due to a severe price increase for Chemicals and Water Pollution Control Plant (WPCP) supplies.

Action Plan: Staff will prepare a supplemental appropriation to add funding to this category/line item before the end of the fiscal year.

**Item #14**

Location: Parking Revenue

Expenditure Category: 853-660-5000

Description: Materials & Supplies

Analysis: This category is tracking behind due to multiple payments made to IPS Group for new parking meters and parking meter supplies.

Action Plan: Staff will monitor this category and prepare a supplemental appropriation or budget modification if needed at the end of the fiscal year.

**Item #15**

Location: Central Garage


Expenditure Category: 929-630-5000

Description: Materials & Supplies

Analysis: This category is tracking over budget due to actuals for Batteries, Tires and Lubricants/Oils used for fleet vehicles and equipment.

Action Plan: Staff will monitor this category and prepare a supplemental appropriation or budget modification if needed at the end of the fiscal year.

**APPROVALS:**

	Review	Signature	Date
X	Erik Gustafson Department Director- O&M		2-8-23

**City of Chico**  
**2022-23 Annual Budget**  
**Operating Summary Report**  
**FY To Date: 1/31/2023**  
**Public Works O&M**

Public Works - O&M Expenditure by Category	Prior Year Actuals		Actuals FY2022-23			Modified Adopted FY2022-23			Remaining Budget	Percent Used Budg / Time	
	FY2020-21	FY2021-22	Gen/Park Fund	Other Funds	Total Funds	Gen/Park Fund	Other Funds	Total Funds			
Salaries & Employee Benefits	7,539,679	8,717,700	501,038	5,192,836	5,693,875	1,134,687	10,232,477	11,367,164	5,673,288	50	
Materials & Supplies	1,734,546	1,969,661	62,272	1,178,005	1,240,277	130,090	1,814,707	1,944,797	704,519	64	
Purchased Services	2,656,318	3,009,167	183,806	2,310,899	2,494,705	426,263	6,507,175	6,933,438	4,438,732	36	
Other Expenses	340,308	405,271	51,714	196,216	247,931	150,977	446,800	597,777	349,845	41	
Non-Recurring Operating Allocations	159	700	33,000	0	33,000	125,000	45,563	170,563	137,563	19	
	5,089,607	5,986,640	570,948	2,381,872	2,952,821	772,322	4,198,627	4,970,949	2,018,127	59	
<b>Department Total</b>	<b>17,360,619</b>	<b>20,089,141</b>	<b>1,402,780</b>	<b>11,259,830</b>	<b>12,662,611</b>	<b>2,739,339</b>	<b>23,245,349</b>	<b>25,984,688</b>	<b>13,322,076</b>	<b>49</b>	<b>59</b>

Department Summary by Fund-Dept	Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used Budg / Time	
	FY2020-21	FY2021-22					
<b>001-110 Environmental Services</b>							
4000 Salaries & Employee Benefits	64,244	59,546	36,399	89,934	53,535	40	
5000 Materials & Supplies	178	0	0	0	0	0	
8900 Other Expenses	0	11,302	0	8,350	8,350	0	
8990 Allocations	2,018	3,732	4,248	10,392	6,144	41	
<b>Total 001-110</b>	<b>66,440</b>	<b>74,580</b>	<b>40,647</b>	<b>108,676</b>	<b>68,029</b>	<b>37</b>	<b>59</b>
<b>001-601 Public Works Administration</b>							
4000 Salaries & Employee Benefits	68,775	81,639	43,224	97,350	54,126	44	
5000 Materials & Supplies	26,143	22,357	25,925	28,300	2,375	92	
5400 Purchased Services	50,459	0	0	0	0	0	
8900 Other Expenses	5,140	13,442	2,347	9,540	7,193	25	
8910 Non-Recurring Operating	0	0	33,000	125,000	92,000	26	
8990 Allocations	126,442	120,077	45,530	147,095	101,565	31	
<b>Total 001-601</b>	<b>276,959</b>	<b>237,515</b>	<b>150,026</b>	<b>407,285</b>	<b>257,259</b>	<b>37</b>	<b>59</b>
<b>001-620 Street Cleaning</b>							
4000 Salaries & Employee Benefits	598,778	649,761	1,647	0	-1,647	0	
5000 Materials & Supplies	6,574	6,816	0	0	0	0	
5400 Purchased Services	104,595	104,278	0	0	0	0	
8900 Other Expenses	18,840	24,047	0	0	0	0	
8990 Allocations	184,780	282,106	23,490	0	-23,490	0	

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Public Works - O&M		Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used	
		FY2020-21	FY2021-22	YTD Actuals	Modified Adopted		Budg / Time	
<b>Department Summary by Fund-Activity</b>								
<b>Total</b>	<b>001-620</b>	<b>913,567</b>	<b>1,067,008</b>	<b>25,137</b>	<b>0</b>	<b>(25,137)</b>	<b>0</b>	<b>59</b>
<b>001-650 Public Right-of-Way Mtce</b>								
4000	Salaries & Employee Benefits	938,772	1,061,507	1,457	0	-1,457	0	
5000	Materials & Supplies	250,192	232,808	200	0	-200	0	
5400	Purchased Services	12,465	22,304	(225)	0	225	0	
8900	Other Expenses	7,840	12,461	364	0	-364	0	
8990	Allocations	1,075,720	1,142,073	221,638	0	-221,638	0	
<b>Total</b>	<b>001-650</b>	<b>2,284,989</b>	<b>2,471,153</b>	<b>223,434</b>	<b>0</b>	<b>(223,434)</b>	<b>0</b>	<b>59</b>
<b>001-682 Parks and Open Spaces</b>								
<b>Total</b>	<b>001-682</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>002-682 Parks and Open Spaces</b>								
4000	Salaries & Employee Benefits	828,431	857,896	417,451	947,403	529,952	44	
5000	Materials & Supplies	54,903	64,906	36,147	101,790	65,643	36	
5400	Purchased Services	313,931	330,945	184,032	319,750	135,718	58	
8900	Other Expenses	67,638	40,913	49,004	133,087	84,083	37	
8990	Allocations	263,168	286,359	146,600	313,063	166,463	47	
<b>Total</b>	<b>002-682</b>	<b>1,528,071</b>	<b>1,581,019</b>	<b>833,234</b>	<b>1,815,093</b>	<b>981,859</b>	<b>46</b>	<b>59</b>
<b>002-686 Street Trees/Public Plantings</b>								
4000	Salaries & Employee Benefits	703,334	747,930	0	0	0	0	
5000	Materials & Supplies	17,451	16,730	0	0	0	0	
5400	Purchased Services	357,242	446,648	0	106,513	106,513	0	
8900	Other Expenses	10,233	11,787	0	0	0	0	
8990	Allocations	192,199	261,363	28,853	0	-28,853	0	
<b>Total</b>	<b>002-686</b>	<b>1,280,459</b>	<b>1,484,458</b>	<b>28,853</b>	<b>106,513</b>	<b>77,660</b>	<b>27</b>	<b>59</b>
<b>002-995 Indirect Cost Allocation</b>								
8990	Allocations	276,608	290,862	100,591	301,772	201,181	33	
<b>Total</b>	<b>002-995</b>	<b>276,608</b>	<b>290,862</b>	<b>100,591</b>	<b>301,772</b>	<b>201,181</b>	<b>33</b>	<b>59</b>
<b>Total General/Park Funds</b>		<b>6,627,093</b>	<b>7,206,595</b>	<b>1,401,922</b>	<b>2,739,339</b>	<b>1,337,417</b>	<b>51</b>	<b>59</b>
<b>050-682 Donations</b>								
5000	Materials & Supplies	2,694	2,943	0	65,814	65,814	0	
<b>Total</b>	<b>050-682</b>	<b>2,694</b>	<b>2,943</b>	<b>0</b>	<b>65,814</b>	<b>65,814</b>	<b>0</b>	<b>59</b>

