

CITY OF YUCAIPA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended June 30, 2020

Prepared by
Administrative Services Department

City of Yucaipa
Comprehensive Annual Financial Report
Year Ended June 30, 2020

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INTRODUCTORY SECTION



June 25, 2021

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

State law requires that every general-purpose local government publish a complete set of audited financial statements for each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Van Lant & Fankhanel LLP, an independent firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amount and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2020, were fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City is a part of a broader, federally mandated "Single Audit" designated to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited City's internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial

statements. The MD&A complements this letter of transmittal and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

The annual budget serves as the foundation for the City's financial planning and control. Prior to the beginning of the fiscal year, the City Manager submits a draft budget for the upcoming year to the City Council for their consideration and approval. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. The City maintains budgetary controls to ensure compliance with provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Special Revenue, Debt Service, Capital Projects, and Internal Service funds are included in the annual budget. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and major Special Revenue funds, this comparison is presented as part of the required supplementary information in the accompanying financial statements. For governmental funds that have appropriated annual budgets, other than the General Fund and major special revenue funds, this comparison is presented in the supplementary section of the accompanying financial statements.

PROFILE OF THE GOVERNMENT

The City of Yucaipa was incorporated on November 27, 1989. It is a "General Law" City with a population of approximately 55,000 and is governed by a City Council/City Manager form of government. The City observes State laws and makes local laws (i.e. speed limits). The City Council has the power to make and enforce all laws and regulations with respect to municipal affairs.

The Yucaipa City Council is comprised of five Councilmembers. Each shares equal voting powers on all items coming before the Council. Effective in 2016, councilmembers are elected by district to four-year terms, with elections held in November of even-numbered years. The Council meets annually to choose one of its members as Mayor and another of its members as Mayor Pro-Tem. The City Council appoints the City Manager and City Attorney and members of all advisory boards, commissions and committees. The members of the City Council also serve as the Board of Directors for the Successor Agency to the Yucaipa Redevelopment Agency and the Yucaipa Housing Authority.

Yucaipa is a mature, well-established suburban community nestled in the foothills of the San Bernardino Mountains. Residents enjoy cleaner air and cooler temperatures as a result of the

higher elevations, and a comprehensive approach to community safety has produced one of the lowest rates of crime for comparably sized cities anywhere in the State of California.

The City contains 18 parks, encompassing approximately 534 acres, including an equestrian arena and a municipal pool, as well as a 200 acre San Bernardino County regional park with 3 lakes for swimming, boating, and fishing, plus campgrounds and playgrounds for the entire family and the 1,000 +/- acre Wildwood Canyon State Park. The Yucaipa-Calimesa Joint Unified School District has an outstanding reputation, and it ranks at or near the top in every category of educational achievement. In addition, Crafton Hills College offers day and evening programs of continuing education and training opportunities for personal and professional development. Housing to accommodate all lifestyles is readily available, and three museums, a branch of the San Bernardino County Library, a Senior Center, two theater groups, and over 40 churches and 90 social or business clubs round out the community.

During fiscal year 2018-19 the City proudly opened the doors of the Yucaipa Performing Arts Center (YPAC) and the adjacent urban Uptown Park. The YPAC opened in the spring of 2019 and is a 16,200 sq. ft. facility with a 10,500 sq. ft. multi-purpose theater which has retractable seating for up to 297. The versatile space allows for audiences of up to 500 standing as well as configurations for receptions and meetings. In addition, within the Uptown Park the facility opens up an indoor/outdoor stage with an adjoining 14,000 sq. ft. open air plaza for audiences. The YPAC is intended to serve as an anchor within the Historic Uptown district of the City and will provide space for all types of performing arts including concerts, dance, theatre, galas, and major events.

The City of Yucaipa provides a full range of services to its residents. These services include, but are not limited to police protection, fire suppression, paramedic services, the construction and maintenance of streets and infrastructure planning and zoning, building and safety permitting and inspecting, engineering and inspection, code enforcement, recreational activities, enrichment programs and general administration. Other services are provided by: San Bernardino County, Yucaipa-Calimesa Joint Unified School District, and Yucaipa Valley Water District. The City contracts for law enforcement services with the San Bernardino County Sheriff's Department and for fire suppression and paramedic services with the California Department of Forestry and Fire Prevention (CAL FIRE).

ECONOMIC CONDITION AND OUTLOOK

The profile outlined above demonstrates the value placed on public services provided by the City. Through the implementation of relevant fiscal policies, as described below, and a conservative fiscal strategy, combined with the economic outlook of the community, the City is poised and able to provide the amenities and facilities identified in this report on behalf of the residents. The City has successfully maintained a high pavement quality index for all of its

streets, invested in parks and facilities and implemented a series of annual festivals to enhance the recreational participation in the community. All of these combine favorably to assist in laying the foundation for financial success into the future. In addition, the City is able to respond to any changes in the economic climate appropriately and effectively.

The information presented in the financial statements is perhaps best understood from the broader perspective of the specific environment within which the City operates.

Local Economy

The City of Yucaipa is primarily a residential community whose economy is based primarily upon service and light manufacturing. Many residents commute for employment to other cities within the region. After the Great Recession, the unemployment rate rose from approximately 4.4% in calendar year 2008 to a peak of 14.8% in calendar year 2013. The unemployment rate steadily improved until calendar year 2019 when unemployment reached 2.9% in April. However, due to the COVID-19 pandemic, the unemployment rate has increased since then, touching a high of 13.3% in April 2020, and finishing fiscal year 2019/2020 with a rate of 11% in June.

The City of Yucaipa saw revenue sources stabilize and begin to increase during fiscal year 2015/2016. The increase continued through fiscal year 2019/2020. The City's largest revenue source comes from property taxes. Property tax revenues were received in the amount of \$12.6 million in fiscal year 2019/2020, and the City is seeing a continuing trend of rising property values. In fiscal year 2014/2015, the City experienced an increase in property tax revenues by the rate of approximately 5.03%, 4.33% in fiscal year 2015/2016, 6.34% in fiscal year 2016/2017, 5.3% in fiscal year 2017/2018, 4.99% in fiscal year 2018/2019 and an additional 4% in fiscal year 2019/2020.

Sales Tax revenues had experienced growth annually over the last several years, until fiscal year 2019/2020. Sales tax revenues declined in fiscal year 2019/2020 by 10.2% compared to the previous fiscal year due to COVID-19 lockdowns that subdued economic activity for a portion of the fiscal year.

For the future, there are a number of projects that hold economic development potential for the community and City staff continues to work with the development community to facilitate economic opportunities and foster responsible impacts to the community. For example, the City has constructed several drainage related projects that have removed 416 properties from associated flood plains and assisted in the capture and recharge of rain water, while enhancing travel routes by eliminating low water crossings. In addition, the following major projects are currently under design or in some stage of development, or were very recently completed. Each project plays a vital role in the overall economic development strategy employed by the City Council.

- Crafton Hills College Village Plan
- Widening Yucaipa Boulevard from 15th Street to Interstate 10, including utility undergrounding and sewer and water improvements (Phase III)
- Historic Uptown Revitalization
- Wildwood Canyon Interchange
- Live Oak Canyon Road Improvements
- Oak Glen Creek Specific Plan
- Interstate 10 Gateway Project – Yucaipa Pointe
- Dunlap Park
- Wilson Creek Basin III
- County Line Road Improvements
- Avenue E Road/Intersection Improvements
- Freeway Corridor Specific Plan

Long Term Financial Planning

From the time the City was incorporated, the City has had a longstanding philosophy of only paying cash for capital projects and infrastructure improvements. Several facilities built with available cash include: the Community Park and Community Center/Gym, City Hall, Fire Station #3, the Police Station, the Yucaipa Performing Arts Center, El Dorado Park, and now a new City Yard. Many infrastructure improvements that have been financed with available cash include: the Widening of Yucaipa Boulevard, the Live Oak / I-10 Interchange, and numerous drainage and park improvement projects including the most recent acquisition of the 334 acre El Dorado Park to be used as open space and for recreational purposes and as a mitigation “bank” for other important City projects and the 11-acre future Five Winds Ranch Recreation Center.

The City has historically used its discretionary fund balance to leverage outside funding sources in the construction of necessary capital projects. The City has aggressively and successfully acquired numerous federal, state, and local grants to assist in the financing of multiple City related capital projects.

Relevant Financial Policies

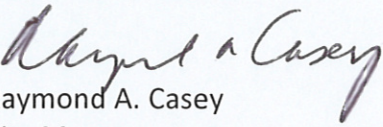
Through the adoption of GASB 54 in fiscal year 2010/11, City Council set up two contingency accounts to serve as buffers against severe changes in the local economic environment. The first, the General Fund Emergency Contingency, was established to encumber an amount equal to 20% of the annual General Fund Expenditure Budget. That was increased to 30% in fiscal year 2015/2016 and then reduced to 20% for fiscal year 2020/2021 to reflect the potential financial impacts of the COVID-19 pandemic. The General Fund Emergency Contingency Account is committed solely for use upon the declaration of a state or federal state of emergency or a

contingency account is committed and may be used solely in any fiscal year in which actual General Fund revenue is at least 30% less than budgeted General Fund revenue. Both of these contingencies have remained encumbered in their entirety through the end of fiscal year 2019/20.

Acknowledgments

The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Division of the Administrative Services Department.

Respectfully submitted,



Raymond A. Casey
City Manager

FINANCIAL SECTION

Independent Auditor's Report

The Honorable City Council
City of Yucaipa, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Yucaipa, California, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Yucaipa's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Van Lant & Fankhanel, LLP

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Yucaipa, California, as of June 30, 2020, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the supplementary information as listed in the table of contents, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2021, on our consideration of the City of Yucaipa's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Van Lant & Fankhaenel, LLP

June 25, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Yucaipa, 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, 2020.

FINANCIAL HIGHLIGHTS

- The City's Governmental Net Position increased by approximately 1.73% to \$224 million as a result of this year's operations, including normal annual depreciation and the capitalization of assets.
- During the year, the City's taxes and other governmental revenues exceeded expenses by approximately \$3.8 million.
- The total revenues from all sources were approximately \$40.9 million. The total cost of all City programs was approximately \$37.1 million. For capital related expenses, the total cost only includes the portion allocated for depreciation for the fiscal year.
- The General Fund reported total operational revenues over expenditures, including transfers, in the amount of approximately \$5.3 million.
- The revised General Fund budget reflects estimated revenues over expenditures, including transfers, in the net amount of \$5,244,085.
- For the General Fund, actual operating revenues received exceeded final budget estimates by the amount of \$124,023, primarily due to increases in licenses and permits, intergovernmental revenues, investment income, and other revenues. Transfers in, represented in Other Financing Sources, exists in the amount of \$5.5 million related to the transfer from Traffic Facilities for prior year amounts.
- Actual operating expenditures in the General Fund were approximately \$2.3 million less than the final budget.
- At the end of Fiscal Year (FY) 2019-2020, the Unassigned Fund Balance in the General Fund was approximately \$6.5 million, or 23.5% of the General Fund's total original budgeted expenditures. This represents a net increase from the previous year's Unassigned Fund Balance in the amount of \$1.9 million.
- At the end of FY 2019-2020, the unassigned and committed fund balance in the General Fund was approximately \$24.9 million and includes the following accounts:

1. Unassigned Fund Balance	\$ 6,530,400
2. Committed for Reserve for Economic Contingency (30% of Operational Budget)	6,760,641
3. Committed for Reserve for Economic Stabilization	1,000,000
4. Committed Fund Balance for Fire Services	10,004,935
5. Committed OPEB	559,190
Total	<u>\$ 24,855,166</u>

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Yucaipa's basic financial statements. The City's basic financial statements are comprised of three components, 1) Government-wide Financial Statements, 2) Fund Financial Statements and, 3) Notes to the Financial Statements. This report contains other supplementary information in addition to the basic financial statements and required information.

Government-wide Financial Statements. The Government-wide Financial Statements are designed to provide readers with a broad overview of the City's financial position, in a manner similar to that of a private-sector business. These statements are reported on the full accrual basis of accounting. Thus, revenues and expenses are reported for some items that will not affect cash flows until future periods.

The Government-wide Financial Statements typically will separate Governmental Activities that are principally supported by taxes and revenues from other agencies, from Business-type Activities and other service fees that are intended to recover all, or a significant portion of their costs, through user fees and charges. The City of Yucaipa currently has no Business-type Activities. The Governmental Activities of the City include General Government, Community Development, Building and Safety, Public Works, Public Safety, Fire Protection Services, Paramedic Services, and Community Services.

The **Government-wide Financial Statements** include not only the City, but also all legal entities for which the City is financially accountable.

The **Statement of Net Position** presents information on all the City's assets and liabilities; the difference between the two is reported as the net position. Assets include all infrastructure assets in accordance with GASB 34. The liabilities include all obligations. Evaluating increases or decreases in net assets over time may serve as a useful indicator of whether the financial position of the City is improving or declining.

The **Statement of Activities** presents information on the net cost of each governmental function (activity) during the fiscal year. This statement also identifies the amount of general revenues needed to fully fund each governmental function.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

Governmental Funds (General Fund, Special Revenue, Debt Service and Capital Projects Funds) are used to account for the same functions reported as Governmental Activities in the Government-wide Financial Statements. However, unlike Government-wide Financial Statements, Fund Financial Statements focus on short-term inflows and outflows of spendable resources. These funds are reported using the modified accrual basis of accounting, which measures cash and all

other financial assets that can readily be converted to cash. This information may be useful in evaluating the City's short-term financing requirements.

The focus of the Fund Financial Statements is narrower than that of the Government-wide Financial Statements. The various fund Balance Sheets and the Statement of Revenues, Expenditures, and Changes in Fund Balances, require a reconciliation to facilitate the comparison between fund statements and the government-wide statements. This reconciliation is required because the government-wide statements are prepared in the full accrual basis of accounting while the fund statements are prepared in the modified accrual basis of accounting. This reconciliation can be found on the pages immediately following the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds.

Proprietary Funds are Enterprise and Internal Service Funds. The City currently has no enterprise funds. Internal Service Funds are used to accumulate and allocate costs internally to various functions. The City uses an Internal Service Fund to account for its self-insurance activities related to Worker's Compensation, liability and property insurance. The proprietary fund statements provide financial information for the Internal Service Fund.

Fiduciary Funds are used to account for resources held for the benefit of parties outside of the City. Fiduciary funds are not reflected in the government-wide and fund financial statements because the resources of those funds are not available to support the City's own programs. Fiduciary Funds are reported in the financial section, as appropriate. The City currently maintains four fiduciary funds. The first is for a donation received many years ago on behalf of the Sheriff's Department; the interest received thereon funds minor incidental needs of the department's station. The second fiduciary fund is used to account for transactions related to a deposit made for the benefit of the Yucaipa Historical Society relating to the disposition of the Kramer House, previously located within Chapman Heights. The third fiduciary fund includes the debt service reserve funds required for the Community Facilities District No. 98-1 of the City of Yucaipa (Chapman Heights). The fourth fiduciary fund maintained includes the financial information related to the Successor Agency to the City's Redevelopment Agency (RDA).

Notes to the Financial Statements. The notes provide additional information that is essential to the reader for a full understanding of the data provided in the Government-wide and Fund Financial Statements.

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 of Yucaipa, assets and deferred outflows exceeded liabilities by approximately \$224 million as of June 30, 2020. This represents an increase from the previous year by the amount of approximately \$3.8 million. See Table 1, below, for a comparative analysis of net position between the fiscal years ended June 30, 2019 and June 30, 2020.