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Public Works - O&M		Prior Year Actuals		FY2022-23 YTD Actuals	FY2022-23 Modified Adopted	Remaining Budget	Percent Used	
		FY2020-21	FY2021-22				Budg /	Time
<b>Department Summary by Fund-Activity</b>								
<b>050-686</b>	<b>Donations</b>							
<b>Total 050-686</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>050-995</b>	<b>Donations</b>							
<b>Total 050-995</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>052-601</b>	<b>Specialized Community Services</b>							
<b>Total 052-601</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>052-682</b>	<b>Specialized Community Services</b>							
4000	Salaries & Employee Benefits	75,695	117,409	127,604	180,929	53,325	71	
5000	Materials & Supplies	0	0	988	0	(988)	0	
8990	Allocations	0	7,208	10,683	15,923	5,240	67	
<b>Total 052-682</b>		<b>75,695</b>	<b>124,617</b>	<b>139,275</b>	<b>196,852</b>	<b>57,577</b>	<b>71</b>	<b>59</b>
<b>052-688</b>	<b>Specialized Community Services</b>							
4000	Salaries & Employee Benefits	0	52,427	134,702	523,690	388,988	26	
5000	Materials & Supplies	0	22,680	27,312	1,500	(25,812)	1,821	
5400	Purchased Services	0	179,681	1,106,196	3,673,122	2,566,926	30	
8900	Other Expenses	0	10,104	7,145	25,428	18,283	28	
8990	Allocations	0	21,232	68,915	108,410	39,495	64	
<b>Total 052-688</b>		<b>0</b>	<b>286,124</b>	<b>1,344,270</b>	<b>4,332,150</b>	<b>2,987,880</b>	<b>31</b>	<b>59</b>
<b>100-686</b>	<b>Grants-Operating Activities</b>							
4000	Salaries & Employee Benefits	34,622	24,264	13,973	45,854	31,881	30	
5400	Purchased Services	89,689	100,080	33,856	169,020	135,164	20	
<b>Total 100-686</b>		<b>124,311</b>	<b>124,344</b>	<b>47,829</b>	<b>214,874</b>	<b>167,045</b>	<b>22</b>	<b>59</b>
<b>212-650</b>	<b>Transportation</b>							
4000	Salaries & Employee Benefits	110,206	57,168	0	0	0	0	
8990	Allocations	2,917	3,165	0	0	0	0	
<b>Total 212-650</b>		<b>113,123</b>	<b>60,333</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>212-659</b>	<b>Transportation</b>							
4000	Salaries & Employee Benefits	1,372	1,491	0	0	0	0	
5400	Purchased Services	29,137	31,645	0	0	0	0	
8990	Allocations	2,051	2,774	604	0	(604)	0	
<b>Total 212-659</b>		<b>32,560</b>	<b>35,910</b>	<b>604</b>	<b>0</b>	<b>(604)</b>	<b>0</b>	<b>59</b>
<b>307-620</b>	<b>Streets and Roads</b>							
4000	Salaries & Employee Benefits	0	0	421,373	926,148	504,775	45	

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Public Works - O&M Department Summary by Fund-Activity		Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used	
		FY2020-21	FY2021-22	YTD Actuals	Modified Adopted		Budg / Time	
5000	Materials & Supplies	0	0	2,905	12,700	9,795	23	
5400	Purchased Services	0	0	41,285	113,525	72,240	36	
8900	Other Expenses	0	147	10,810	22,900	12,090	47	
8990	Allocations	0	0	61,844	253,184	191,340	24	
<b>Total</b>	<b>307-620</b>	<b>0</b>	<b>147</b>	<b>538,217</b>	<b>1,328,457</b>	<b>790,240</b>	<b>41</b>	<b>59</b>
<b>307-650</b>	<b>Streets and Roads</b>							
4000	Salaries & Employee Benefits	0	0	695,171	1,172,227	477,056	59	
5000	Materials & Supplies	0	0	173,694	203,800	30,106	85	
5400	Purchased Services	0	0	4,706	17,500	12,794	27	
8900	Other Expenses	0	0	4,277	11,925	7,648	36	
8990	Allocations	0	0	372,066	391,052	18,986	95	
<b>Total</b>	<b>307-650</b>	<b>0</b>	<b>0</b>	<b>1,249,914</b>	<b>1,796,504</b>	<b>546,590</b>	<b>70</b>	<b>59</b>
<b>307-653</b>	<b>Streets and Roads</b>							
4000	Salaries & Employee Benefits	0	0	1,413	0	(1,413)	0	
5000	Materials & Supplies	0	0	0	1,500	1,500	0	
5400	Purchased Services	0	0	0	73,500	73,500	0	
8990	Allocations	0	0	400	1,318	918	30	
<b>Total</b>	<b>307-653</b>	<b>0</b>	<b>0</b>	<b>1,813</b>	<b>76,318</b>	<b>74,505</b>	<b>2</b>	<b>59</b>
<b>307-654</b>	<b>Streets and Roads</b>							
4000	Salaries & Employee Benefits	0	0	75,528	155,810	80,282	48	
5000	Materials & Supplies	0	0	0	95	95	0	
8900	Other Expenses	0	228	1,155	5,900	4,745	20	
8990	Allocations	0	0	9,195	20,095	10,900	46	
<b>Total</b>	<b>307-654</b>	<b>0</b>	<b>228</b>	<b>85,878</b>	<b>181,900</b>	<b>96,022</b>	<b>47</b>	<b>59</b>
<b>307-655</b>	<b>Streets and Roads</b>							
4000	Salaries & Employee Benefits	0	0	82,812	311,944	229,132	27	
5000	Materials & Supplies	0	0	0	8,669	8,669	0	
8900	Other Expenses	0	0	932	8,535	7,603	11	
8990	Allocations	0	0	10,709	35,938	25,229	30	
<b>Total</b>	<b>307-655</b>	<b>0</b>	<b>0</b>	<b>94,453</b>	<b>365,086</b>	<b>270,633</b>	<b>26</b>	<b>59</b>
<b>307-659</b>	<b>Streets and Roads</b>							
4000	Salaries & Employee Benefits	0	0	24	0	(24)	0	
5000	Materials & Supplies	0	0	0	1,800	1,800	0	

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Public Works - O&M Department Summary by Fund-Activity		Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used	
		FY2020-21	FY2021-22	YTD Actuals	Modified Adopted		Budg / Time	
5400	Purchased Services	0	0	13,668	37,955	24,287	36	
8990	Allocations	0	0	535	3,444	2,909	16	
<b>Total</b>	<b>307-659</b>	<b>0</b>	<b>0</b>	<b>14,227</b>	<b>43,199</b>	<b>28,972</b>	<b>33</b>	<b>59</b>
<b>307-686 Streets and Roads</b>								
4000	Salaries & Employee Benefits	0	0	488,598	864,878	376,280	56	
5000	Materials & Supplies	0	0	8,766	16,210	7,444	54	
5400	Purchased Services	0	315	192,788	409,485	216,697	47	
8900	Other Expenses	0	0	3,679	9,982	6,303	37	
8990	Allocations	0	0	84,670	150,213	65,543	56	
<b>Total</b>	<b>307-686</b>	<b>0</b>	<b>315</b>	<b>778,501</b>	<b>1,450,768</b>	<b>672,267</b>	<b>54</b>	<b>59</b>
<b>850-670 Sewer</b>								
4000	Salaries & Employee Benefits	2,155,712	2,652,052	1,668,949	3,208,966	1,540,017	52	
5000	Materials & Supplies	870,194	1,015,272	656,166	920,259	264,093	71	
5400	Purchased Services	918,137	1,072,352	599,168	1,177,028	577,860	51	
8900	Other Expenses	161,398	215,591	130,825	283,050	152,225	46	
8990	Allocations	941,855	1,158,478	549,591	1,133,415	583,824	48	
<b>Total</b>	<b>850-670</b>	<b>5,047,296</b>	<b>6,113,745</b>	<b>3,604,699</b>	<b>6,722,718</b>	<b>3,118,019</b>	<b>54</b>	<b>59</b>
<b>850-995 Sewer</b>								
8990	Allocations	444,243	488,034	130,790	392,370	261,580	33	
<b>Total</b>	<b>850-995</b>	<b>444,243</b>	<b>488,034</b>	<b>130,790</b>	<b>392,370</b>	<b>261,580</b>	<b>33</b>	<b>59</b>
<b>853-000 Parking Revenue</b>								
5400	Purchased Services	26,768	22,789	0	23,743	23,743	0	
8990	Allocations	0	0	2,107	0	(2,107)	0	
<b>Total</b>	<b>853-000</b>	<b>26,768</b>	<b>22,789</b>	<b>2,107</b>	<b>23,743</b>	<b>21,636</b>	<b>9</b>	<b>59</b>
<b>853-660 Parking Revenue</b>								
4000	Salaries & Employee Benefits	268,723	424,444	260,114	478,816	218,702	54	
5000	Materials & Supplies	30,704	41,502	35,000	46,200	11,200	76	
5400	Purchased Services	82,094	97,854	49,726	112,991	63,265	44	
8900	Other Expenses	2,233	3,112	1,476	3,400	1,924	43	
8990	Allocations	130,440	163,603	65,130	184,161	119,031	35	
<b>Total</b>	<b>853-660</b>	<b>514,194</b>	<b>730,515</b>	<b>411,446</b>	<b>825,568</b>	<b>414,122</b>	<b>50</b>	<b>59</b>
<b>853-995 Parking Revenue</b>								
8990	Allocations	116,993	91,039	20,836	62,509	41,673	33	