Table 1
Net Position
Governmental Activities

	Fiscal Year Ended June 30	
	2020	2019
Current and other Assets	\$ 40,501,320	\$ 43,858,848
Capital Assets, Net	193,575,047	187,442,518
Total Assets	\$ 234,076,367	\$ 231,301,366
Deferred Outflows of Resources	\$ 1,434,955	\$ 1,560,021
Current Liabilities	4,069,435	5,928,184
Long Term Liabilities	7,345,315	6,675,792
Total Liabilities	\$ 11,414,750	\$ 12,603,976
Deferred Inflows of Resources	\$ 160,512	\$ 135,691
Net Position:		
Net investment in		
Capital Assets	193,575,047	187,442,518
Restricted	5,294,418	8,799,968
Unrestricted	25,066,595	23,879,234
Total Net Position	\$ 223,936,060	\$ 220,121,720

A large portion of the City's net position (\$193.6 million) reflects its investment in capital assets (i.e., land, buildings, machinery, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding, if applicable. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. 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. (It is important to note that the only debt currently reported in the financial statements is that debt incurred by the routine payments of current obligations.) Debt obligations incurred by the former RDA and the Community Facilities District no. 98-1 are not included in the City's Governmental Financial Statements.

An additional portion of the City's net position (\$5.29 million, or 2.36%) represents resources that are subject to external restrictions on how they may be used. This typically refers to funds received through State and Federal grants. The remaining balance of Unrestricted Net Position (\$25 million) may be used to meet the government's ongoing obligations to citizens and creditors.

The condensed summary of activities, which follows, shows that net position increased by approximately \$3.8 million during the year as a result of operations. The summary reflects an increase in total revenues in the amount of approximately \$ 4.2 million from the previous year,

despite a decrease in Sales Tax and Investment Income revenues. The increase is primarily the result of timing related to the receipt of grant funds associated with City initiated capital projects.

The summary also reflects an increase in total expenses in the amount of approximately \$3.8 million from the previous year. The increase is primarily due to increased expenditures in city capital projects, as well as an increase in public safety costs.

Table 2
Summary of Governmental Activities

	Fiscal Year Ended June 30	
	2020	2019
Revenues		
Program Revenues:		
Charges for Services	\$ 4,492,201	\$ 4,452,055
Operating Grants	2,203,890	1,698,865
Capital Grants	9,938,960	6,044,151
General Revenues:		
Property Taxes	12,598,276	12,136,328
Sales Taxes	3,751,828	4,178,316
Other Taxes and Fees	1,700,225	1,611,193
Motor Vehicle In-Lieu Fees	5,448,407	5,183,224
Investment Income/Misc	805,065	1,407,244
Total Revenues	\$ 40,938,852	\$ 36,711,376
Expenses		
General Government	4,640,613	4,052,236
Public Safety/Fire/Paramedic	16,758,782	15,425,996
Comm. Dev./Pub. Works/Build. & Saf.	13,004,985	11,394,586
Community Services	2,720,132	2,474,834
Total Expenses	\$ 37,124,512	\$ 33,347,652
Increase in Net Position	\$ 3,814,340	\$ 3,363,724
Beginning Net Position	\$ 220,121,720	\$ 216,757,996
Ending Net Position	\$ 223,936,060	\$ 220,121,720

Table 3
Revenues by Source – Governmental Activities
For the Years Ended June 30, 2020 & 2019

	2019/20		2018/19	
	Amount	% of Total	Amount	% of Total
Taxes				
Property	\$ 12,598,276	30.8%	\$ 12,136,328	33.1%
Sales and Use	3,751,828	9.2%	4,178,316	11.4%
Franchise Fees	1,491,027	3.6%	1,422,487	3.9%
Doc. Transfer	186,819	0.5%	165,803	0.5%
Other Taxes	22,379	0.1%	22,903	0.1%
Fees for Services	4,492,201	11.0%	4,452,055	12.1%
Fines & Forfeitures	40,581	0.1%	44,876	0.1%
Other Agencies	16,813,811	41.1%	12,238,438	33.3%
Interest	412,106	1.0%	646,973	1.8%
Licenses & Permits	736,865	1.8%	642,926	1.8%
Miscellaneous Revenues	392,959	1.0%	760,271	2.1%
Total	\$ 40,938,852	100%	\$ 36,711,376	100%

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 focus of the City's governmental funds is to provide information on the near-term inflows, outflows and balances of spendable resources. Such information may be useful in assessing the City's financing requirements. In particular, the 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 the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of approximately \$27.9 million, a decrease of approximately \$5.1 million in comparison with the prior year. The General Fund has a fund balance of approximately \$55 million, while all other governmental funds combined have an approximate total fund balance deficit of \$(27) million. This is due mainly to long-term deficit spending in capital projects requiring of loans from the General Fund (see Note 14 Accumulated Fund Deficits for further discussion).

Below is an analysis of each of the City's major funds.

General Fund

For purposes of reporting and presentation in the CAFR, the General Fund and Fire Services Fund were combined beginning in FY 2018-2019 to constitute the chief operating fund of the City. At the end of the fiscal year ended on June 30, 2020, the Unassigned Fund Balance of the General

Fund was approximately \$6.5 million. Included in the Committed Fund Balance is approximately \$6.8 million that was authorized by City Council for future operating and economic contingencies and approximately \$10 million related to the consolidation of the Fire Services Fund Balance. The total Fund Balance in the General Fund, as of June 30, 2020, was approximately \$55 million.

The total Fund Balance of the City's General Fund increased by an amount of approximately \$5.3 million. This increase was primarily the result of a transfer of \$5.3 million back to the General Fund from funds previously transferred that supported projects in previous fiscal years that had not been returned after the completion of projects.

The differences in General Fund revenues from the total budgeted estimates can be summarized as follows:

Description	2019/20 Budget Estimate	2019/20 Actual Revenue	Amount of Increase	% Increase
Property Tax	\$ 11,741,956	\$ 11,504,516	\$ (237,440)	-2.0%
Sales Tax	4,138,460	3,751,828	(386,632)	-9.3%
Current Services	2,545,897	2,400,112	(145,785)	-5.7%
Other Taxes	1,570,200	1,609,548	39,348	2.5%
Other Governmental	5,585,532	5,819,899	234,367	4.2%
Licenses & Permits	618,068	736,865	118,797	19.2%
Investment Income	260,000	590,007	330,007	126.9%
Misc. Revenues	196,500	367,861	171,361	87.2%
Transfers	1,118,058	5,472,338	4,354,280	389.5%

During FY 2019-2020, the City experienced modest increases among most revenue categories including Property Taxes, Charges for Services, and Other Governmental revenues. Sales and Use Tax was one exception, as the City experienced a decrease of approximately \$426,500 from the prior fiscal year. This decrease is attributable to COVID-19 lockdowns that subdued economic activity for a portion of the fiscal year. Investment income also decreased from the prior fiscal year, coinciding with declining interest rates over the same time period.

Special Revenue Fund:

Measure I

The Measure I Special Revenue Fund accounts for the ½% sales tax that is required to be used for the maintenance and improvement of City streets. In FY 2019-2020, the fund balance of the Measure I Fund decreased by approximately \$6.5 million due mainly to approximately \$6.2 million of unavailable revenue that will be recorded in the subsequent fiscal year.

Capital Projects Funds:

Public Facilities

The Public Facilities Fund is a component of the City's Development Impact Fee Program. It is used to account for financial transactions specifically related to the construction of Public Facilities. Over the years, the General Fund has loaned the Public Facilities Fund resources for the construction of public facilities, including the construction of the Yucaipa Performing Arts Center. These resources are to be repaid with the collection of future Development Impact Fees. In FY 2019-2020, the fund balance of the Public Facilities Fund increased by approximately \$3.3 million due mainly to a reclassification of prior years' expenditures within Developer Impact Fee Funds.

Park Facilities

The Park Facilities Fund is a component of the City's Development Impact Fee Program. It is used to account for financial transactions specifically related to the construction of Park Facilities including parks, amenities, and open space. In prior years, the General Fund has loaned the Park Facilities Fund resources for the construction of park facilities. These resources are to be repaid with the collection of future Development Impact Fees. In FY 2019-2020, the fund balance of the Park Facilities Fund decreased by approximately \$2.7 million due mainly to a reclassification of prior years' expenditures within Developer Impact Fee Funds.

Traffic Facilities

The Traffic Facilities Fund is a component of the City's Development Impact Fee Program. It is used to account for financial transactions specifically related to the construction of Traffic Infrastructure Projects. Changes in Fund Balance from one year to the next reflect the timing of grant revenue receipts and the construction of capital projects. In FY 2019-2020, the fund balance of the Traffic Facilities Fund decreased by approximately \$3.8 million due primarily to the result of the \$5.3 million transfer mentioned above in General Fund and \$5.5 million of deficit spending, partially offset by \$6.2 million of transfer-ins from multi-year Measure I reimbursements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental activities as of June 30, 2020, amounts to approximately \$193.6 million (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment and construction-in-progress.

The total net increase in the City's net investment in capital assets for the current fiscal year was approximately \$6.1 million. The primary major capital assets added during FY 2019-2020 were the completion of several public works projects, including the completion of a significant street improvement project and a large bridge project, as well as increases to Construction-in-progress related to several major street/sidewalk improvement projects, drainage projects, environmental

mitigation projects and park projects. Construction-in-progress totaled \$17.8 million as of June 30, 2020 and depreciation expense was approximately \$6.6 million for the fiscal year ended June 30, 2020. See Table 4 below for the capital asset amounts by category as of June 30, 2020. Also, please refer to Note 4 in the financial statements for more detailed information.

Table 4
City of Yucaipa
Recorded Capital Assets at Year-End
(Net of Depreciation)

Land/Rights of Way	\$ 62,615,242
Infrastructure	105,570,326
Structures and Improvements	5,314,084
Equipment / Vehicles	2,285,218
Construction-in-Progress	17,790,177
Total Capital Assets	<u>\$ 193,575,047</u>

Long-term Debt. At the end of the current fiscal year, other than the obligations outlined in Note 8 related to the total Other Post-Employment Benefits (OPEB), Note 7 related to Pension Plan liabilities, and Compensated Absences, the City had no outstanding long-term debt. As of June 30, 2020 the Successor Agency to the Yucaipa RDA had incurred total long-term debt in the amount of \$6,967,341. This amount represents bonded indebtedness incurred as a result of Tax Allocation Bonds issued by the former RDA in 1998, 2004, and 2010. The former RDA issued 2010 Tax Allocation Bonds, dated November 2, 2010, in the amount of \$6,030,000 to finance Redevelopment projects. The 2010 bonds are issued on parity with the Agency's 1998 and 2004 bonds and have interest rates ranging from 4.00% to 5.50%. The final payment is due September 1, 2040.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's financial condition for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Finance & Administrative Services, 34272 Yucaipa Blvd., Yucaipa, CA 92399.

BASIC FINANCIAL STATEMENTS

City of Yucaipa
Statement of Net Position
June 30, 2020

	Governmental Activities
ASSETS	
Cash and Investments	\$ 28,949,275
Receivables:	
Accounts	2,386,659
Interest	148,848
Due From Other Governments	7,744,048
Restricted Cash and Investments	898,144
Land Held for Resale	374,346
Capital Assets, Not Being Depreciated	80,405,419
Capital Assets, Net of Accumulated Depreciation	113,169,628
Total Assets	<u>234,076,367</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred OPEB Related Items	191,312
Deferred Pension Related Items	1,243,643
Total Deferred Outflows	<u>1,434,955</u>
LIABILITIES	
Accounts Payable	3,096,291
Accrued Liabilities	75,000
Deposits Payable	898,144
Noncurrent Liabilities:	
Due Within One Year	49,978
Due in More Than One Year	7,295,337
Total Liabilities	<u>11,414,750</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred OPEB Related Items	34,046
Deferred Pension Related Items	126,466
Total Deferred Inflows	<u>160,512</u>
NET POSITION	
Net Investment in Capital Assets	193,575,047
Restricted for:	
Housing	437
Public Safety	689,126
Public Works/Transportation	134,574
Community Development	8,364
Community Services/Public Education	3,100,353
Capital Projects	115,836
Other Purposes	1,245,728
Unrestricted	25,066,595
Total Net Position	<u><u>\$ 223,936,060</u></u>

The accompanying notes are an integral part of this statement.

City of Yucaipa
Statement of Activities
Year Ended June 30, 2020

					Net (Expense) Revenue and Change in Net Position
Functions/Programs	Expenses	Program Revenues			Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General Government	\$ 4,640,613	\$ 831,261	\$ 78,193	\$ 10,654	\$ (3,720,505)
Community Development	2,267,651	560,636	-	42,170	(1,664,845)
Building and Safety	609,026	928,694	-	-	319,668
Public Works	10,128,308	434,430	1,251,989	9,843,001	1,401,112
Public Safety	11,124,230	200,808	208,333	6,423	(10,708,666)
Fire Protection Services	4,020,422	300,505	91,799	-	(3,628,118)
Paramedic Services	1,614,130	-	-	-	(1,614,130)
Community Services	2,720,132	1,235,867	573,576	36,712	(873,977)
Total Governmental Activities	<u>\$ 37,124,512</u>	<u>\$ 4,492,201</u>	<u>\$ 2,203,890</u>	<u>\$ 9,938,960</u>	<u>(20,489,461)</u>
General Revenues:					
Taxes:					
					12,598,276
					3,751,828
					1,491,027
					186,819
					22,379
					5,448,407
					412,106
					392,959

The accompanying notes are an integral part of this statement.

**City of Yucaipa
Balance Sheet
Governmental Funds
June 30, 2020**

		Special Revenue	Capital Projects	
			Developer Fees Public Facilities	Developer Fees Parks
	General	Measure I		
ASSETS				
Cash and Investments	\$ 20,738,388	\$ -	\$ 332,983	\$ 738,133
Receivables:				
Accounts	1,280,848	-	-	-
Interest	143,963	1,226	112	227
Due From Other Governments	-	6,432,598	-	-
Due From Other Funds	7,389,929	-	-	-
Restricted Cash and Investments	897,144	-	-	-
Advances to Other Funds	26,910,385	-	-	-
Land Held for Resale	-	-	-	-
Total Assets	<u>\$ 57,360,657</u>	<u>\$ 6,433,824</u>	<u>\$ 333,095</u>	<u>\$ 738,360</u>
LIABILITIES				
Accounts Payable & Accrued Liabilities	\$ 1,400,654	\$ -	\$ 10,884	\$ 7,767
Deposits Payable	897,144	-	-	-
Due to Other Funds	-	4,670,149	-	-
Advances From Other Funds	-	-	12,538,192	5,175,390
Total Liabilities	<u>2,297,798</u>	<u>4,670,149</u>	<u>12,549,076</u>	<u>5,183,157</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	<u>109,363</u>	<u>6,230,111</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>109,363</u>	<u>6,230,111</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	26,910,385	-	-	-
Restricted	-	-	-	-
Committed	18,324,766	-	-	-
Assigned	3,187,945	-	-	-
Unassigned	<u>6,530,400</u>	<u>(4,466,436)</u>	<u>(12,215,981)</u>	<u>(4,444,797)</u>
Total Fund Balances	<u>54,953,496</u>	<u>(4,466,436)</u>	<u>(12,215,981)</u>	<u>(4,444,797)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 57,360,657</u>	<u>\$ 6,433,824</u>	<u>\$ 333,095</u>	<u>\$ 738,360</u>

The accompanying notes are an integral part of this statement.

Capital Projects		
Traffic Facilities	Non-Major Funds	Total Governmental Funds
\$ 1,048,134	\$ 5,584,140	\$ 28,441,778
-	1,057,661	2,338,509
1,592	1,583	148,703
532,039	779,411	7,744,048
-	1,112,396	8,502,325
-	1,000	898,144
-	1,037,430	27,947,815
-	374,346	374,346
<u>\$ 1,581,765</u>	<u>\$ 9,947,967</u>	<u>\$ 76,395,668</u>
\$ 1,136,996	\$ 515,283	\$ 3,071,584
-	1,000	898,144
-	3,832,176	8,502,325
1,435,375	8,798,858	27,947,815
<u>2,572,371</u>	<u>13,147,317</u>	<u>40,419,868</u>
<u>250,243</u>	<u>1,462,403</u>	<u>8,052,120</u>
<u>250,243</u>	<u>1,462,403</u>	<u>8,052,120</u>
-	-	26,910,385
-	5,684,636	5,684,636
-	-	18,324,766
-	-	3,187,945
(1,240,849)	(10,346,389)	(26,184,052)
(1,240,849)	(4,661,753)	27,923,680
<u>\$ 1,581,765</u>	<u>\$ 9,947,967</u>	<u>\$ 76,395,668</u>

The accompanying notes are an integral part of this statement.