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Public Works - O&M Department Summary by Fund-Activity		Prior Year Actuals		FY2022-23	FY2022-23	Remaining Budget	Percent Used	
		FY2020-21	FY2021-22	YTD Actuals	Modified Adopted		Budg / Time	
<b>Total</b>	<b>853-995</b>	<b>116,993</b>	<b>91,039</b>	<b>20,836</b>	<b>62,509</b>	<b>41,673</b>	<b>33</b>	<b>59</b>
<b>856-000</b>	<b>Airport</b>							
<b>Total</b>	<b>856-000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>856-691</b>	<b>Airport</b>							
4000	Salaries & Employee Benefits	239,058	325,732	212,923	381,528	168,605	56	
5000	Materials & Supplies	7,701	15,174	10,696	26,120	15,424	41	
5400	Purchased Services	147,235	127,022	68,728	161,196	92,468	43	
8900	Other Expenses	16,965	21,020	8,946	27,895	18,949	32	
8990	Allocations	142,229	149,692	86,700	187,311	100,611	46	
<b>Total</b>	<b>856-691</b>	<b>553,188</b>	<b>638,640</b>	<b>387,993</b>	<b>784,050</b>	<b>396,057</b>	<b>49</b>	<b>59</b>
<b>856-995</b>	<b>Airport</b>							
8990	Allocations	159,543	194,678	53,395	160,184	106,789	33	
<b>Total</b>	<b>856-995</b>	<b>159,543</b>	<b>194,678</b>	<b>53,395</b>	<b>160,184</b>	<b>106,789</b>	<b>33</b>	<b>59</b>
<b>929-630</b>	<b>Central Garage</b>							
4000	Salaries & Employee Benefits	715,111	848,086	533,777	1,021,921	488,144	52	
5000	Materials & Supplies	365,475	433,528	217,730	336,430	118,700	65	
5400	Purchased Services	114,582	107,746	50,980	91,455	40,475	56	
8900	Other Expenses	27,922	33,185	21,248	32,235	10,987	66	
8910	Non-Recurring Operating	159	0	0	0	0	0	
8990	Allocations	573,170	860,369	579,546	612,498	32,952	95	
<b>Total</b>	<b>929-630</b>	<b>1,796,419</b>	<b>2,282,914</b>	<b>1,403,281</b>	<b>2,094,539</b>	<b>691,258</b>	<b>67</b>	<b>59</b>
<b>930-000</b>	<b>Municipal Buildings Maintenance</b>							
<b>Total</b>	<b>930-000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>
<b>930-640</b>	<b>Municipal Buildings Maintenance</b>							
4000	Salaries & Employee Benefits	691,577	689,911	438,993	811,570	372,577	54	
5000	Materials & Supplies	101,785	94,211	44,521	172,860	128,339	26	
5400	Purchased Services	404,985	359,067	148,548	441,155	292,607	34	
8900	Other Expenses	22,099	7,933	5,724	15,550	9,826	37	
8910	Non-Recurring Operating	0	700	0	45,563	45,563	0	
8990	Allocations	332,634	340,519	231,417	357,276	125,859	65	
<b>Total</b>	<b>930-640</b>	<b>1,553,080</b>	<b>1,492,341</b>	<b>869,203</b>	<b>1,843,974</b>	<b>974,771</b>	<b>47</b>	<b>59</b>
<b>933-640</b>	<b>Facility Maintenance</b>							
<b>Total</b>	<b>933-640</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>

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	FY2020-21	FY2021-22	YTD Actuals	Modified Adopted			
<b>941-614 Maintenance District Administration</b>							
4000 Salaries & Employee Benefits	45,268	66,437	36,883	148,196	111,313	25	
5000 Materials & Supplies	553	733	228	750	522	30	
5400 Purchased Services	5,000	6,442	1,250	5,500	4,250	23	
8990 Allocations	4,117	6,649	3,711	12,236	8,525	30	
<b>Total 941-614</b>	<b>54,938</b>	<b>80,261</b>	<b>42,072</b>	<b>166,682</b>	<b>124,610</b>	<b>25</b>	<b>59</b>
<b>941-995 Maintenance District Administration</b>							
8990 Allocations	118,481	112,627	39,030	117,090	78,060	33	
<b>Total 941-995</b>	<b>118,481</b>	<b>112,627</b>	<b>39,030</b>	<b>117,090</b>	<b>78,060</b>	<b>33</b>	<b>59</b>
<b>Total Other Funds</b>	<b>10,733,526</b>	<b>12,882,544</b>	<b>11,259,833</b>	<b>23,245,349</b>	<b>11,985,516</b>	<b>48</b>	<b>59</b>
<b>Department Total</b>	<b>17,360,619</b>	<b>20,089,139</b>	<b>12,661,755</b>	<b>25,984,688</b>	<b>13,322,933</b>	<b>49</b>	<b>59</b>

**City of Chico**  
**Interoffice Budget Modification Tracking FY 2022-23**  
**Revenue, Transfers, Operating and Capital Adjustments**

Fund	Dept	Object Code	Description	Revenue	Justification	Budget Modification No.	Approval Date
<b>Total Revenue:</b>				<u>0</u>			

Fund	Dept	Object Code	Description	Operating	Justification	Budget Modification No.	Approval Date
<b>Total Operating:</b>				<u>0</u>			

Fund	Dept	Object Code	Description	Transfers In	Justification	Budget Modification No.	Approval Date
<b>Total Transfers In:</b>				<u>0</u>			

Fund	Dept	Object Code	Description	Transfers Out	Justification	Budget Modification No.	Approval Date
<b>Total Transfers Out:</b>				<u>0</u>			

Fund	Dept	Object Code	Description	Capital	Justification	Budget Modification No.	Approval Date
850	000	8800/50276	Storage Building	(119,561)	Adjust budgets between projects to align with needs of wastewater treatment plant.	2023-PWO-003	1/6/2023
850	000	8800/50361	Boiler Replacement/Heat	(107,500)	Adjust budgets between projects to align with needs of wastewater treatment plant.	2023-PWO-003	1/6/2023
850	000	8800/50426	Bio Filter Rehab	227,061	Adjust budgets between projects to align with needs of wastewater treatment plant.	2023-PWO-003	1/6/2023
307	000	8800/50073	SR 99 & Southgate IC	(2,200,000)	Adjust budgets between street related projects to align with project needs. Original funding source is from street facility improvement (fund 308) development impact fees.	2023-PWE-004	1/17/2023
307	000	8800/16004	Eaton Road Widening	(600,000)	Adjust budgets between street related projects to align with project needs. Original funding source is from street facility improvement (fund 308) development impact fees.	2023-PWE-004	1/17/2023
307	000	8800/15009	20th Street Corridor Improvements	(400,000)	Adjust budgets between street related projects to align with project needs. Original funding source is from street facility improvement (fund 308) development impact fees.	2023-PWE-004	1/17/2023
307	000	8800/16038	Bruce Road Reconstruction	3,200,000	Adjust budgets between street related projects to align with project needs. Original funding source is from street facility improvement (fund 308) development impact fees.	2023-PWE-004	1/17/2023
<b>Total Capital</b>				<u>0</u>			