City of Yucaipa
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2020

Fund balances of governmental funds	\$ 27,923,680
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Capital Assets Not Being Depreciated	80,405,419
Capital Assets Being Depreciated	269,922,228
Accumulated Depreciation	(156,752,600)

Long-term debt obligations are not due and payable in the current period and, therefore, are not reported in the funds:

Compensated Absences	(414,417)
Net Pension Liability	(4,971,001)
Net OPEB Liability	(1,959,897)

Amounts for deferred inflows and deferred outflows related to the City's Net Pension and OPEB Liabilities are not reported in the funds:

Deferred Outflows Related to Pensions	1,243,643
Deferred Inflows Related to Pensions	(126,466)
Deferred Outflows Related to OPEB	191,312
Deferred Inflows Related to OPEB	(34,046)

The internal service fund is used by management to charge costs of activities involved in rendering services to departments within the City. The assets and liabilities of the internal service fund are included in the statement of net position.	456,085
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Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	8,052,120
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Net position of governmental activities	<u><u>\$ 223,936,060</u></u>
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The accompanying notes are an integral part of this statement.

City of Yucaipa
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2020

		Special Revenue	Capital Projects	
	General	Measure I	Developer Fees Public Facilities	Developer Fees Parks
REVENUES				
Taxes:				
Property Taxes	\$ 11,504,516	\$ -	\$ -	\$ -
Sales and Use Taxes	3,751,828	-	-	-
Franchise Taxes	1,400,350	-	-	-
Documentary Transfer Tax	186,819	-	-	-
Other Taxes	22,379	-	-	-
Licenses and Permits	736,865	-	-	-
Fines and Forfeitures	28,895	-	-	-
Charges for Services	2,400,112	-	31,236	30,574
Intergovernmental	5,819,899	1,029,023	-	100,000
Investment Income	590,007	29,467	8,776	12,790
Other	338,966	-	8,953	23,922
Total Revenues	26,780,636	1,058,490	48,965	167,286
EXPENDITURES				
Current:				
General Government	3,274,314	-	-	-
Community Development	797,221	-	-	-
Building and Safety	609,026	-	-	-
Public Works	2,448,965	-	54,865	90,728
Public Safety	10,268,836	-	-	-
Fire Protection Services	4,020,422	-	-	-
Paramedic Services	-	-	-	-
Community Services	2,467,290	-	-	-
Capital Outlay	1,586,043	-	121,880	271,360
Total Expenditures	25,472,117	-	176,745	362,088
Excess (Deficiency) of Revenues over Expenditures	1,308,519	1,058,490	(127,780)	(194,802)
OTHER FINANCING SOURCES (USES)				
Transfers In	5,472,338	-	3,442,403	287,000
Transfers Out	(1,444,786)	(7,595,678)	-	(2,810,117)
Total Other Financing Sources (Uses)	4,027,552	(7,595,678)	3,442,403	(2,523,117)
Net Change in Fund Balances	5,336,071	(6,537,188)	3,314,623	(2,717,919)
Fund Balances, Beginning of Year	49,617,425	2,070,752	(15,530,604)	(1,726,878)
Fund Balances, End of Year	\$ 54,953,496	\$ (4,466,436)	\$ (12,215,981)	\$ (4,444,797)

The accompanying notes are an integral part of this statement.

Capital Projects		
Traffic Facilities	Non-Major Funds	Total Governmental Funds
\$ -	\$ 1,093,760	\$ 12,598,276
-	-	3,751,828
-	90,677	1,491,027
-	-	186,819
-	-	22,379
-	-	736,865
-	11,686	40,581
133,144	791,134	3,386,200
1,619,646	4,997,179	13,565,747
102,073	313,214	1,056,327
-	53,652	425,493
<u>1,854,863</u>	<u>7,351,302</u>	<u>37,261,542</u>
-	178,784	3,453,098
-	-	797,221
-	-	609,026
254,569	2,031,374	4,880,501
-	69,191	10,338,027
-	-	4,020,422
-	1,614,130	1,614,130
-	32,114	2,499,404
<u>7,053,954</u>	<u>5,152,587</u>	<u>14,185,824</u>
<u>7,308,523</u>	<u>9,078,180</u>	<u>42,397,653</u>
<u>(5,453,660)</u>	<u>(1,726,878)</u>	<u>(5,136,111)</u>
6,957,161	3,393,681	19,552,583
<u>(5,267,121)</u>	<u>(2,434,881)</u>	<u>(19,552,583)</u>
<u>1,690,040</u>	<u>958,800</u>	<u>-</u>
(3,763,620)	(768,078)	(5,136,111)
<u>2,522,771</u>	<u>(3,893,675)</u>	<u>33,059,791</u>
<u>\$ (1,240,849)</u>	<u>\$ (4,661,753)</u>	<u>\$ 27,923,680</u>

The accompanying notes are an integral part of this statement.

City of Yucaipa
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2020

Net change in fund balances - total governmental funds \$ (5,136,111)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense:

Capital Outlay	12,745,069
Depreciation	(6,555,593)
Disposals	(56,947)

The internal service fund is reported as a proprietary fund separate from the governmental funds. The revenues and expenses of the internal service fund are included in the statement of activities.	(39,980)
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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. This is the net change in unavailable revenue for the current period.	3,677,312
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Amounts for deferred inflows and deferred outflows related to the City's Net Pension and OPEB Liabilities are not reported in the funds. This is the net change in deferred inflows and outflows related to these liabilities:

Deferred Outflows Related to Pensions	(288,147)
Deferred Inflows Related to Pensions	9,225
Deferred Outflows Related to Net OPEB Liability	163,081
Deferred Inflows Related to Net OPEB Liability	(34,046)

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

Compensated Absences	(51,474)
Net Pension Liability	(310,494)
Total OPEB Liability	(307,555)

Change in net position of governmental activities	\$ 3,814,340
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The accompanying notes are an integral part of this statement.

City of Yucaipa
Statement of Net Position
Proprietary Fund
June 30, 2020

	Governmental Activities - Internal Service Fund
ASSETS	
Current:	
Cash and Investments	\$ 507,497
Accounts Receivable	48,150
Interest Receivable	<u>145</u>
Total Current Assets	<u>555,792</u>
LIABILITIES	
Current:	
Accounts Payable	24,707
Accrued Liabilities	<u>75,000</u>
Total Current Liabilities	<u>99,707</u>
NET POSITION	
Unrestricted	<u>456,085</u>
Total Net Position	<u><u>\$ 456,085</u></u>

The accompanying notes are an integral part of this statement.

City of Yucaipa
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
Year Ended June 30, 2020

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Charges for Services	\$ 392,811
Other Income	136,192
Total Operating Revenues	529,003
OPERATING EXPENSES	
Professional Services	6,291
Property and Liability Premiums	464,701
Claims Expense	114,831
Total Operating Expenses	585,823
Operating Income (Loss)	(56,820)
NON-OPERATING REVENUES (EXPENSES)	
Investment Earnings	6,328
Intergovernmental	10,512
Total Non-Operating Revenues (Expenses)	16,840
Income (Loss) before contributions and transfers	(39,980)
Transfers In	-
Transfers Out	-
Total Transfers	-
Change in Net Position	(39,980)
Total Net Position, Beginning of Year	496,065
Total Net Position, End of Year	456,085

The accompanying notes are an integral part of this statement.

**City of Yucaipa
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2020**

	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities	
Cash Received from Users	\$ 392,811
Cash Paid to Suppliers for Goods and Service	(466,277)
Cash Paid for Claims	(114,831)
Other Income	88,042
	<u> </u>
Net Cash Provided (Used) by Operating Activities	<u>(100,255)</u>
Cash Flows from Non-Capital Financing Activities	
Proceeds from Grants	<u>10,512</u>
	<u> </u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>10,512</u>
Cash Flows from Investing Activities	
Interest on Investments	<u>6,398</u>
	<u> </u>
Net Cash Provided (Used) by Investing Activities	<u>6,398</u>
	<u> </u>
Net Increase (Decrease) in Cash and Cash Equivalents	(83,345)
Cash and Cash Equivalents, Beginning of Year	<u>590,842</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 507,497</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating income (loss)	\$ (56,820)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
(Increase) Decrease in Accounts Receivable	(48,150)
Increase (Decrease) in Accounts Payable	4,715
	<u> </u>
Net Cash Provided (Used) By Operating Activities	<u><u>\$ (100,255)</u></u>

The accompanying notes are an integral part of this statement.

City of Yucaipa
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Successor Agency Private-Purpose Trust Fund	Agency Funds
ASSETS		
Cash and Investments	\$ 452,516	\$ 2,836,290
Cash and Investments with Fiscal Agent	780,304	2,374,219
Accounts Receivable	751	15,956
Interest Receivable	352	1,525
Total Assets	1,233,923	\$ 5,227,990
LIABILITIES		
Deposits Payable	-	\$ 108,098
Interest Payable	119,926	-
Bonds Payable	6,967,341	-
Due to Bondholders	-	5,119,892
Total Liabilities	7,087,267	\$ 5,227,990
NET POSITION		
Net Position Held in Trust for Successor Agency	\$ (5,853,344)	

The accompanying notes are an integral part of this statement.

City of Yucaipa
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2020

	Successor Agency Private-Purpose Trust Fund
ADDITIONS	
Taxes	\$ 682,173
Investment Income	37,056
Other	-
Total Additions	719,229
DEDUCTIONS	
Administration Costs	264,272
Interest Expense	359,522
Total Deductions	623,794
Change in Net Position	95,435
Net Position - Beginning	(5,948,779)
Net Position - Ending	<u>\$ (5,853,344)</u>

The accompanying notes are an integral part of this statement.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A) Reporting Entity

The City of Yucaipa was incorporated on November 27, 1989 under the general laws of the State of California. The City operates under the Council-Manager form of government.

As required by generally accepted accounting principles, these financial statements present the City of Yucaipa and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

Currently, the City of Yucaipa does not have any component units to report.

B) Basis of Accounting and Measurement Focus

The basic financial statements of the City are composed of the following:

- o Government-wide financial statements
- o Fund financial statements
- o Notes to the financial statements

Government-Wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the economic resources measurement focus and accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Program revenues include charges for services and payments made by parties outside the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expense. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expense.

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about the major funds individually and nonmajor funds in the aggregate for all funds.

Governmental Funds

In the fund financial statements, governmental funds are presented using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. *Measurable* means that the amounts can be estimated, or otherwise determined. *Available* means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period.

The City uses an availability period of 60 days, except for grants which are considered available if they are collected within 120 days after year-end. Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle in lieu, transient occupancy taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Revenue recognition is subject to the *measurable* and *availability* criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. *Imposed nonexchange transactions* are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. *Government-mandated and voluntary nonexchange transactions* are recognized as revenues when all applicable eligibility requirements have been met.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered “available spendable resources,” since they do not represent the net current assets.

Recognition of governmental fund type revenues represented by non-current receivables are deferred until they become current receivables. Non-current portions of long-term receivables are offset by nonspendable fund balance.

Due to the nature of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as *other financing sources* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When both restricted and unrestricted resources are combined in a fund, expenses are considered to be paid first from restricted resources, and then from unrestricted resources.

Proprietary Fund and Fiduciary Funds

The City’s internal service fund is a proprietary fund. In the fund financial statements, the proprietary fund and fiduciary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, the proprietary fund and the private-purpose trust fund are presented using the *economic resources measurement focus*. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

The proprietary fund distinguishes 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 City’s internal service fund are charges to internal customers for risk management functions. Operating expenses for the internal service fund include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C) Fund Classifications

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

The *Measure I Special Revenue Fund* accounts for the ½% sales tax that is required to be used for the maintenance and improvement of City streets.

The *Developer Fees Public Facilities Capital Projects Fund* accounts for and reports financial resources collected from development impact fees on new development and restricted for construction of public facilities.

The *Developer Fees Parks Capital Projects Fund* accounts for and reports financial resources collected from development impact fees on new development and restricted for construction of park facilities.

The *Traffic Facilities Capital Projects Fund* accounts for and reports financial resources for street related capital projects.

Additionally, the City reports the following fund types:

The *Self Insurance Internal Service Fund* accounts for self-funded insurance. Departments of the City are charged for services provided or benefits received from this fund.

The *Private-purpose Trust Fund* accounts for the balances and transactions of the Successor Agency to the Yucaipa Redevelopment Agency.

The *Agency Fund* accounts for monies held for assessment districts, and other deposits.

D) Cash and Investments

Cash includes amounts in demand and time deposits. Investments are reported in the accompanying financial statements at fair value, except for certain certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The City pools cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

E) Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as short-term highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of 3 months or less.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F) Due from Other Governments

The amounts recorded as due from other governments, include sales taxes, property taxes, and grant revenues, collected or provided by Federal, State, County and City governments and remain unremitted to the City as of June 30, 2020.

G) Advances Between Funds

Advances receivable, as reported in the fund financial statements, are offset by nonspendable fund balance in the General Fund to indicate that they are not available for appropriation and are not expendable available financial resources.

H) Property Tax Calendar

Property taxes attach as an enforceable lien on property as of January 1, each year. Taxes are levied on July 1, and are payable in two installments no later than December 10, and April 10, of each year. The County of San Bernardino bills and collects the property taxes and remits them to the City in installments during the year. Under the provisions of NCGA Interpretation 3, property tax revenue is recognized in the fiscal year for which the taxes have been levied, provided it is collected within 60 days of the end of the fiscal year.

The County is permitted by State law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the property tax rate no more than 2% per year. The City receives a share of this basic levy proportionate to what was received in the 1976 to 1978 period and transferred to the City upon incorporation.

I) Claims and Judgments

The City maintains funds in the Self Insurance Internal Service Fund as a reserve for litigation, judgments and claims equal to a minimum of three times the City's self-insured retention. This reserve represents an estimate for claims, including "incurred but not reported" (IBNR).

J) Employee Leave Benefits

In accordance with GASB Statement No 16, a liability is recorded for unused balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

K) Capital Assets

Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Contributed capital assets received prior to the implementation of GASB 72 are valued at their estimated fair market value at the date of the contribution. Contributed capital assets received subsequent to the implementation of GASB 72 are recorded at acquisition value as of the date received. Generally, capital asset purchases in excess of \$10,000 and infrastructure greater than \$100,000 are capitalized.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Capital assets include public domain (infrastructure) assets consisting of certain improvements including roads, streets, sidewalks, medians and storm drains. Depreciation has been provided using the straight line method over the estimated useful life of the asset in the government-wide financial statements.

The following schedule summarizes capital asset useful lives:

Building and Improvements	10 - 30 years
Equipment	7 - 10 years
Vehicles	7 - 10 years
Infrastructure	10 - 30 years

L) Use of Estimates

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

M) Fund Equity

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

Net investment in capital assets describes the portion of net position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulation, laws, or other restrictions which the City cannot unilaterally alter.

Unrestricted describes the portion of net position which is not restricted to use.

N) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City reports deferred outflows of resources relating to the Net Pension Liability and the Total OPEB Liability.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has certain items, which arise only under the modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, special assessments, grant receivables, and other miscellaneous receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the City reports deferred inflows relating to the Net Pension Liability and the Total OPEB Liability.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

O) Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position.

P) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

The Governmental Accounting Standards Board has issued the following Statements, which may affect the City's financial reporting requirements in the future:

GASB 84 - Fiduciary Activities: This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB 87 – Leases: This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. 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. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

GASB 89 – Accounting for Interest Cost Incurred before the End of a Construction Period: This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

GASB 90 – Majority Equity Interests: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB 91 - Conduit Debt Obligations: The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

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

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

R) Other Postemployment Benefits (OPEB)

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

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

2) CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 28,949,275
Restricted Cash and Investments	898,144
Statement of Fiduciary Net Position:	
Cash and Investments	3,288,806
Cash and Investments with Fiscal Agents	3,154,523
Total Cash and Investments	<u>\$ 36,290,748</u>

Cash and Investments consist of the following:

Cash on Hand	\$ 1,300
Deposits with Financial Institutions	4,154,524
Investments	32,134,924
Total Cash and Investments	<u>\$ 36,290,748</u>

Investments Authorized by the City's Investment Policy

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

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

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

2) CASH AND INVESTMENTS - Continued

Authorized Investment Type	Authorized by Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment In One Issuer*
Local Agency Bonds	No	5 years	None	None
U.S. Treasury Obligations	Yes	2 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Banker's Acceptances	Yes	180 days	40%	30%
Commercial Paper	Yes	270 days	15%	10%
Negotiable Certificates of Deposit	Yes	2 years	30%	None
Repurchase Agreements	Yes	1 year	None	None
Reverse Repurchase Agreements	No	92 days	20% of base value	None
Medium Term Notes	No	5 years	30%	None
Mutual Funds	No	N/A	20%	10%
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-through Securities	No	5 years	20%	None
County Pooled Investment Funds	No	N/A	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	None	None
Supranationals	Yes	5 years	30%	None
JPA Pools (other investment pools)	No	N/A	None	None

*Based on state law requirements or investment policy requirements, whichever is more restrictive.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provision of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Medium Term Notes	5 years	30%	5%
Money Market Mutual Funds	N/A	20%	10%
Repurchase Agreements	270 days	30%	None
Investment Contracts	30 years	None	None
Local Agency Investment Fund (LAIF)	N/A	50 million	None

Disclosures Relating to Interest Rate Risk

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

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

2) CASH AND INVESTMENTS - Continued

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investment by maturity:

Investment Type	Total	Remaining Maturity (in Months)		
		12 Months or Less	1 to 2 Years	2 to 5 Years
U.S. Treasury Obligations	\$ 6,917,075	\$ -	\$ 4,509,382	\$ 2,407,693
U.S. Agency Securities	426,403	-	138,539	287,864
Supranational Agency Securities	1,164,096	1,164,096	-	-
Negotiable Certificates of Deposit	1,977,833	1,977,833	-	-
Medium Term Notes	8,179,953	4,606,778	2,733,700	839,475
Municipal Securities	305,601	305,601	-	-
Asset Backed Securities	1,220,194	-	568,182	652,012
LAIF	6,734,753	6,734,753	-	-
Money Market Mutual Funds	2,054,493	2,054,493	-	-
Held by Bond Trustee:				
LAIF	54,278	54,278	-	-
Money Market Mutual Funds	3,100,245	3,100,245	-	-
Total Pooled Investments	<u>\$ 32,134,924</u>	<u>\$ 19,998,077</u>	<u>\$ 7,949,803</u>	<u>\$ 4,187,044</u>

Disclosures Relating to Credit Risk

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

Investment Type	Total	Minimum Legal Rating	AAA	AA	A and A-1	Rating not Required
U.S. Treasury Obligations	\$ 6,917,075	N/A	\$ -	\$ 6,917,075	\$ -	\$ -
U.S. Agency Securities	426,403	N/A	-	426,403	-	-
Supranational Agency Securities	1,164,096	A-	1,164,096	-	-	-
Negotiable Certificates of Deposit	1,977,833	A-	-	-	1,977,833	-
Medium Term Notes	8,179,953	A-	-	544,103	7,635,850	-
Municipal Securities	305,601	N/A	-	305,601	-	-
Asset Backed Securities	1,220,194	AA	1,220,194	-	-	-
LAIF	6,734,753	N/A	-	-	-	6,734,753
Money Market Mutual Funds	2,054,493	N/A	2,054,493	-	-	-
Held by Bond Trustee:						
LAIF	54,278	N/A	-	-	-	54,278
Money Market Mutual Funds	3,100,245	AAA	3,100,245	-	-	-
Total Pooled Investments	<u>\$32,134,924</u>		<u>\$ 7,539,028</u>	<u>\$ 8,193,182</u>	<u>\$ 9,613,683</u>	<u>\$ 6,789,031</u>

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2020, there were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

2) CASH AND INVESTMENTS - Continued

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). 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. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2020, no deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF). As of June 30, 2020, none of the City's investments were held by the broker-dealer (counterparty) that was used by the City to purchase the securities. For investments identified herein as held by bond trustee, the bond trustee selects the investments under terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2020:

Investment Type	Total	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
U.S. Treasury Obligations	\$ 6,917,075	\$ 6,917,075	\$ -	\$ -
U.S. Agency Securities	426,403	-	426,403	-
Supranational Agency Securities	1,164,096	-	1,164,096	-
Negotiable Certificates of Deposit	1,977,833	-	1,977,833	-
Medium Term Notes	8,179,953	-	8,179,953	-
Municipal Securities	305,601	-	305,601	-
Asset Backed Securities	1,220,194	-	1,220,194	-
Total Pooled Investments	<u>\$ 20,191,155</u>	<u>\$ 6,917,075</u>	<u>\$ 13,274,080</u>	<u>\$ -</u>

Level 2 inputs are valued using a matrix pricing model.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

2) CASH AND INVESTMENTS - Continued

Investment in State Investment Pool

The City is a voluntary participant in the LAIF that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at June 30, 2020 are as follows:

Due From (Receivable)	Due To (Payable)	Amount
General Fund	Measure I	\$ 4,670,149
	Non-major Governmental Funds	2,719,780
Non-major Governmental Funds	Non-major Governmental Funds	1,112,396
Total		<u>\$ 8,502,325</u>

The interfund balance from the General Fund was the result of short-term borrowings to cover deficit cash balances at June 30, 2020 as well as for cash flow to cover operations.

Interfund advances at June 30, 2020 are as follows:

Advances to Other Funds (Receivable)	Advances From Other Funds (Payable)	Amount
General Fund	Developer Fees Public Facilities	\$ 12,538,192
	Developer Fees Parks	5,175,390
	Traffic Facilities	397,945
	Non-major Governmental Funds	8,798,858
Non-major Governmental Funds	Traffic Facilities	1,037,430
Total Advances To/From Other Funds		<u>\$ 27,947,815</u>

The interfund balances were a result of the City's General Fund financing the construction improvements to the Live Oak/Oak Glen Road Interchange, construction of the City Hall, Aquatic Center, construction of the Community Park, construction of Fire Station No. 3, and the Yucaipa Performing Arts Center, respectively. These balances are expected to be repaid with future revenues.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Interfund transfers at June 30, 2020 are as follows:

TRANSFERS OUT	TRANSFERS IN					Total
	General Fund	Developer Fees Public Facilities	Developer Fees Parks	Traffic Facilities	Non-Major Funds	
General Fund	\$ -	\$ -	\$ 260,000	\$ 715	\$ 1,184,071	\$ 1,444,786
Measure I	-	-	-	6,230,111	1,365,567	7,595,678
Developer Fees Parks	1,491	2,808,626	-	-	-	2,810,117
Traffic Facilities	5,267,121	-	-	-	-	5,267,121
Non-Major Funds	203,726	633,777	27,000	726,335	844,043	2,434,881
	<u>\$ 5,472,338</u>	<u>\$ 3,442,403</u>	<u>\$ 287,000</u>	<u>\$ 6,957,161</u>	<u>\$ 3,393,681</u>	<u>\$ 19,552,583</u>

The transfers from the General Fund to the Developer Fees Parks and Non-Major Funds were to fund various park and facility projects and for paramedic services.

The transfers from the Measure I fund to the Traffic Facilities and Non-Major Funds was to fund various street related projects.

The transfer from the Traffic Facilities Fund to the General Fund of \$5,267,121 was to transfer back General Fund monies from prior years previously transferred by the General Fund but not spent.

The transfer from the Developer Fees Parks Fund to the Developer Fees Public Facilities Fund was to fund projects related to parks from prior years that were initially charged to the Developer Fees Facilities Fund.

The transfer from the Non-Major Funds to other funds were to fund project costs for streets, parks, and various other public facilities.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

4) CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Buildings and Improvements	\$ 15,407,112	\$ 403,634	\$ (610,990)	\$ 15,199,756
Equipment	2,702,613	684,258	(481,175)	2,905,696
Vehicles	3,694,994	-	(574,087)	3,120,907
Infrastructure	233,242,845	17,894,424	(2,441,400)	248,695,869
Total Depreciable Capital Assets	255,047,564	18,982,316	(4,107,652)	269,922,228
Less Accumulated Depreciation:				
Buildings and Improvements	(10,029,624)	(467,038)	610,990	(9,885,672)
Equipment	(1,777,445)	(268,356)	424,228	(1,621,573)
Vehicles	(2,466,467)	(227,432)	574,087	(2,119,812)
Infrastructure	(139,974,176)	(5,592,767)	2,441,400	(143,125,543)
Total Accumulated Depreciation	(154,247,712)	(6,555,593)	4,050,705	(156,752,600)
Net Depreciable Assets	100,799,852	12,426,723	(56,947)	113,169,628
Capital Assets, Not Depreciated:				
Land	5,245,319	-	-	5,245,319
Rights of Way	57,369,923	-	-	57,369,923
Construction in Progress	24,027,424	12,386,115	(18,623,362)	17,790,177
Total Capital Assets Not Depreciated, Net	86,642,666	12,386,115	(18,623,362)	80,405,419
Total Capital Assets, Net	\$ 187,442,518	\$ 24,812,838	\$ (18,680,309)	\$ 193,575,047

Depreciation expense was charged in the following function of the Statement of Activities:

General Government	\$ 328,125
Public Safety	786,203
Public Works	3,750,107
Community Development	1,470,430
Community Services	220,728
Total Depreciation Expense	<u>\$ 6,555,593</u>

5) CHANGES IN LONG-TERM LIABILITIES

The following is a summary of long-term liability activity, all of which are funded by the General Fund for the year ended June 30, 2020:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Due Beyond One Year
Governmental Activities:						
Total OPEB Liability	1,652,342	307,555	-	1,959,897	-	1,959,897
Net Pension Liability	4,660,507	310,494	-	4,971,001	-	4,971,001
Compensated Absences	362,943	101,319	49,845	414,417	49,978	364,439
Total	<u>\$ 6,675,792</u>	<u>\$ 719,368</u>	<u>\$ 49,845</u>	<u>\$ 7,345,315</u>	<u>\$ 49,978</u>	<u>\$ 7,295,337</u>

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

5) CHANGES IN LONG-TERM LIABILITIES - Continued

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation time. The balance of unpaid vacation time which has not matured at June 30, 2020 is recorded as a liability in the statement of net position. The General Fund finances this liability.

6) FIDUCIARY FUND LONG-TERM DEBT

The following is a summary of long-term debt activity for the City's fiduciary fund for the year ended June 30, 2020:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Due Beyond One Year
Tax Allocation Bonds:						
1998	\$ 345,000	\$ -	\$ 25,000	\$ 320,000	\$ 25,000	\$ 295,000
2004	1,590,000	-	50,000	1,540,000	50,000	1,490,000
2010	5,205,000	-	115,000	5,090,000	120,000	4,970,000
Unamortized Premium	18,166	-	825	17,341	825	16,516
Total	<u>\$ 7,158,166</u>	<u>\$ -</u>	<u>\$ 190,825</u>	<u>\$ 6,967,341</u>	<u>\$ 195,825</u>	<u>\$ 6,771,516</u>

1998 Tax Allocation Bonds

In 1998, the Yucaipa Redevelopment Agency issued \$720,000 of 1998 Tax Allocation Bonds. The proceeds were used to finance various improvement projects throughout the Agency. The bonds are payable exclusively from tax revenues allocated to the Agency. The 1998 Bonds consist of \$720,000 of term bonds. The bonds accrue interest at rates between 4.00% and 5.60% and are payable semiannually on March 1 and September 1 of each year commencing September 1, 1998. Principal on the bonds is payable in amounts ranging from \$15,000 to \$50,000 and in annual installments commencing on March 1, 1998 and ending September 1, 2028. Per the bond covenants, the Agency is required to maintain on deposit a reserve fund in an amount equal to \$53,638. At June 30, 2020, the amount held in the reserve account was \$54,278.

Future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 25,000	\$ 16,912	\$ 41,912
2022	30,000	15,400	45,400
2023	30,000	13,750	43,750
2024	30,000	12,100	42,100
2025	30,000	10,450	40,450
2026	35,000	8,662	43,662
2027	45,000	6,463	51,463
2028	45,000	3,987	48,987
2029	50,000	1,375	51,375
Totals	<u>\$ 320,000</u>	<u>\$ 89,099</u>	<u>\$ 409,099</u>

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

6) FIDUCIARY FUND LONG-TERM DEBT – Continued

2004 Tax Allocation Bonds

On October 12, 2004, the Yucaipa Redevelopment Agency issued \$2,500,000 of 2004 Tax Allocation Bonds. The proceeds were used to finance various improvement projects throughout the Agency. The bonds are payable exclusively from pledged tax revenues.

The 2004 Bonds consist of \$2,500,000 of term bonds. The bonds accrue interest rates between 2.10% and 5.00% and are payable semiannually on March 1 and September 1 of each year commencing March 1, 2005. Principal on the bonds is payable in amounts ranging from \$30,000 to \$170,000 and is payable in semi-annual installments commencing on March 1, 2005 and ending September 1, 2034.

Per the bond covenants, the Agency is required to maintain on deposit a reserve fund in an amount equal to \$191,069. At June 30, 2020, the amount held in the reserve account was \$191,704. Future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 50,000	\$ 73,820	\$ 123,820
2022	50,000	71,633	121,633
2023	50,000	69,407	119,407
2024	55,000	67,011	122,011
2025	60,000	64,329	124,329
2026	85,000	60,900	145,900
2027	85,000	56,862	141,862
2028	90,000	52,650	142,650
2029	90,000	48,263	138,263
2030	145,000	42,534	187,534
2031	150,000	35,250	185,250
2032	155,000	27,625	182,625
2033	160,000	19,750	179,750
2034	170,000	11,500	181,500
2035	145,000	3,625	148,625
Totals	<u>\$ 1,540,000</u>	<u>\$ 705,159</u>	<u>\$ 2,245,159</u>

2010 Tax Allocation Bonds

On November 2, 2010, the Yucaipa Redevelopment Agency issued \$6,030,000 of 2010 Tax Allocation Bonds. The proceeds are to be used to finance various improvement projects throughout the project area and are payable exclusively from pledged tax revenue. The 2010 Tax Allocation Bonds consisted of \$6,030,000 of term bonds. The bonds accrue interest at rates between 4.00% and 5.50% and are payable semiannually on March 1 and September 1 of each year commencing March 1, 2011. Principal on the bonds is payable in amounts ranging from \$85,000 to \$525,000 and is payable in annual installments commencing on September 1, 2011 and ending September 1, 2040. The outstanding balance at June 30, 2020 was \$5,090,000.

Per the bond covenants, the Agency is required to maintain a reserve account in an amount equal to \$522,580. At June 30, 2020, the amount held in the reserve account was \$534,189. Future debt service requirements are as follows:

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

6) FIDUCIARY FUND LONG-TERM DEBT – Continued

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 120,000	\$ 264,870	\$ 384,870
2022	125,000	259,908	384,908
2023	135,000	254,442	389,442
2024	140,000	248,390	388,390
2025	145,000	241,833	386,833
2026	125,000	235,378	360,378
2027	125,000	229,206	354,206
2028	135,000	222,622	357,622
2029	145,000	215,447	360,447
2030	155,000	207,759	362,759
2031	165,000	199,456	364,456
2032	175,000	190,422	365,422
2033	185,000	180,747	365,747
2034	195,000	170,534	365,534
2035	240,000	158,844	398,844
2036	405,000	141,509	546,509
2037	425,000	118,938	543,938
2038	450,000	94,875	544,875
2039	475,000	69,437	544,437
2040	500,000	42,625	542,625
2041	525,000	14,438	539,438
Totals	<u>\$ 5,090,000</u>	<u>\$ 3,761,680</u>	<u>\$ 8,851,680</u>

7) PENSION PLAN

General Information about the Defined Benefit Pension Plan

Plan Description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all others). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City of Yucaipa sponsors 2 rate plans (both are miscellaneous). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2018 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2018 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

7) PENSION PLAN - Continued

The Plan's provisions and benefits in effect at June 30, 2020, are summarized as follows:

	Miscellaneous	Miscellaneous PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	55	62
Monthly benefits, as a % of eligible compensation	2%	2%
Required employee contribution rates	7%	6.25%
Required employer contribution rates	10.868% + \$302,479	7.072% + \$5,420

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund. The dollar amounts are billed on a monthly basis. The City's required contribution for the unfunded liability and side fund was \$279,386 in fiscal year 2020. The City's contributions to the Plan for the year ended June 30, 2020 were \$687,263.

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

As of June 30, 2020, the City reported a net pension liability for its proportionate shares of the net pension liability of the Plan of \$4,971,001.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability as of June 30, 2018, and 2019 was as follows:

Proportion - June 30, 2018	0.04836%
Proportion - June 30, 2019	0.04851%
Change - Increase (Decrease)	0.00015%

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

7) PENSION PLAN - Continued

For the year ended June 30, 2020, the City recognized pension expense of \$1,276,680. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 687,263	\$ -
Differences between actual and expected experience	318,507	-
Changes in assumptions	153,011	-
Change in employer's proportion	84,862	-
Differences between employer's contributions and employer's proportionate share of contributions	-	39,558
Net differences between projected and actual earnings on plan investments	-	86,908
Total	<u>\$ 1,243,643</u>	<u>\$ 126,466</u>

\$687,263 reported as deferred outflows 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, 2021. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	
2021	\$ 382,219
2022	(18,823)
2023	48,954
2024	17,564
2025	-
Thereafter	-

Actuarial Assumptions – The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Projected salary increase	(1)
Investment rate of return	7.15%
Mortality	(2)

- (1) Depending on age, service and type of employment
(2) Derived using CalPERS' Membership Data for all Funds.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

7) PENSION PLAN - Continued

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

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, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%

(1) An expected inflation of 2.0% used for this period.

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

Discount Rate – The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

7) PENSION PLAN - Continued

1% Decrease		6.15%
Net Pension Liability	\$	8,258,325
Current Discount Rate		7.15%
Net Pension Liability	\$	4,971,001
1% Increase		8.15%
Net Pension Liability	\$	2,257,548

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

Payable to the Pension Plan

At June 30, 2020, the City reported no payables to the pension plan, for outstanding contributions required for the year ended June 30, 2020.

8) OTHER POSTEMPLOYMENT BENEFITS

General Information About the OPEB Plan

Plan Description - The City provides the same medical plans to retirees and surviving spouses as to its active employees, with the exception that once a retiree becomes eligible for Medicare, he or she must join a Medicare HMO or a Medicare Supplement plan, with Medicare becoming the primary payer. The plan is a single-employer defined benefit post-employment healthcare benefits plan.

Benefits Provided - Employees are eligible for retiree health benefits if they retire from the City on or after age 50 and 5 years of service (age 52 for Miscellaneous PEPRA employees), and continue health insurance through a City-sponsored health insurance plan, the City will contribute the minimum monthly amount (as required by CalPERS) of the health insurance premium (\$136 and \$139 for the calendar years 2019 and 2020 respectively). No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The City's health plan does not issue a publicly available financial report.

Employees Covered by Benefit Terms – As of the June 30, 2019 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Retirees or spouses of retirees	
currently receiving benefits	12
Active employees	53
	65

Contributions – The Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contributions to the Plan are based on the costs to provide the benefits as described above on a pay as you go basis. For the fiscal year ended June 30, 2020, the City's pay-as-you-go costs were \$17,624 and an implicit subsidy of \$8,736.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

8) OTHER POSTEMPLOYMENT BENEFITS - Continued

Total OPEB Liability - The City's total OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation dated June 30, 2019, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age, Level Percent of Pay
Mortality	CalPERS 1997-2015 Experience Study
Age at Retirement	60
Health Care Trend Rate	6.00% for 2019; 5.90% for 2020; 5.80% for 2021; and decreasing 0.10% per year to an ultimate rate of 5.00% for 2029 and later years
Inflation Rate	3.00%
Salary Changes	3.00%
Discount Rate	3.13% - Bond Buyer 20-Bond GO index
Medical CPI	3.50% - used to project PERS statutory minimum benefit

Discount Rate – The discount rate used to measure the total OPEB liability was 3.13 percent and is based on the Bond Buyer 20-Bond GO index.

Changes in the Total OPEB Liability

	Total OPEB Liability (TOL)
Balance at June 30, 2019 (June 30, 2018 measurement date)	\$ 1,652,342
Changes in the year:	
Service cost	119,792
Interest on the total OPEB liability	63,678
Changes in assumptions or other inputs	189,572
Difference between expected and actual experience, changes of assumptions	(39,127)
Benefit payments, including implicit subsidy	(26,360)
Net changes	307,555
Balance at June 30, 2020 (June 30, 2019 measurement date)	\$ 1,959,897

Sensitivity of the Total OPEB Liability to changes in the Discount Rate - The following presents the total OPEB liability of the City if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.13%)	Discount Rate (3.13%)	1% Increase (4.13%)
Total OPEB liability	\$ 2,241,144	\$ 1,959,897	\$ 1,731,950

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

8) OTHER POSTEMPLOYMENT BENEFITS - Continued

Sensitivity of the Net OPEB Liability to changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of the City, as well as what the City's Net OPEB would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease (5.00% for 2019, 4.00% ultimate, 3.00% at Medicare ages)	Current Rates (6.00% for 2019, 5.00% ultimate, 4.00% at Medicare ages)	1% Increase (7.00% for 2019, 6.00% ultimate, 5.00% at Medicare ages)
Total OPEB liability	\$ 1,707,648	\$ 1,959,897	\$ 2,275,988

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB - For the year ended June 30, 2020, the City recognized OPEB expense of \$203,009. The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to the Measurement Date	\$ 26,360	\$ -
Differences Between Expected and Actual Experience	-	34,046
Changes in Assumptions or Other Inputs	164,952	-
Total	<u>\$ 191,312</u>	<u>\$ 34,046</u>

The \$26,360 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2019 measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ended June 30, 2021.

9) SUMMARY DISCLOSURE OF SELF-INSURANCE CONTINGENCIES

The City maintains self-insurance programs for workers' compensation, general and auto liability. Claims are processed by an independent third-party claims administrator. The general and auto liability programs provide for self-insurance up to a maximum of \$50,000 per incident. Claims which exceed the limit are insured by the Public Agency Risk Sharing Authority of California (PARSAC), a joint powers authority of California municipalities, up to a maximum \$15,000,000 per incident.

The membership of PARSAC consists of thirty-seven California cities. The primary purpose of PARSAC is to provide coverage for losses from tort liability, workers' compensation, health benefits, and the ownership or use of real and personal property. A representative from each member city, appointed to the position by their City Council, serves on the Governing Board of the Authority. Each member of the Board has an equal vote in matters concerning the Authority.

The City also participates in PARSAC's workers' compensation program. The program operates as a partially self-insured program, which is combined with joint-purchased commercial excess insurance. Participants' losses are pooled to the programs' self-insured retention of \$250,000 then the commercial excess insurance attaches and provides coverage to statutory limits.

Included in the accrued claims of the Internal Service Fund is an estimated liability for claims filed, as calculated by the City's third-party claims administrator, but not paid, in the amount of \$75,000 for general and auto liability claims.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

9) SUMMARY DISCLOSURE OF SELF-INSURANCE CONTINGENCIES – Continued

Fiscal Year	Claims Payable Beginning of Year	Additions	Deletions	Claims Payable End of Year
6/30/20	\$ 75,000	\$ 114,831	\$ (114,831)	\$ 75,000
6/30/19	75,000	117,802	(117,802)	75,000
6/30/18	75,000	30,522	(30,522)	75,000

During the past three fiscal years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability covered from coverage in the prior year.

10) DEVELOPMENT IMPACT FEES

The City of Yucaipa collects development impact fees for the construction of new development in accordance with the State Government Code. Normally, the City collects the development impact fees at the time building permits are issued. City policy allows builders to defer fees until the issuance of certificates of occupancy. The City secures the deferral of such fees by putting liens on the properties. The liens are then released when payment of the fees is received. As of June 30, 2020, deferral fees owed to the City for all types of development impact fees totaled approximately \$224,491.

The City development impact fee ordinances allow for the entering of agreements with developers for the construction of improvements identified to be paid for such fees. Through such agreements, the developer constructs certain public improvements and is given credit for the value of the improvements to offset developer fees due from the developer.

11) COMMUNITY FACILITIES DISTRICT NO. 98-1 (CHAPMAN HEIGHTS)

During the 1998-99 fiscal year the Community Facilities District No. 98-1 of the City of Yucaipa (Chapman Heights) (CFD) was formed. The District was formed to finance a portion of the costs associated with the construction of certain public facilities including streets, utilities, parks, landscaping and other infrastructure improvements within the Chapman Heights project. These other improvements include improvements to water and sewer facilities, which will be owned and operated by the Yucaipa Valley Water District, and certain storm drainage facilities which will be owned and operated by the San Bernardino County Flood Control District. The City has entered into joint community facilities agreements with the Flood Control District and the Water District whereby proceeds from the sale of Bonds will be used for the acquisition of the facilities as discussed above.

On March 9, 1999, the CFD issued \$17,500,000 of bonds for the purpose of constructing infrastructure as discussed above. The 1998 Special Tax Bonds are authorized pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, and are payable from certain special taxes to be levied on property within CFD 98-1 (Chapman Heights) of the City of Yucaipa, according to the Rate and Method of Apportionment of Special Tax approved by the voters within the district and by the City Council of the City. In June 2002, the CFD issued an additional \$5,800,000 in bonds. In July 2003, the CFD issued an additional \$6,700,000 in bonds.

In November 2011, the City issued \$28 million in Special Tax Refunding Bonds, to refund the 1999, 2002 and 2003 CFD Bonds. The principal balance outstanding on the 2011 Refunding Bonds, as of June 30, 2020, is \$18,290,000. Neither the faith and credit nor the taxing power of the City, the County of San Bernardino, the State of California or any political subdivision thereof is pledged to the payment of the bonds. Except for the special taxes, no other taxes are pledged to the payment of the bonds. The bonds are not general obligations of the City or County or general obligations of the District, but are limited obligations of the District payable solely from the special taxes as described in the official bond documents.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

12) COMMITMENTS AND CONTINGENCIES

The City has contracts with the County of San Bernardino for various services, most notably law enforcement. These service contracts are renegotiated annually and cancelable by the City or the County. These are based on an hourly rate and may be adjusted throughout the fiscal year.

The City is involved as a defendant in various legal proceedings. While it is not feasible to predict or determine the outcome in these cases, it is the opinion of the City that the outcome will have no material adverse effect on the financial position of the City.

The City has received State and Federal funds that are subject to review and audit by the grantor agencies. Such audits could generate expenditure disallowances under terms of the grants; however, it is believed that any such reimbursements will not be significant.

Remaining commitments on construction contracts at year-end were \$2,797,060.

13) FUND BALANCE

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* as of June 30, 2011. Fund balances in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The City considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Amounts that cannot be spent either because they are in nonspendable form or are required to be maintained intact.

Restricted Fund Balance - Amounts that are constrained to specific purposes by state or federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance - Amounts that may be specified by the City Council by ordinance to formally commit part of the City's fund balances or future revenues for a specific purpose(s) or program. To change or repeal any such commitment will require an additional formal City Council action utilizing the same type of action that was originally used.

The City's committed fund balance includes:

- **General Fund Emergency Operating Contingency:**
Fund balance in the General Fund has been committed for emergency contingencies, as set by resolution, and is specifically for severe economic emergencies defined as a state or federal state of emergency, or declaration of a local emergency as defined in the City of Yucaipa Municipal Code Section 8.36.030.
- **Economic Stabilization Contingency:**
Fund balance in the General Fund has been committed for economic stabilization contingencies, set by resolution in the amount of \$1,000,000, and is available specifically for use in an event of severe fiscal hardship or instability, defined as any fiscal year in which actual General Fund revenue is at least 30% less than budgeted General Fund revenue.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

13) FUND BALANCE - Continued

Assigned Fund Balance - Amounts that are constrained by the City Council's intent to use specified financial resources for specific purposes, but are neither restricted nor committed. The City's fund balance policy delegates the authority to assign amounts to be used for specific purposes to the City Manager, or his designee.

Unassigned Fund Balance - These are either residual positive net resources of fund balance in excess of what can properly be classified in one of the other four categories, or negative balances.

The City's governmental fund balances at June 30, 2020, are presented below:

	General Fund	Measure I	Developer Fees Public Facilities Fund	Developer Fees Parks	Traffic Facilities	Non-major Governmental Funds	Total
Nonspendable:							
Advances to Other Funds	\$ 26,910,385	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,910,385
Restricted for:							
Capital Projects	-	-	-	-	-	8,364	8,364
Housing	-	-	-	-	-	437	437
Public Works/Street Projects	-	-	-	-	-	1,563,740	1,563,740
Public Safety	-	-	-	-	-	569,615	569,615
LLMD	-	-	-	-	-	2,485,929	2,485,929
Community Services/Education	-	-	-	-	-	1,056,551	1,056,551
Committed to:							
Emergency Contingency	6,760,641	-	-	-	-	-	6,760,641
Economic Stabilization	1,000,000	-	-	-	-	-	1,000,000
OPEB	559,190	-	-	-	-	-	559,190
Fire Protection	10,004,935	-	-	-	-	-	10,004,935
Assigned to:							
Capital Projects	152,960	-	-	-	-	-	152,960
Solid Waste Disposal	51,279	-	-	-	-	-	51,279
Continuing Appropriations	2,538,949	-	-	-	-	-	2,538,949
Economic Development Initiative	211,779	-	-	-	-	-	211,779
Other Purposes	232,978	-	-	-	-	-	232,978
Unassigned	6,530,400	(4,466,436)	(12,215,981)	(4,444,797)	(1,240,849)	(10,346,389)	(26,184,052)
Total Fund Balances	\$ 54,953,496	\$ (4,466,436)	\$ (12,215,981)	\$ (4,444,797)	\$ (1,240,849)	\$ (4,661,753)	\$ 27,923,680

14) ACCUMULATED FUND DEFICITS

At June 30, 2020, the following funds had deficit fund balances:

Major Funds - Capital Projects:	
Measure I	\$ (4,466,436)
Developer Fees Public Facilities	(12,215,981)
Developer Fees Parks	(4,444,797)
Traffic Facilities	(1,240,849)
Non-major Funds	
Miscellaneous Capital Projects	(380,981)
Street Maintenance	(1,246,023)
TDA Article 3	(150,060)
Developer Impact Fees Drainage	(3,499,773)
Developer Impact Fees Fire	(2,124,852)
Facilities Construction	(612,058)
Low Water Crossings	(2,332,642)

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2020

14) ACCUMULATED FUND DEFICITS - Continued

Management's explanations for the resolution of accumulated fund deficits in the funds are summarized as follows:

Developer Impact Fees Public Facilities Fund - The deficit fund balance of \$12,215,981 is the result of advances made from the General Fund for the construction of various public facilities. These include the City Hall, Police Station, and the Yucaipa Performing Arts Center. The deficit fund balance will be offset by future development impact fee revenues as they are collected. The advances in the General Fund are included as nonspendable fund balance due to the long-term nature of these receivables.

Developer Impact Fees Parks Fund - The deficit fund balance of \$4,444,797 is the result of accumulated expenditures in excess of revenues, funded by advances made from the General Fund for the construction of Community Park. The deficit fund balance will be offset by future development impact fee revenues, as they are collected. The advances in the General Fund are included as nonspendable fund balance due to the long-term nature of these receivables.

Developer Fees Drainage Fund - The deficit fund balance of \$3,499,773 is the result of advances and short-term loans made from the General Fund. Advances made to this fund were for the construction of regional drainage projects. The deficit fund balance will be offset by future development impact fee revenues, as they are collected and by the receipt of resources from grant obligations. The advances made by the General Fund are included as nonspendable fund balance due to the long-term nature of these receivables.