**CITY OF CHICO**  
**CASH FLOW PROJECTION**  
**FY2022-23**

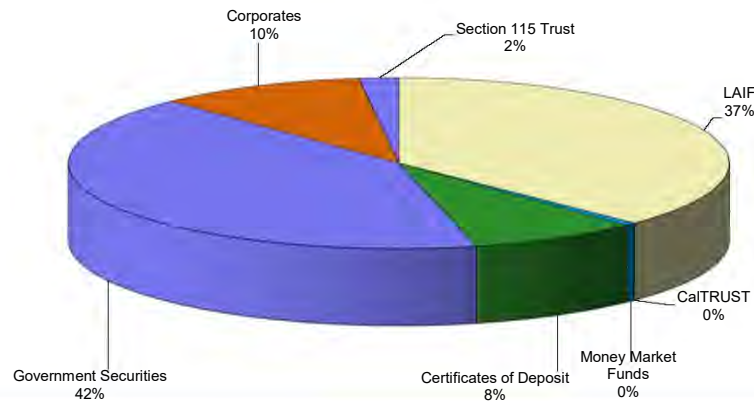
Operating Cash Flow	Oct - Dec			January		February	March	April	May	June	July	August	September	
	<i>Projected</i>	Actuals	Dif.	Actuals	Dif.									
<b>Cash Receipts</b>														
Beginning Balance	162,732,583	162,732,583		159,999,518	159,999,518									
Sales Tax	7,889,335	8,011,452	1.5%	2,494,074	2,494,074	0.0%	3,630,000	2,029,800	2,029,800	3,393,040	4,135,400	5,306,018	4,259,823	4,638,808
Property Tax	740,951	1,082,277	46.1%	8,598,304	8,754,971	1.8%	-	-	-	7,464,070	261,720	684,652	-	-
Residual Property Tax Increment	-	-	0.0%	2,432,120	2,691,297	0.0%	-	-	-	2,081,647	-	-	-	-
ROPS Payment	-	-	0.0%	3,237,376	3,237,376	0.0%	-	-	-	4,934,074	-	-	-	-
Utility Users Tax	2,058,288	1,650,262	-19.8%	686,795	842,116	22.6%	774,194	727,214	684,378	582,672	656,098	759,125	975,343	1,077,140
Transient Occupancy Tax	1,438,466	1,226,902	-14.7%	303,002	213,907	-29.4%	-	555,014	242,971	196,978	423,624	349,564	208,547	316,293
Franchise Fees (Cable, Electric, Gas & Waste)	796,799	806,305	1.2%	185,365	561,135	202.7%	605,598	1,303	1,413,857	-	-	543,694	245,019	-
Other Taxes	187,582	164,129	-12.5%	66,946	41,193	-38.5%	53,775	53,781	69,416	59,136	113,059	80,776	73,329	47,930
Licenses & Permits	620,208	585,920	-5.5%	291,896	169,150	-42.1%	203,055	306,576	302,583	235,789	202,843	208,495	305,419	156,411
Gas Tax	716,679	1,419,347	98.0%	-	436,018	100.0%	-	223,997	113,334	129,894	242,104	990,198	142,307	263,375
TDA, STA	757,798	756,493	-0.2%	-	513,496	100.0%	380,385	846,957	-	76,434	-	-	-	-
Intergov't Revenue	1,414,465	3,832,689	171.0%	138,796	4,677,745	3270.2%	364,895	326,255	1,811,999	65,483	1,575,569	45,396	453,181	6,719,718
CDBG Annual Allotment	-	-	0.0%	-	-	0.0%	632,382	-	699,335	-	348,397	-	203,012	-
Home Program Annual Allotment	2,191,755	-	-100.0%	-	922,477	100.0%	-	-	-	-	-	-	1,039,115	-
Emergency Response - Mutual Aid	252,735	163,446	-35.3%	-	-	0.0%	-	-	-	-	-	-	-	-
Sewer Service Fees	3,526,188	3,764,588	6.8%	1,087,818	1,130,539	3.9%	1,065,325	1,403,820	1,364,285	1,114,863	1,146,474	1,089,137	1,040,715	1,304,607
Charges for Services	677,809	607,434	-10.4%	257,848	127,490	-50.6%	192,390	320,980	192,763	208,636	161,594	162,369	410,296	180,574
Development Fees	1,467,820	2,150,634	46.5%	388,281	213,385	-45.0%	578,993	1,457,504	1,729,681	830,815	658,759	312,502	658,759	121,122
Parking Meters	166,807	195,782	17.4%	26,634	41,131	54.4%	23,911	46,403	63,920	70,606	56,671	48,453	66,937	68,734
Parking Fines	147,977	134,789	-8.9%	7,651	40,547	430.0%	56,007	46,726	51,283	2,049	40,763	82,022	50,676	2,479
Fines & Forfeitures	66,135	57,443	-13.1%	-	12,446	100.0%	12,495	31,396	-	22,564	15,412	29,109	12,246	11,995
Investment Interest Earnings	307,619	564,317	83.4%	74,593	314,818	322.0%	104,038	50,528	201,662	57,496	135,897	128,412	104,437	70,042
Other Receipts	5,597,595	1,225,919	-78.1%	4,137,986	1,194,875	-71.1%	1,502,007	794,283	539,303	588,839	634,389	765,228	400,041	715,602
<b>Total Cash Receipts</b>	<b>31,023,011</b>	<b>28,400,128</b>	<b>-8.5%</b>	<b>24,415,486</b>	<b>28,630,186</b>	<b>17.3%</b>	<b>10,179,450</b>	<b>9,222,538</b>	<b>11,510,570</b>	<b>22,115,085</b>	<b>10,808,773</b>	<b>11,585,151</b>	<b>10,649,200</b>	<b>15,694,830</b>
<b>Cash Disbursements</b>														
Payroll Expenses	10,643,315	10,714,735	0.7%	3,599,124	3,256,627	-9.5%	3,349,719	4,427,999	3,216,210	3,005,654	2,724,543	4,125,019	3,675,227	4,802,723
Debt Service	2,101,000	2,100,969	0.0%	-	-	0.0%	-	3,149,876	-	363,625	1,195,793	-	-	3,147,267
CalPERS UAL Payment	-	-	0.0%	-	-	0.0%	-	-	-	-	-	11,417,787	-	-
Other Disbursements	20,580,529	18,317,489	-11.0%	6,593,897	9,872,410	49.7%	5,596,905	8,082,824	9,494,924	7,344,419	5,812,601	8,788,110	8,740,021	8,876,035
<b>Total Cash Disbursements</b>	<b>33,324,844</b>	<b>31,133,193</b>	<b>-6.6%</b>	<b>10,193,021</b>	<b>13,129,037</b>	<b>28.8%</b>	<b>8,946,624</b>	<b>15,660,698</b>	<b>12,711,134</b>	<b>10,713,699</b>	<b>9,732,937</b>	<b>24,330,916</b>	<b>12,415,248</b>	<b>16,826,025</b>
<b>Total Cash Flow</b>	<b>(2,301,833)</b>	<b>(2,733,065)</b>		<b>14,222,464</b>	<b>15,501,149</b>		<b>1,232,826</b>	<b>(6,438,160)</b>	<b>(1,200,564)</b>	<b>11,401,387</b>	<b>1,075,836</b>	<b>(12,745,765)</b>	<b>(1,766,048)</b>	<b>(1,131,195)</b>
<b>Total Cash Balance End of Month</b>	<b>160,430,750</b>	<b>159,999,518</b>		<b>174,221,982</b>	<b>175,500,667</b>		<b>176,733,493</b>	<b>170,295,333</b>	<b>169,094,769</b>	<b>180,496,156</b>	<b>181,571,992</b>	<b>168,826,227</b>	<b>167,060,179</b>	<b>165,928,984</b>
<b>Restricted Bond Proceeds Included</b>	<b>101,956</b>	<b>101,956</b>		<b>101,956</b>	<b>101,956</b>		<b>101,956</b>	<b>101,956</b>	<b>101,956</b>	<b>101,956</b>	<b>101,956</b>	<b>101,956</b>	<b>101,956</b>	<b>101,956</b>
<b>"Spensible" Cash Balance</b>	<b>160,328,794</b>	<b>159,897,562</b>	<b>-0.3%</b>	<b>174,120,026</b>	<b>175,398,711</b>	<b>0.7%</b>	<b>176,631,537</b>	<b>170,193,377</b>	<b>168,992,813</b>	<b>180,394,200</b>	<b>181,470,036</b>	<b>168,724,271</b>	<b>166,958,223</b>	<b>165,827,028</b>