Developer Fees Fire Fund - The deficit fund balance of \$2,124,852 is the result of accumulated expenditures in excess of revenues, funded by advances made from the Fire Fund for the construction of Fire Station #3. The deficit fund balance will be offset by future development impact fee revenues, as they are collected. The advances in the Fire Fund are included as restricted fund balance due to the long-term nature of these receivables.

Low Water Crossings Fund - The deficit fund balance of \$2,332,642 is the result of accumulated expenditures in excess of revenues, funded by short-term interfund loans made from the General Fund. The deficit fund balance will be offset by completion of several ongoing projects and by the receipt of resources from grant obligations.

15) SUBSEQUENT EVENTS

On August 10, 2020 with related amendments approved on November 4, 2020 and November 5, 2020, the City entered into a Purchase and Sale Agreement, (the "Purchase Agreement") with Woodside 05S (the "Buyer") to sell to the Buyer approximately 33 acres of land located within the City to develop approximately 144 single family units at an amended purchase price of \$8,093,575, paid in installments.

All scheduled installment payments within the revised Purchase Agreement have been received timely to date. The only remaining installment payment of \$2,893,575, subject to revisions, is scheduled on September 29, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes:				
Property Taxes	\$ 11,651,956	\$ 11,741,956	\$ 11,504,516	\$ (237,440)
Sales and Use Taxes	4,138,460	4,138,460	3,751,828	(386,632)
Franchise Taxes	1,328,600	1,373,600	1,400,350	26,750
Documentary Transfer Tax	175,000	175,000	186,819	11,819
Other Taxes	21,600	21,600	22,379	779
Licenses and Permits	582,068	618,068	736,865	118,797
Fines and Forfeitures	16,000	16,000	28,895	12,895
Charges for Services	2,698,409	2,545,897	2,400,112	(145,785)
Intergovernmental	5,467,384	5,585,532	5,819,899	234,367
Investment Income	260,000	260,000	590,007	330,007
Other	644,175	180,500	338,966	158,466
Total Revenues	26,983,652	26,656,613	26,780,636	124,023
EXPENDITURES				
Current:				
General Government:				
City Manager	1,021,114	1,184,150	1,046,816	137,334
City Council	75,935	75,935	64,939	10,996
General Services/City Clerk	290,218	350,681	338,774	11,907
Administrative Services	1,300,291	1,223,963	1,193,079	30,884
Non-departmental	1,652,583	1,655,221	630,706	1,024,515
Community Development	1,081,771	837,814	797,221	40,593
Building and Safety	393,276	606,385	609,026	(2,641)
Public Works	3,549,478	3,211,297	2,448,965	762,332
Public Safety:				
Police Services	10,086,945	10,311,945	10,268,836	43,109
Fire Protection Services	4,226,927	4,226,927	4,020,422	206,505
Community Services	3,341,531	3,348,889	2,467,290	881,599
Capital Outlay	615,300	764,500	1,586,043	(821,543)
Total Expenditures	27,635,369	27,797,707	25,472,117	2,325,590
Excess (Deficiency) of Revenues over Expenditures	(651,717)	(1,141,094)	1,308,519	2,449,613
OTHER FINANCING SOURCES (USES)				
Transfers In	1,062,610	6,385,179	5,472,338	(912,841)
Transfers Out	-	-	(1,444,786)	(1,444,786)
Total Other Financing Sources (Uses)	1,062,610	6,385,179	4,027,552	(2,357,627)
Net Change in Fund Balances	410,893	5,244,085	5,336,071	91,986
Fund Balances, Beginning of Year	49,617,425	49,617,425	49,617,425	-
Fund Balances, End of Year	\$ 50,028,318	\$ 54,861,510	\$ 54,953,496	\$ 91,986

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Measure I Special Revenue Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 850,000	\$ 850,000	\$ 1,029,023	\$ 179,023
Investment Income	100	100	29,467	29,367
Total Revenues	850,100	850,100	1,058,490	208,390
EXPENDITURES				
Current:				
Public Works	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	850,100	850,100	1,058,490	208,390
OTHER FINANCING SOURCES (USES)				
Transfers Out	(850,000)	(850,000)	(7,595,678)	(6,745,678)
Total Other Financing Sources (Uses)	(850,000)	(850,000)	(7,595,678)	(6,745,678)
Net Change in Fund Balances	100	100	(6,537,188)	(6,537,288)
Fund Balances, Beginning of Year	2,070,752	2,070,752	2,070,752	-
Fund Balances, End of Year	\$ 2,070,852	\$ 2,070,852	\$ (4,466,436)	\$ (6,537,288)

City of Yucaipa
Required Supplementary Information
Year Ended June 30, 2020

CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
Last 10 Years*

	Measurement Period		
	2019	2018	2017
Total OPEB Liability			
Service cost	\$ 119,792	\$ 102,354	\$ 99,373
Interest on total OPEB liability	63,678	50,657	46,820
Difference between expected and actual experience	(39,127)	-	-
Changes in assumptions	189,572	(104,868)	-
Changes in benefits	-	-	-
Benefit payments, including implicit subsidy	(26,360)	(28,231)	(19,085)
Net change in total OPEB liability	307,555	19,912	127,108
Total OPEB liability - beginning	1,652,342	1,632,430	1,505,322
Total OPEB liability - ending	<u>\$ 1,959,897</u>	<u>\$ 1,652,342</u>	<u>\$ 1,632,430</u>
Covered-employee payroll	\$ 4,750,449	\$ 3,643,825	\$ 3,496,726
Total OPEB liability as a percentage of covered-employee payroll	41.26%	45.35%	46.68%

*Fiscal year 2018 was the first year of implementation; therefore, 10 years of information are not yet available.

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in GASBS No. 75, paragraph 4, to pay related benefits.

Benefit Changes: None

Changes in Assumptions: In fiscal year 2020, the accounting discount rate change from 3.62% to 3.13%

**City of Yucaipa
Required Supplementary Information
Year Ended June 30, 2020**

**Schedule of the City's Proportionate Share of the Net Pension Liability
Last 10 Years***

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a % of Payroll</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
2019	0.04851%	\$ 4,971,001	\$ 4,036,015	123.17%	79.66%
2018	0.04836%	4,660,507	3,643,825	127.90%	79.39%
2017	0.04945%	4,904,437	3,496,726	140.26%	77.14%
2016	0.04759%	4,117,708	3,362,231	122.47%	78.21%
2015	0.04376%	3,003,608	3,081,312	97.48%	83.14%
2014	0.04583%	2,851,533	2,970,681	95.99%	75.28%

Notes to the Schedule of the City's Proportionate Share of the Net Pension Liability

Benefit Changes: None

Changes in Assumptions: In 2017, the accounting discount rate changed from 7.65% to 7.15%.

*Fiscal year 2015 was the first year of implementation, therefore, 10 years of information are not yet available.

**City of Yucaipa
Required Supplementary Information
Year Ended June 30, 2020**

**Schedule of Plan Contributions
Last 10 Years***

<u>Fiscal Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Actuarially Determined Contributions</u>	<u>Contribution Deficiency/ (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2020	\$ 687,263	\$ (687,263)	\$ -	\$ 4,475,311	15.36%
2019	614,613	(826,891)	(212,278)	4,036,015	20.49%
2018	502,982	(646,954)	(143,972)	3,643,825	17.75%
2017	451,203	(451,203)	-	3,496,726	12.90%
2016	416,057	(416,057)	-	3,362,231	12.37%
2015	553,517	(553,517)	-	3,081,312	17.96%

Notes to the Schedule of Plan Contributions

Valuation Date: 6/30/2013, 6/30/2014, 6/30/2015, 6/30/2016, 6/30/2017, 6/30/2018

*Fiscal year 2015 was the first year of implementation, therefore, not all 10 years of information are available.

City of Yucaipa
Notes to Required Supplementary Information
Year Ended June 30, 2020

1. Budgetary Control and Accounting

The City Council approves each year's budget submitted by the City Manager and Assistant City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the Council. All supplemental appropriations, where required during the period, are also approved by the Council. Certain inter- and intra-departmental budget transfers are approved by the City Manager. In most cases, expenditures may not exceed appropriations at the departmental level within the general fund and at the fund level for other funds. At fiscal year-end, all operating budget appropriations lapse.

The Fire Special Revenue fund activity and budget was incorporated into the General Fund. Budgets were not adopted for the PEG Video Special Revenue Fund, Pool Capital Replacement Capital Projects Fund, Street Maintenance Capital Projects Fund, and the I-10 Specific Plan Capital Projects Fund.

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

SUPPLEMENTARY INFORMATION

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Developer Fees Public Facilities Capital Projects Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 58,356	\$ 58,356	\$ 31,236	\$ (27,120)
Intergovernmental	-	-	-	-
Investment Income	-	-	8,776	8,776
Other	-	-	8,953	8,953
Total Revenues	58,356	58,356	48,965	(9,391)
EXPENDITURES				
Current:				
Public Works	-	-	54,865	(54,865)
Capital Outlay	-	-	121,880	(121,880)
Total Expenditures	-	-	176,745	(176,745)
Excess (Deficiency) of Revenues over Expenditures	58,356	58,356	(127,780)	(186,136)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	3,442,403	3,442,403
Transfers Out	-	(15,618)	-	15,618
Total Other Financing Sources (Uses)	-	(15,618)	3,442,403	3,458,021
Net Change in Fund Balance	58,356	42,738	3,314,623	3,271,885
Fund Balance (Deficit), Beginning of Year	(15,530,604)	(15,530,604)	(15,530,604)	-
Fund Balance (Deficit), End of Year	<u>\$ (15,472,248)</u>	<u>\$ (15,487,866)</u>	<u>\$ (12,215,981)</u>	<u>\$ 3,271,885</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Developer Impact Fees Parks Capital Projects Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Charges For Services	\$ 95,056	\$ 95,056	\$ 30,574	\$ (64,482)
Intergovernmental	-	-	100,000	100,000
Investment Income	-	-	12,790	12,790
Other	-	-	23,922	23,922
Total Revenues	95,056	95,056	167,286	72,230
EXPENDITURES				
Current:				
Public Works	-	-	90,728	(90,728)
Capital Outlay	-	-	271,360	(271,360)
Total Expenditures	-	-	362,088	(362,088)
Excess (Deficiency) of Revenues over Expenditures	95,056	95,056	(194,802)	(289,858)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	287,000	287,000
Transfers Out	-	(15,287)	(2,810,117)	(2,794,830)
Total Other Financing Sources (Uses)	-	(15,287)	(2,523,117)	(2,507,830)
Net Change in Fund Balances	95,056	79,769	(2,717,919)	(2,797,688)
Fund Balances (Deficit), Beginning of Year	(1,726,878)	(1,726,878)	(1,726,878)	-
Fund Balances (Deficit), End of Year	<u>\$ (1,631,822)</u>	<u>\$ (1,647,109)</u>	<u>\$ (4,444,797)</u>	<u>\$ (2,797,688)</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual -Traffic Facilities Fund
Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 360,256	\$ 360,256	\$ 133,144	\$ (227,112)
Intergovernmental	-	-	1,619,646	1,619,646
Investment Income	-	-	102,073	102,073
Total Revenues	360,256	360,256	1,854,863	1,494,607
EXPENDITURES				
Current:				
Public Works	-	-	254,569	(254,569)
Capital Outlay	-	-	7,053,954	(7,053,954)
Total Expenditures	-	-	7,308,523	(7,308,523)
Excess (Deficiency) of Revenues over Expenditures	360,256	360,256	(5,453,660)	(5,813,916)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	6,957,161	6,957,161
Transfers Out	-	(5,333,693)	(5,267,121)	66,572
Total Other Financing Sources (Uses)	-	(5,333,693)	1,690,040	7,023,733
Net Change in Fund Balances	360,256	(4,973,437)	(3,763,620)	1,209,817
Fund Balances, Beginning of Year	2,522,771	2,522,771	2,522,771	-
Fund Balances, End of Year	\$ 2,883,027	\$ (2,450,666)	\$ (1,240,849)	\$ 1,209,817

NON-MAJOR GOVERNMENTAL FUNDS

City of Yucaipa
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2020

	Special Revenue			
	Miscellaneous Special Revenue	State Gas Tax	Energy Independence Program	State COPs Grant
ASSETS				
Cash and Investments	\$ 243,644	\$ 345,425	\$ 36,951	\$ 572,433
Restricted Cash and Investments	-	-	-	-
Receivables:				
Interest	87	47	11	164
Due From Other Governments	14,264	157,017	-	-
Due From Other Funds	-	-	-	-
Accounts	-	-	-	-
Advances to Other Funds	1,037,430	-	-	-
Land Held for Resale	-	-	-	-
Total Assets	\$ 1,295,425	\$ 502,489	\$ 36,962	\$ 572,597
LIABILITIES				
Accounts Payable & Accrued Liabilities	\$ 49,697	\$ 39,344	\$ -	\$ 14,209
Deposits Payable	-	-	-	-
Due to Other Funds	-	351,396	-	-
Advances From Other Funds	-	-	-	-
Total Liabilities	49,697	390,740	-	14,209
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Restricted	1,245,728	111,749	36,962	558,388
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	1,245,728	111,749	36,962	558,388
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,295,425	\$ 502,489	\$ 36,962	\$ 572,597

Office of Traffic and Safety	Special Revenue				Capital Projects	
	LLMD	Housing Authority	Paramedic	PEG Video	Miscellaneous Capital Projects	CDBG Capital
\$ 130,724	\$ 2,521,030	\$ -	\$ 27,883	\$ 643,077	\$ 382,366	\$ 355,220
-	-	-	-	-	1,000	-
14	735	-	-	182	110	100
-	-	1,185	12,132	22,989	80	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 130,738</u>	<u>\$ 2,521,765</u>	<u>\$ 1,185</u>	<u>\$ 40,015</u>	<u>\$ 666,248</u>	<u>\$ 383,556</u>	<u>\$ 355,320</u>
\$ -	\$ 87,660	\$ -	\$ 905	\$ -	\$ 2,537	\$ 2,064
-	-	-	-	-	1,000	-
-	-	748	39,110	-	761,000	-
-	-	-	-	-	-	-
-	87,660	748	40,015	-	764,537	2,064
-	-	-	-	-	-	-
-	-	-	-	-	-	-
130,738	2,434,105	437	-	666,248	-	353,256
-	-	-	-	-	-	-
-	-	-	-	-	(380,981)	-
<u>130,738</u>	<u>2,434,105</u>	<u>437</u>	<u>-</u>	<u>666,248</u>	<u>(380,981)</u>	<u>353,256</u>
<u>\$ 130,738</u>	<u>\$ 2,521,765</u>	<u>\$ 1,185</u>	<u>\$ 40,015</u>	<u>\$ 666,248</u>	<u>\$ 383,556</u>	<u>\$ 355,320</u>

Continued

City of Yucaipa
Combining Balance Sheet
Non-Major Governmental Funds (Continued)
June 30, 2020

	Capital Projects			
	Air Quality Improvement	Pool Capital Replacement	Street Maintenance	TDA Article 3
ASSETS				
Cash and Investments	\$ 100,807	\$ 8,362	\$ -	\$ -
Restricted Cash and Investments	-	-	-	-
Receivables:				
Interest	29	2	-	-
Due From Other Governments	62,164	-	-	150,060
Due From Other Funds	-	-	-	-
Accounts	-	-	-	-
Advances to Other Funds	-	-	-	-
Land Held for Resale	-	-	-	-
Total Assets	<u>\$ 163,000</u>	<u>\$ 8,364</u>	<u>\$ -</u>	<u>\$ 150,060</u>
LIABILITIES				
Accounts Payable	\$ 2,164	\$ -	\$ 119,891	\$ -
Deposits Payable	-	-	-	-
Due to Other Funds	-	-	1,126,132	150,060
Advances From Other Funds	-	-	-	-
Total Liabilities	<u>2,164</u>	<u>-</u>	<u>1,246,023</u>	<u>150,060</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>150,060</u>
Total Deferred Inflows of Resources	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>150,060</u>
FUND BALANCES				
Restricted	115,836	8,364	-	-
Assigned	-	-	-	-
Unassigned	-	-	(1,246,023)	(150,060)
Total Fund Balances	<u>115,836</u>	<u>8,364</u>	<u>(1,246,023)</u>	<u>(150,060)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 163,000</u>	<u>\$ 8,364</u>	<u>\$ -</u>	<u>\$ 150,060</u>

I-10 Specific Plan	Capital Projects				Total Nonmajor Governmental Funds
	Developer Impact Fees Drainage	Developer Impact Fees Fire	Facilities Construction	Low Water Crossings	
\$ 22,818	\$ -	\$ 193,400	\$ -	\$ -	\$ 5,584,140
-	-	-	-	-	1,000
7	-	95	-	-	1,583
-	358,083	-	-	1,437	779,411
-	-	-	761,000	351,396	1,112,396
-	-	-	-	1,057,661	1,057,661
-	-	-	-	-	1,037,430
-	374,346	-	-	-	374,346
<u>\$ 22,825</u>	<u>\$ 732,429</u>	<u>\$ 193,495</u>	<u>\$ 761,000</u>	<u>\$ 1,410,494</u>	<u>\$ 9,947,967</u>
\$ -	\$ 170,442	\$ -	\$ 15,780	\$ 10,590	\$ 515,283
-	-	-	-	-	1,000
-	-	-	-	1,403,730	3,832,176
-	3,703,677	2,318,347	1,357,278	1,419,556	8,798,858
-	3,874,119	2,318,347	1,373,058	2,833,876	13,147,317
-	358,083	-	-	909,260	1,462,403
-	358,083	-	-	909,260	1,462,403
22,825	-	-	-	-	5,684,636
-	-	-	-	-	-
-	(3,499,773)	(2,124,852)	(612,058)	(2,332,642)	(10,346,389)
22,825	(3,499,773)	(2,124,852)	(612,058)	(2,332,642)	(4,661,753)
<u>\$ 22,825</u>	<u>\$ 732,429</u>	<u>\$ 193,495</u>	<u>\$ 761,000</u>	<u>\$ 1,410,494</u>	<u>\$ 9,947,967</u>

City of Yucaipa
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
Year Ended June 30, 2020

	Special Revenue			
	Miscellaneous Special Revenue	State Gas Tax	Energy Independence Program	State COPs Grant
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Franchise Taxes	-	-	-	-
Fines & Forfeitures	11,686	-	-	-
Charges for Services	69,755	-	-	-
Intergovernmental	14,825	2,203,459	-	156,422
Investment Income	4,360	2,363	227,960	10,350
Other	33,423	20,229	-	-
Total Revenues	134,049	2,226,051	227,960	166,772
EXPENDITURES				
Current:				
General Government	97,023	-	-	-
Community Development	-	-	-	-
Public Works	31,366	901,328	-	-
Public Safety	673	-	-	68,518
Fire Protection Services	-	-	-	-
Paramedic Services	-	-	-	-
Community Services	-	-	-	-
Capital Outlay	47,626	131,882	-	-
Total Expenditures	176,688	1,033,210	-	68,518
Excess (Deficiency) of Revenues over Expenditures	(42,639)	1,192,841	227,960	98,254
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(350)	(834,430)	(227,005)	-
Total Other Financing Sources (Uses)	(350)	(834,430)	(227,005)	-
Net Change in Fund Balances	(42,989)	358,411	955	98,254
Fund Balances (Deficit), Beginning of Year	1,288,717	(246,662)	36,007	460,134
Fund Balances (Deficit), End of Year	\$ 1,245,728	\$ 111,749	\$ 36,962	\$ 558,388

Special Revenue					Capital Projects	
Office of Traffic and Safety	LLMD	Housing Authority	Paramedic	PEG Video	Miscellaneous Capital Projects	CDBG Capital
\$ -	\$ -	\$ -	\$ 1,093,760	\$ -	\$ -	\$ -
-	-	-	-	90,677	-	-
-	-	-	-	-	-	-
-	548,409	-	-	-	64,540	-
-	-	-	-	-	-	354,143
2,573	17,725	252	5,777	11,541	15,318	2,408
-	-	-	-	-	-	-
2,573	566,134	252	1,099,537	102,218	79,858	356,551
-	-	21,813	-	3,043	56,905	-
-	-	-	-	-	-	-
-	478,871	-	-	-	-	77,151
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	1,614,130	-	-	-
-	-	-	-	-	-	32,114
-	-	-	-	-	-	198,325
-	478,871	21,813	1,614,130	3,043	56,905	307,590
2,573	87,263	(21,561)	(514,593)	99,175	22,953	48,961
-	-	-	328,986	-	-	498,234
-	-	-	-	(85)	-	-
-	-	-	328,986	(85)	-	498,234
2,573	87,263	(21,561)	(185,607)	99,090	22,953	547,195
128,165	2,346,842	21,998	185,607	567,158	(403,934)	(193,939)
\$ 130,738	\$ 2,434,105	\$ 437	\$ 0	\$ 666,248	\$ (380,981)	\$ 353,256

Continued

City of Yucaipa
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds (Continued)
Year Ended June 30, 2020

	Capital Projects			
	Air Quality Improvement	Pool Capital Replacement	Street Maintenance	TDA Article 3
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Franchise Taxes	-	-	-	-
Fines & Forfeitures	-	-	-	-
Charges for Services	-	-	-	-
Intergovernmental	188,376	-	-	325,174
Investment Income	5,120	58	-	-
Other	-	-	-	-
Total Revenues	193,496	58	-	325,174
EXPENDITURES				
Current:				
General Government	-	-	-	-
Community Development	-	-	-	-
Public Works	26,199	-	98,121	-
Public Safety	-	-	-	-
Fire Protection Services	-	-	-	-
Paramedic Services	-	-	-	-
Community Services	-	-	-	-
Capital Outlay	394,322	-	2,074,501	-
Total Expenditures	420,521	-	2,172,622	-
Excess (Deficiency) of Revenues over Expenditures	(227,025)	58	(2,172,622)	325,174
OTHER FINANCING SOURCES (USES)				
Transfers In	10,000	4,000	2,338,461	-
Transfers Out	-	-	(870,777)	(475,234)
Total Other Financing Sources (Uses)	10,000	4,000	1,467,684	(475,234)
Net Change in Fund Balances	(217,025)	4,058	(704,938)	(150,060)
Fund Balances (Deficit), Beginning of Year	332,861	4,306	(541,085)	-
Fund Balances (Deficit), End of Year	\$ 115,836	\$ 8,364	\$ (1,246,023)	\$ (150,060)

I-10 Specific Plan	Capital Projects				Total Nonmajor Governmental Funds
	Developer Impact Fees Drainage	Developer Impact Fees Fire	Facilities Construction	Low Water Crossings	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,093,760
-	-	-	-	-	90,677
-	-	-	-	-	11,686
-	95,095	13,335	-	-	791,134
-	316,843	-	-	1,437,937	4,997,179
986	-	6,423	-	-	313,214
-	-	-	-	-	53,652
986	411,938	19,758	-	1,437,937	7,351,302
-	-	-	-	-	178,784
-	-	-	-	-	-
40,499	138,170	135,231	37,511	66,927	2,031,374
-	-	-	-	-	69,191
-	-	-	-	-	-
-	-	-	-	-	1,614,130
-	-	-	-	-	32,114
-	587,889	-	333,211	1,384,831	5,152,587
40,499	726,059	135,231	370,722	1,451,758	9,078,180
(39,513)	(314,121)	(115,473)	(370,722)	(13,821)	(1,726,878)
-	-	-	-	214,000	3,393,681
-	(2,003)	-	-	(24,997)	(2,434,881)
-	(2,003)	-	-	189,003	958,800
(39,513)	(316,124)	(115,473)	(370,722)	175,182	(768,078)
62,338	(3,183,649)	(2,009,379)	(241,336)	(2,507,824)	(3,893,675)
\$ 22,825	\$ (3,499,773)	\$ (2,124,852)	\$ (612,058)	\$ (2,332,642)	\$ (4,661,753)

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Miscellaneous Special Revenue Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Fines & Forfeitures	16,500	11,686	(4,814)
Charges for Services	70,500	69,755	(745)
Intergovernmental	14,000	14,825	825
Investment Income	-	4,360	4,360
Other	38,084	33,423	(4,661)
	<u>139,084</u>	<u>134,049</u>	<u>(5,035)</u>
Total Revenues	<u>139,084</u>	<u>134,049</u>	<u>(5,035)</u>
EXPENDITURES			
Current:			
General Government	92,150	97,023	(4,873)
Community Development	-	-	-
Public Works	38,084	31,366	6,718
Public Safety	-	673	(673)
Capital Outlay	-	47,626	(47,626)
	<u>130,234</u>	<u>176,688</u>	<u>(46,454)</u>
Total Expenditures	<u>130,234</u>	<u>176,688</u>	<u>(46,454)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>8,850</u>	<u>(42,639)</u>	<u>(51,489)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			-
Transfers Out	(16,500)	(350)	16,150
	<u>(16,500)</u>	<u>(350)</u>	<u>16,150</u>
Total Other Financing Sources (Uses)	<u>(16,500)</u>	<u>(350)</u>	<u>16,150</u>
Net Change in Fund Balance	(7,650)	(42,989)	(35,339)
Fund Balance (Deficit), Beginning of Year	<u>1,288,717</u>	<u>1,288,717</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ 1,281,067</u></u>	<u><u>\$ 1,245,728</u></u>	<u><u>\$ (35,339)</u></u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State Gas Tax Special Revenue Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,431,272	\$ 2,203,459	\$ 772,187
Investment Income	1,600	2,363	763
Other	10,000	20,229	10,229
	<u>1,442,872</u>	<u>2,226,051</u>	<u>783,179</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Works	1,276,186	901,328	374,858
Capital Outlay	-	131,882	(131,882)
	<u>1,276,186</u>	<u>1,033,210</u>	<u>242,976</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>166,686</u>	<u>1,192,841</u>	<u>1,026,155</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	75,619	-	(75,619)
Transfers Out	-	(834,430)	(834,430)
	<u>75,619</u>	<u>(834,430)</u>	<u>(910,049)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	242,305	358,411	116,106
Fund Balance (Deficit), Beginning of Year	<u>(246,662)</u>	<u>(246,662)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u>\$ (4,357)</u>	<u>\$ 111,749</u>	<u>\$ 116,106</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Energy Independence Program Special Revenue Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment Income	65,000	227,960	162,960
Total Revenues	65,000	227,960	162,960
EXPENDITURES			
Current:			
General Government	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues over Expenditures	65,000	227,960	162,960
OTHER FINANCING SOURCES (USES):			
Transfers Out	(65,000)	(227,005)	(162,005)
Total Other Financing Sources (Uses)	(65,000)	(227,005)	(162,005)
Net Change in Fund Balance	-	955	955
Fund Balance (Deficit), Beginning of Year	36,007	36,007	-
Fund Balance (Deficit), End of Year	\$ 36,007	\$ 36,962	\$ 955

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State COPs Grant Special Revenue Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 100,000	\$ 156,422	\$ 56,422
Investment Income	-	10,350	10,350
	<u>100,000</u>	<u>166,772</u>	<u>66,772</u>
EXPENDITURES			
Current:			
Public Safety	100,000	68,518	31,482
Capital Outlay	-	-	-
	<u>100,000</u>	<u>68,518</u>	<u>31,482</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>98,254</u>	<u>98,254</u>
OTHER FINANCING SOURCES (USES):			
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	98,254	98,254
Fund Balance (Deficit), Beginning of Year	<u>460,134</u>	<u>460,134</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ 460,134</u></u>	<u><u>\$ 558,388</u></u>	<u><u>\$ 98,254</u></u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Office of Traffic and Safety Special Revenue Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ -	\$ -	\$ -
Intergovernmental	75,000	-	(75,000)
Investment Income	-	2,573	2,573
	<u>75,000</u>	<u>2,573</u>	<u>(72,427)</u>
Total Revenues	<u>75,000</u>	<u>2,573</u>	<u>(72,427)</u>
EXPENDITURES			
Current:			
Public Safety	75,000	-	75,000
	<u>75,000</u>	<u>-</u>	<u>75,000</u>
Total Expenditures	<u>75,000</u>	<u>-</u>	<u>75,000</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>2,573</u>	<u>2,573</u>
OTHER FINANCING SOURCES (USES):			
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	2,573	2,573
Fund Balance (Deficit), Beginning of Year	128,165	128,165	-
Fund Balance (Deficit), End of Year	<u>\$ 128,165</u>	<u>\$ 130,738</u>	<u>\$ 2,573</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - LLMD Special Revenue Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 824,664	\$ 548,409	\$ (276,255)
Intergovernmental	-	17,725	17,725
	<u>824,664</u>	<u>566,134</u>	<u>(258,530)</u>
EXPENDITURES			
Current:			
Public Works	744,620	478,871	265,749
Capital Outlay	-	-	-
	<u>744,620</u>	<u>478,871</u>	<u>265,749</u>
Excess (Deficiency) of Revenues over Expenditures	<u>80,044</u>	<u>87,263</u>	<u>7,219</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(82,472)	-	82,472
	<u>(82,472)</u>	<u>-</u>	<u>82,472</u>
Net Change in Fund Balance	(2,428)	87,263	89,691
Fund Balance (Deficit), Beginning of Year	<u>2,346,842</u>	<u>2,346,842</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ 2,344,414</u></u>	<u><u>\$ 2,434,105</u></u>	<u><u>\$ 89,691</u></u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Housing Authority Special Revenue Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Investment Income	-	252	252
Other	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>252</u>	<u>252</u>
EXPENDITURES			
Current:			
Community Development	59,752	21,813	37,939
	<u>59,752</u>	<u>21,813</u>	<u>37,939</u>
Total Expenditures	<u>59,752</u>	<u>21,813</u>	<u>37,939</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(59,752)</u>	<u>(21,561)</u>	<u>38,191</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(59,752)	(21,561)	38,191
Fund Balance (Deficit), Beginning of Year	21,998	21,998	-
Fund Balance (Deficit), End of Year	<u>\$ (37,754)</u>	<u>\$ 437</u>	<u>\$ 38,191</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Paramedic Special Revenue Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 1,077,500	\$ 1,093,760	\$ 16,260
Investment Income	-	5,777	5,777
Total Revenues	<u>1,077,500</u>	<u>1,099,537</u>	<u>22,037</u>
EXPENDITURES			
Current:			
Paramedic Services	1,736,378	1,614,130	122,248
Capital Outlay	-	-	-
Total Expenditures	<u>1,736,378</u>	<u>1,614,130</u>	<u>122,248</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(658,878)</u>	<u>(514,593)</u>	<u>144,285</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	658,878	328,986	(329,892)
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>658,878</u>	<u>328,986</u>	<u>(329,892)</u>
Net Change in Fund Balance	-	(185,607)	(185,607)
Fund Balance, Beginning of Year	<u>185,607</u>	<u>185,607</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 185,607</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (185,607)</u></u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Miscellaneous Capital Projects Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 25,000	\$ -	\$ (25,000)
Investment Income	-	15,318	15,318
Charges for Services	38,000	64,540	26,540
Other	-	-	-
	<u>63,000</u>	<u>79,858</u>	<u>16,858</u>
Total Revenues			
EXPENDITURES			
Current:			
General Government	66,000	56,905	9,095
Public Works	25,000	-	25,000
	<u>91,000</u>	<u>56,905</u>	<u>34,095</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(28,000)</u>	<u>22,953</u>	<u>50,953</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(28,000)	22,953	50,953
Fund Balance (Deficit), Beginning of Year	<u>(403,934)</u>	<u>(403,934)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ (431,934)</u></u>	<u><u>\$ (380,981)</u></u>	<u><u>\$ 50,953</u></u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - CDBG Capital Projects Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 35,637	\$ 354,143	\$ 318,506
Investment Income	-	2,408	2,408
Total Revenues	<u>35,637</u>	<u>356,551</u>	<u>320,914</u>
EXPENDITURES			
Current:			
Public Works	-	77,151	(77,151)
Community Services	35,637	32,114	3,523
Capital Outlay	-	198,325	(198,325)
Total Expenditures	<u>35,637</u>	<u>307,590</u>	<u>(271,953)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>48,961</u>	<u>48,961</u>
OTHER FINANCING SOURCES (USES)			
Transfers In		498,234	498,234
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>498,234</u>	<u>498,234</u>
Net Change in Fund Balance	-	547,195	547,195
Fund Balance (Deficit), Beginning of Year	<u>(193,939)</u>	<u>(193,939)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ (193,939)</u></u>	<u><u>\$ 353,256</u></u>	<u><u>\$ 547,195</u></u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Air Quality Improvement Capital Projects Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 60,000	\$ 188,376	\$ 128,376
Investment Income	-	5,120	5,120
Total Revenues	<u>60,000</u>	<u>193,496</u>	<u>133,496</u>
EXPENDITURES			
Current:			
Public Works	-	26,199	(26,199)
Capital Outlay	-	394,322	(394,322)
Total Expenditures	<u>-</u>	<u>420,521</u>	<u>(420,521)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>60,000</u>	<u>(227,025)</u>	<u>(287,025)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	10,000	10,000
Transfers Out	(71,140)	-	71,140
Total Other Financing Sources (Uses)	<u>(71,140)</u>	<u>10,000</u>	<u>81,140</u>
Net Change in Fund Balance	(11,140)	(217,025)	(205,885)
Fund Balance (Deficit), Beginning of Year	<u>332,861</u>	<u>332,861</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ 321,721</u></u>	<u><u>\$ 115,836</u></u>	<u><u>\$ (205,885)</u></u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Developer Fees Drainage Capital Projects Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ -	\$ 95,095	\$ 95,095
Intergovernmental	-	316,843	316,843
Investment Income	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>411,938</u>	<u>411,938</u>
EXPENDITURES			
Current:			
Public Works	-	138,170	(138,170)
Capital Outlay	-	587,889	(587,889)
	<u>-</u>	<u>587,889</u>	<u>(587,889)</u>
Total Expenditures	<u>-</u>	<u>726,059</u>	<u>(726,059)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(314,121)</u>	<u>(314,121)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(47,548)	(2,003)	45,545
	<u>(47,548)</u>	<u>(2,003)</u>	<u>45,545</u>
Total Other Financing Sources (Uses)	<u>(47,548)</u>	<u>(2,003)</u>	<u>45,545</u>
Net Change in Fund Balance	(47,548)	(316,124)	(268,576)
Fund Balance (Deficit), Beginning of Year	<u>(3,183,649)</u>	<u>(3,183,649)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ (3,231,197)</u></u>	<u><u>\$ (3,499,773)</u></u>	<u><u>\$ (268,576)</u></u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Developer Impact Fees Fire Capital Projects Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ -	\$ 13,335	\$ 13,335
Investment Income	-	6,423	6,423
	<u>-</u>	<u>19,758</u>	<u>19,758</u>
EXPENDITURES			
Current:			
Public Works	-	135,231	(135,231)
	<u>-</u>	<u>135,231</u>	<u>(135,231)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>(115,473)</u>	<u>(115,473)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(6,667)	-	6,667
	<u>(6,667)</u>	<u>-</u>	<u>6,667</u>
Net Change in Fund Balances	(6,667)	(115,473)	(108,806)
Fund Balance (Deficit), Beginning of Year	<u>(2,009,379)</u>	<u>(2,009,379)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u>\$ (2,016,046)</u>	<u>\$ (2,124,852)</u>	<u>\$ (108,806)</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Facilities Construction Fund
Year Ended June 30, 2020