**City of Chico  
Investment Portfolio Report  
January 31, 2023**

<u>Summary of Investments</u>	<u>Cost Basis*</u>	<u>Fair Value**</u>	<u>Interest Received</u>	<u>Gain/(Loss) on Investment</u>
Local Agency Investment Fund (LAIF)	51,794,320.15	51,794,320.15	234,666.04	0.00
CalTRUST	50,940.97	48,404.49	107.09	0.00
Money Market Mutual Fund	688,155.83	688,155.83	1,348.06	0.00
Certificates of Deposit	12,250,000.00	11,491,970.20	16,666.43	0.00
Government Securities	63,055,000.00	57,724,924.55	30,991.25	0.00
Corporates	15,000,000.00	14,058,635.90	22,750.00	0.00
CA Public Entity Stabilization Trust (Section 115 Trust)	3,048,985.89	2,681,775.10	8,288.66	0.00
<b>Total Pooled Investments</b>	<b>145,887,402.84</b>	<b>138,488,186.22</b>	<b>314,817.53</b>	<b>0.00</b>
Investments Held In Trust	2,719,814.61	2,719,814.61	7,450.47	0.00
<b>Total Investments</b>	<b>148,607,217.45</b>	<b>141,208,000.83</b>	<b>322,268.00</b>	<b>0.00</b>

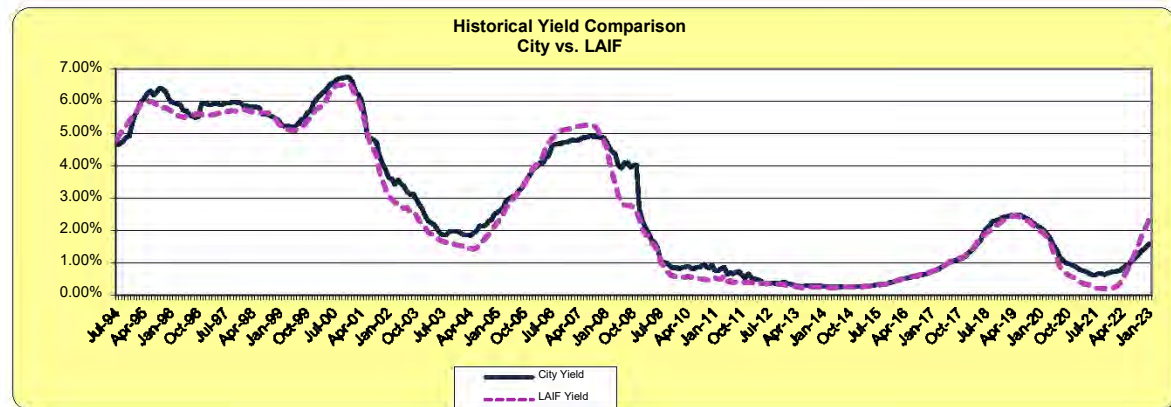
**Distribution of Pooled Investments**

	<u>Fair Value</u>	<u>% Split</u>
LAIF	51,794,320.15	37.4%
CalTRUST	48,404.49	0.0%
Money Market Funds	688,155.83	0.5%
Certificates of Deposit	11,491,970.20	8.3%
Government Securities	57,724,924.55	41.7%
Corporates	14,058,635.90	10.2%
Section 115 Trust	2,681,775.10	1.9%
<b>Total Pooled Investments</b>	<b>138,488,186.22</b>	



**Weighted Annual Yield**

Current Month	1.60%
Prior Month	1.50%
Average Days to Maturity	633



\* Cost Basis: The value paid on the purchase date of the asset.

\*\* Fair Value: The value at which a financial instrument could be exchanged in a current transaction.

**City of Chico**  
**Investment Portfolio Report**  
**January 31, 2023**

Type of Investment / Financial Institution	Yield to Maturity	Cost Basis*	Fair Value**	Interest Received	Gain/(Loss) On Investment	Maturity Date
<b><i>City Investment Portfolio - Pooled Investments</i></b>						
<b><i>State of California Local Agency Investment Fund (LAIF)</i></b>						
City of Chico	2.425%	45,157,015.92	45,157,015.92	234,666.04		N/A
Chico Urban Area JPFA	2.425%	6,637,304.23	6,637,304.23	34,492.87		N/A
<b>Total Local Agency Investment Fund</b>		<b>51,794,320.15</b>	<b>51,794,320.15</b>	<b>234,666.04</b>	<b>0.00</b>	
<b><i>CalTRUST</i></b>						
CalTRUST Medium Term Fund	2.460%	50,940.97	48,404.49	107.09		N/A
<b>Total CalTRUST</b>		<b>50,940.97</b>	<b>48,404.49</b>	<b>107.09</b>	<b>0.00</b>	
<b><i>Money Market Mutual Fund</i></b>						
Wells Fargo Bank, N.A.	4.080%	688,155.83	688,155.83	1,348.06		N/A
<b>Total Money Market Fund</b>		<b>688,155.83</b>	<b>688,155.83</b>	<b>1,348.06</b>	<b>0.00</b>	
<b><i>Certificates of Deposit</i></b>						
ServisFirst Bank	1.550%	250,000.00	249,619.31	329.11		2/21/2023
Encore Bank	1.150%	250,000.00	248,248.45	244.18		4/17/2023
American Expr Natl Bk	3.250%	250,000.00	248,787.74			6/12/2023
Goldman Sachs Bank USA	3.250%	250,000.00	248,778.02			6/13/2023
Sallie Mae Bank	3.300%	250,000.00	248,823.15			6/13/2023
Morgan Stanley Bank NA	3.200%	250,000.00	248,722.83			6/14/2023
Wells Fargo Bank NA	3.250%	250,000.00	248,778.17	690.07		6/14/2023
Citibank NA	3.250%	250,000.00	248,758.57			6/15/2023
Western Nebraska Bank	3.100%	250,000.00	248,148.20	658.22		7/27/2023
Bank of New England NH	3.200%	250,000.00	248,235.49	1,358.90		7/31/2023
Regions Bank	3.200%	250,000.00	248,235.49	1,358.90		7/31/2023
Medallion Bank Utah	3.250%	250,000.00	248,297.16	1,380.14		7/31/2023
Bank of Deerfield	3.100%	250,000.00	247,525.02	658.22		9/21/2023
Midsouth Bank	3.100%	250,000.00	247,466.50	658.22		9/26/2023
Bankwell Bank	0.400%	250,000.00	239,501.77	504.11		1/30/2024
Alma Bank	1.550%	250,000.00	241,768.11	329.11		2/21/2024
Evergreen Bank	1.200%	250,000.00	239,478.95	254.79		4/2/2024
Luana Savings Bank	0.400%	250,000.00	235,086.89	504.11		7/10/2024
Northwest Bank	2.100%	250,000.00	240,853.18	445.89		7/11/2024
Commercial Bank Harrogate	2.000%	250,000.00	240,436.20	424.66		7/15/2024
Raymond James Bank NA	2.000%	250,000.00	239,887.25			8/23/2024
First National Bank of America	0.350%	250,000.00	232,714.93	74.32		9/25/2024
Live Oak Banking Company	1.850%	250,000.00	237,583.97	392.81		11/27/2024
Texas Exchange Bank SSB	0.500%	250,000.00	231,330.86	106.16		12/11/2024
BMO Harris Bank NA	0.500%	250,000.00	228,702.63			3/28/2025
Thomaston Savings Bank	1.200%	250,000.00	232,003.29			4/14/2025

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**City of Chico**  
**Investment Portfolio Report**  
**January 31, 2023**

Horizon Bank/Waverly NE	1.300%	250,000.00	232,322.66	276.03	4/15/2025
Pacific Western Bank	1.350%	250,000.00	232,738.70		4/16/2025
Southstate Bank	1.300%	250,000.00	232,458.98		4/17/2025
Preferred Bank LA Calif	0.500%	250,000.00	225,792.58	106.16	7/17/2025
BMW Bank North America	0.800%	250,000.00	227,135.72		8/13/2025
Bank Hapoalim BM NY	0.450%	250,000.00	224,311.42		9/15/2025
JP Morgan Chase Bank NA	0.500%	250,000.00	222,353.37		12/15/2025
Chambers Bank	0.450%	250,000.00	220,987.58	567.12	1/27/2026
Bank OZK	0.550%	250,000.00	221,040.76	116.78	2/13/2026
1st Security Bank of Washington	0.500%	250,000.00	220,399.00	106.16	2/25/2026
Bankunited NA	0.800%	250,000.00	222,012.71	169.86	3/19/2026
CFG Community Bank	0.700%	250,000.00	221,283.27		3/30/2026
Toyota Financial SGS Bk	0.900%	250,000.00	222,295.01		4/22/2026
Bank of Princeton	0.600%	250,000.00	217,536.95	127.40	7/28/2026
Meridian Bank	0.700%	250,000.00	218,343.68	148.63	7/28/2026
Exchange Bank	0.600%	250,000.00	217,403.82	127.40	8/6/2026
Merrick Bank	0.650%	250,000.00	217,273.86	138.01	8/31/2026
Synchrony Bank	0.950%	250,000.00	219,847.17		9/10/2026
State Bank of India	1.150%	250,000.00	220,534.56		10/29/2026
Barclays Bank/Delaware	2.650%	250,000.00	231,563.43		4/13/2027
Morgan Stanley Pvt Bank	2.750%	250,000.00	232,464.28		4/20/2027
Capital One NA	3.050%	250,000.00	235,157.30		5/4/2027
Discover Bank	3.500%	250,000.00	238,941.26	4,410.96	7/29/2027
<b>Total Certificates of Deposit</b>		<b>12,250,000.00</b>	<b>11,491,970.20</b>	<b>16,666.43</b>	<b>0.00</b>

**Government Securities**

Federal Home Loan Bank	2.450%	1,000,000.00	983,600.45		3/8/2024
Inter-American Devel Bank	0.300%	1,000,000.00	951,192.06		4/16/2024
International Bank Recon & Development	0.375%	1,000,000.00	954,520.04		8/28/2024
Federal Farm Credit Bank	0.315%	2,000,000.00	1,856,938.10		11/12/2024
Federal Home Loan Bank	0.500%	2,000,000.00	1,856,544.10		12/30/2024
Freddie Mac	0.450%	850,000.00	785,237.61		2/27/2025
Federal Farm Credit Bank	0.362%	2,150,000.00	1,984,401.54		3/3/2025
California State Taxable GO Bonds	0.710%	3,400,000.00	3,337,501.54		4/1/2025
University of California CA Revenue Bonds	0.446%	1,000,000.00	926,603.80		5/15/2025
Florida St Board of Ed	0.549%	700,000.00	642,344.43		6/1/2025
Federal Farm Credit Bank	0.384%	1,000,000.00	919,564.79		6/10/2025
Federal Home Loan Bank	0.340%	1,000,000.00	917,136.42		6/27/2025
Fannie Mae	1.053%	1,000,000.00	916,970.89	3,500.00	7/24/2025
Los Angeles CA Community College Dist	0.700%	2,000,000.00	1,835,246.60		8/1/2025
Fannie Mae	0.500%	1,000,000.00	912,497.03		8/27/2025
Freddie Mac	0.535%	1,000,000.00	909,365.64		9/23/2025
Federal Farm Credit Bank	0.529%	1,650,000.00	1,498,703.53		9/29/2025
Federal Farm Credit Bank	0.636%	2,000,000.00	1,812,940.06		10/21/2025
Freddie Mac	0.616%	1,000,000.00	908,079.54		10/27/2025
Fannie Mae	0.565%	1,000,000.00	908,932.07		11/7/2025

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**City of Chico**  
**Investment Portfolio Report**  
**January 31, 2023**

Federal Home Loan Bank	0.406%	2,000,000.00	1,814,856.14		11/28/2025
Freddie Mac	0.409%	1,250,000.00	1,132,760.28		12/1/2025
Freddie Mac	0.681%	1,000,000.00	905,297.48		12/17/2025
Federal Home Loan Bank	0.729%	2,305,000.00	2,077,376.50	7,491.25	1/28/2026
International Bank Recon & Development	0.781%	1,000,000.00	893,310.74		2/10/2026
International Bank Recon & Development	0.725%	2,000,000.00	1,801,192.66		2/24/2026
Federal Home Loan Bank	0.820%	2,000,000.00	1,804,765.24		3/16/2026
Federal Home Loan Bank	0.850%	2,000,000.00	1,804,567.44		3/30/2026
California State Taxable Various Purpose GO	3.100%	1,000,000.00	959,410.60		4/1/2026
Federal Home Loan Bank	0.875%	1,000,000.00	899,003.41		5/18/2026
Federal Home Loan Bank	0.985%	1,000,000.00	900,272.93		5/19/2026
Freddie Mac	0.813%	2,000,000.00	1,789,441.86		6/23/2026
Inter-American Devel Bank	0.750%	2,000,000.00	1,873,160.00	20,000.00	7/23/2026
Federal Farm Credit Bank	0.830%	2,000,000.00	1,783,572.62		8/10/2026
Inter-American Devel Bank	0.750%	2,000,000.00	1,800,327.58		8/19/2026
Federal Home Loan Bank	1.080%	2,000,000.00	1,797,042.98		9/15/2026
Federal Home Loan Bank	1.500%	1,000,000.00	911,951.22		9/29/2026
California State Taxable Bid Group A	0.978%	500,000.00	471,524.35		10/1/2026
Federal Farm Credit Bank	1.031%	1,000,000.00	894,730.33		10/7/2026
Federal Home Loan Bank	1.065%	1,750,000.00	1,566,637.15		10/28/2026
Federal Home Loan Bank	1.270%	2,000,000.00	1,806,846.80		11/24/2026
California St Dept of Wtr Resources	1.425%	2,500,000.00	2,218,556.00		12/1/2026
<b>Total Government Securities</b>		<b>63,055,000.00</b>	<b>57,724,924.55</b>	<b>30,991.25</b>	<b>0.00</b>
<b>Corporates</b>					
Goldman Sachs Group Inc	1.000%	1,000,000.00	928,654.03		11/12/2024
Wells Fargo and Company	0.786%	1,000,000.00	963,914.52		2/19/2025
Apple Inc	0.864%	1,000,000.00	908,668.08		8/20/2025
Johnson & Johnson	0.676%	1,000,000.00	913,892.27		9/1/2025
Merck & Co Inc	0.800%	1,000,000.00	898,377.22		2/24/2026
JP Morgan Chase & Co.	1.008%	2,000,000.00	1,927,414.62		4/1/2026
Wells Fargo and Company	1.176%	2,000,000.00	1,896,729.36		4/22/2026
Amazon.com Inc	1.000%	1,000,000.00	898,875.90		5/12/2026
John Deere Capital Corp	0.854%	2,000,000.00	1,892,045.66		6/10/2026
Goldman Sachs Group Inc	1.500%	1,000,000.00	882,754.91		8/30/2026
JP Morgan Chase & Co.	4.550%	1,000,000.00	931,408.59	22,750.00	7/29/2027
Wells Fargo & Company	6.250%	1,000,000.00	1,015,900.74		10/21/2027
<b>Total Corporates</b>		<b>15,000,000.00</b>	<b>14,058,635.90</b>	<b>22,750.00</b>	<b>0.00</b>
<b>Section 115 Trust</b>					
City of Chico CA Public Entity Pension Stabiliza	3.300%	3,048,985.89	2,681,775.10	8,288.66	N/A
<b>Total Section 115 Trust</b>		<b>3,048,985.89</b>	<b>2,681,775.10</b>	<b>8,288.66</b>	<b>0.00</b>
<b>Total City Pooled Investments</b>		<b>145,887,402.84</b>	<b>138,488,186.22</b>	<b>314,817.53</b>	<b>0.00</b>

\* Cost Basis: The value paid on the purchase date of the asset.

\*\* Fair Value: The value at which a financial instrument could be exchanged in a current transaction.



**City of Chico  
Investment Portfolio Report  
January 31, 2023**

Type of Investment / Financial Institution	Yield to Maturity	Cost Basis*	Fair Value**	Interest Earned	Gain/(Loss) On Investment	Maturity Date
<b><i>City Investment Portfolio - Investments held in Trust</i></b>						
<b>2017 Tax Allocation Refunding Bonds</b>						
First American Government Oblig Fund	3.880%	2,418,634.46	2,418,634.46	7,446.95		N/A
<b>2020 Sewer Refunding Bonds</b>						
First American Government Oblig Fund	3.880%	1,180.15	1,180.15	3.52		N/A
<b>General Liability Insurance Reserve</b>						
Umpqua Bank	N/A	100,000.00	100,000.00			N/A
<b>Workers' Compensation Insurance Reserve</b>						
Golden Valley Bank	N/A	200,000.00	200,000.00			N/A
<b>Total Investments Held In Trust</b>		<b>2,719,814.61</b>	<b>2,719,814.61</b>	<b>7,450.47</b>	<b>0.00</b>	
<b>TOTAL INVESTMENTS</b>		<b>148,607,217.45</b>	<b>141,208,000.83</b>	<b>322,268.00</b>	<b>0.00</b>	

\* Cost Basis: The value paid on the purchase date of the asset.

\*\* Fair Value: The value at which a financial instrument could be exchanged in a current transaction.