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Public Works	-	37,511	(37,511)
Capital Outlay	-	333,211	(333,211)
Total Expenditures	-	370,722	(370,722)
Excess (Deficiency) of Revenues over Expenditures	-	(370,722)	(370,722)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	-	(370,722)	(370,722)
Fund Balances, Beginning of Year	(241,336)	(241,336)	-
Fund Balances, End of Year	<u>\$ (241,336)</u>	<u>\$ (612,058)</u>	<u>\$ (370,722)</u>

AGENCY FUNDS

City of Yucaipa
Combining Statement of Fiduciary Net Position
Agency Funds
June 30, 2020

	Police Department Donation	Cramer House	CFD 98-1 Debt Reserves	Totals
ASSETS				
Cash and Investments	\$ 54,983	\$ 53,061	\$ 2,728,246	\$ 2,836,290
Cash and Investments with Fiscal Agents	-	-	2,374,219	2,374,219
Accounts Receivable	-	-	15,956	15,956
Interest Receivable	39	15	1,471	1,525
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 55,022</u>	<u>\$ 53,076</u>	<u>\$ 5,119,892</u>	<u>\$ 5,227,990</u>
LIABILITIES				
Deposits Payable	\$ 55,022	\$ 53,076	\$ -	\$ 108,098
Due to Bondholders	-	-	5,119,892	5,119,892
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>\$ 55,022</u>	<u>\$ 53,076</u>	<u>\$ 5,119,892</u>	<u>\$ 5,227,990</u>

City of Yucaipa
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
Year Ended June 30, 2020

	Beginning Balance	Additions	Deletions	Ending Balance
<u>POLICE DEPARTMENT DONATION</u>				
ASSETS				
Cash and Investments	\$ 53,874	\$ 2,266	\$ (1,157)	\$ 54,983
Interest Receivable	65	16	(42)	39
Total Assets	<u>\$ 53,939</u>	<u>\$ 2,282</u>	<u>\$ (1,199)</u>	<u>\$ 55,022</u>
LIABILITIES				
Deposits Payable	\$ 53,939	\$ 2,282	\$ (1,199)	\$ 55,022
Total Liabilities	<u>\$ 53,939</u>	<u>\$ 2,282</u>	<u>\$ (1,199)</u>	<u>\$ 55,022</u>
<u>CRAMER HOUSE</u>				
ASSETS				
Cash and Investments	\$ 51,990	\$ 2,186	\$ (1,115)	\$ 53,061
Interest Receivable	41	15	(41)	15
Total Assets	<u>\$ 52,031</u>	<u>\$ 2,201</u>	<u>\$ (1,156)</u>	<u>\$ 53,076</u>
LIABILITIES				
Deposits Payable	\$ 52,031	\$ 2,201	\$ (1,156)	\$ 53,076
Total Liabilities	<u>\$ 52,031</u>	<u>\$ 2,201</u>	<u>\$ (1,156)</u>	<u>\$ 53,076</u>
<u>CFD 98-1 DEBT RESERVES</u>				
ASSETS				
Cash and Investments	\$ 2,658,049	\$ 2,468,968	\$ (2,398,771)	\$ 2,728,246
Cash and Investments with Fiscal Agents	2,381,943	24,642	(32,366)	2,374,219
Accounts Receivable	11,821	15,956	(11,821)	15,956
Interest Receivable	1,937	1,471	(1,937)	1,471
Total Assets	<u>\$ 5,053,750</u>	<u>\$ 2,511,037</u>	<u>\$ (2,444,895)</u>	<u>\$ 5,119,892</u>
LIABILITIES				
Due to Bondholders	\$ 5,053,750	\$ 2,511,037	\$ (2,444,895)	\$ 5,119,892
Total Liabilities	<u>\$ 5,053,750</u>	<u>\$ 2,511,037</u>	<u>\$ (2,444,895)</u>	<u>\$ 5,119,892</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and Investments	\$ 2,763,913	\$ 2,473,420	\$ (2,401,043)	\$ 2,836,290
Cash and Investments with Fiscal Agents	2,381,943	24,642	(32,366)	2,374,219
Accounts Receivable	11,821	15,956	(11,821)	15,956
Interest Receivable	2,043	1,502	(2,020)	1,525
Total Assets	<u>\$ 5,159,720</u>	<u>\$ 2,515,520</u>	<u>\$ (2,447,250)</u>	<u>\$ 5,227,990</u>
LIABILITIES				
Deposits Payable	\$ 105,970	\$ 4,483	\$ (2,355)	\$ 108,098
Due to Bondholders	5,053,750	2,511,037	(2,444,895)	5,119,892
Total Liabilities	<u>\$ 5,159,720</u>	<u>\$ 2,515,520</u>	<u>\$ (2,447,250)</u>	<u>\$ 5,227,990</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Yucaipa'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.

CONTENTS	PAGE
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	87
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	95
Debt Capacity 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.	101
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	106
Operating Information 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.	108

CITY OF YUCAIPA
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
Net Position:					
Investment in Capital Assets	\$ 193,575,047	\$ 187,442,518	\$ 173,234,642	\$ 161,130,470	\$ 155,769,811
Restricted for:					
Low and Moderate Housing	437	21,998	50,095	93,740	-
Public Safety	689,126	773,906	1,147,116	1,437,359	1,709,562
Public Works/Transportation	134,574	1,345,343	1,795,685	3,136,626	3,001,667
Community Development	8,364	4,306	306	13,106	14,494
Community Service / Public Education	3,100,353	2,914,000	2,679,478	2,497,976	2,550,577
Debt Service	-	-	-	-	-
Capital Projects	115,836	2,451,698	2,598,651	3,590,668	4,680,900
Other Purpose	1,245,728	1,288,717	1,277,363	1,510,011	1,489,306
Unrestricted	<u>25,066,595</u>	<u>23,879,234</u>	<u>33,974,660</u>	<u>34,487,009</u>	<u>38,545,036</u>
Total Net Position	<u>\$ 223,936,060</u>	<u>\$ 220,121,720</u>	<u>\$ 216,757,996</u>	<u>\$ 207,896,965</u>	<u>\$ 207,761,353</u>

Fiscal Year				
2015	2014	2013	2012	2011
\$ 150,107,657	\$ 151,188,060	\$ 152,718,653	\$ 153,597,104	\$ 151,975,674
-	-	-	-	1,100,139
1,731,433	1,648,506	1,511,857	1,626,410	1,557,703
9,715,836	9,602,617	8,763,810	4,630,231	4,222,907
12,815	12,815	5,546,679	4,270,590	4,632,943
2,308,616	2,196,701	1,978,972	281,933	194,924
-	-	-	-	779,707
347,493	323,462	617,337	1,412,695	7,002,308
1,472,937	1,407,186	1,372,341	641,451	1,774,525
38,714,479	42,269,769	41,093,013	47,010,514	38,720,659
<u>\$ 204,411,266</u>	<u>\$ 208,649,116</u>	<u>\$ 213,602,662</u>	<u>\$ 213,470,928</u>	<u>\$ 211,961,489</u>

CITY OF YUCAIPA
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
Expenses:					
Governmental activities:					
General Government	\$ 4,640,613	\$ 4,052,236	\$ 4,093,998	\$ 3,810,457	\$ 3,217,017
Community Development	2,267,651	2,374,236	2,256,053	2,278,822	5,564,038
Building and Safety	609,026	478,236	387,227	443,510	535,135
Public Works	10,128,308	8,542,114	8,011,508	5,836,411	6,628,742
Public Safety	11,124,230	10,293,490	9,869,497	9,308,288	8,559,107
Fire Protection Services	4,020,422	3,543,496	3,097,650	2,926,527	2,796,287
Paramedic Services	1,614,130	1,589,010	1,486,067	1,329,323	1,170,740
Community Services	2,720,132	2,474,834	2,012,974	2,549,809	1,893,305
Interest on Long-Term Debt	-	-	-	-	-
Total Governmental Activities	<u>37,124,512</u>	<u>33,347,652</u>	<u>31,214,974</u>	<u>28,483,147</u>	<u>30,364,371</u>
Program Revenues:					
Governmental activities:					
Charges for Services	4,492,201	4,452,055	3,598,357	3,695,175	3,601,914
Operating Grants and Contributions	2,203,890	1,698,865	1,730,819	1,590,665	1,712,301
Capital Grants and Contributions	9,938,960	6,044,151	13,559,464	1,648,680	7,479,465
 Net (Expense) Revenue and Change in Net Position	 (20,489,461)	 (21,152,581)	 (12,326,334)	 (21,548,627)	 (17,570,691)
General Revenues:					
Taxes:					
Property Taxes	12,598,276	12,136,328	11,616,465	11,072,145	10,411,588
Sales and Use Taxes	3,751,828	4,178,316	3,491,965	3,446,413	3,528,777
Franchise Taxes	1,491,027	1,422,487	1,381,727	1,339,715	1,415,951
Documentary Transfer Tax	186,819	165,803	196,525	187,977	165,430
Other Taxes	22,379	22,903	22,529	22,666	22,941
Vehicle License Fees, Unrestricted	5,448,407	5,183,224	4,961,077	4,706,421	4,459,501
Investment Income	412,106	646,973	64,534	183,557	463,238
Miscellaneous	392,959	760,271	391,399	725,345	453,352
Extraordinary Item	-	-	-	-	-
Total General Revenue	<u>24,303,801</u>	<u>24,516,305</u>	<u>22,126,221</u>	<u>21,684,239</u>	<u>20,920,778</u>
 Change in Net Position	 3,814,340	 3,363,724	 9,799,887	 135,612	 3,350,087
 Net Position- Beginning of the Year	 <u>220,121,720</u>	 <u>216,757,996</u>	 <u>206,958,109</u>	 <u>207,761,353</u>	 <u>204,411,266</u>
 Net Position- End of the Year	 <u>\$ 223,936,060</u>	 <u>\$ 220,121,720</u>	 <u>\$ 216,757,996</u>	 <u>\$ 207,896,965</u>	 <u>\$ 207,761,353</u>

Fiscal Year				
2015	2014	2013	2012	2011
\$ 3,059,021	\$ 2,786,070	\$ 3,886,687	\$ 3,279,187	\$ 2,993,619
5,170,508	6,178,671	6,281,252	6,769,295	7,779,173
470,200	298,010	262,910	188,449	273,870
6,745,133	12,320,777	6,336,623	6,735,182	6,802,538
8,133,233	7,269,032	7,008,652	6,519,554	6,310,298
2,841,475	2,685,834	2,477,517	2,463,995	2,503,526
1,064,232	958,613	960,248	991,761	969,404
2,106,093	1,633,333	1,427,406	1,234,728	1,260,665
-	-	-	242,212	356,152
<u>29,589,895</u>	<u>34,130,340</u>	<u>28,641,295</u>	<u>28,424,363</u>	<u>29,249,245</u>
3,146,047	2,525,564	2,649,133	3,115,795	3,067,686
1,743,410	1,056,654	1,287,363	2,457,849	3,021,749
3,671,538	4,372,675	6,462,954	3,607,604	5,567,417
(21,028,900)	(26,175,447)	(18,241,845)	(19,243,115)	(17,592,393)
10,034,783	9,689,395	9,158,269	10,002,732	10,870,359
3,178,195	2,857,302	2,663,584	2,731,544	2,569,402
1,427,826	1,412,159	1,343,430	1,321,021	1,294,626
173,871	122,362	115,833	104,569	105,563
18,253	17,656	15,861	12,439	14,704
4,267,755	3,963,654	3,895,205	3,883,523	4,082,936
482,999	315,102	217,721	161,622	206,707
558,284	2,844,271	963,676	547,288	363,700
-	-	-	1,987,816	-
<u>20,141,966</u>	<u>21,221,901</u>	<u>18,373,579</u>	<u>20,752,554</u>	<u>19,507,997</u>
(886,934)	(4,953,546)	131,734	1,509,439	1,915,604
<u>205,298,200</u>	<u>213,602,662</u>	<u>213,470,928</u>	<u>211,961,489</u>	<u>210,045,885</u>
<u>\$ 204,411,266</u>	<u>\$ 208,649,116</u>	<u>\$ 213,602,662</u>	<u>\$ 213,470,928</u>	<u>\$ 211,961,489</u>

CITY OF YUCAIPA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
General Fund:					
Nonspendable	\$ 26,910,385	\$ 22,370,194	\$ 20,416,604	\$ 20,648,580	\$ 13,946,845
Restricted	-	125,052	192,397	310,760	1,073,460
Committed	18,324,766	17,908,560	7,463,406	7,035,269	6,761,166
Assigned	3,187,945	4,591,778	4,019,175	3,225,598	12,009,103
Unassigned	6,530,400	4,621,841	5,567,230	5,080,248	11,528,265
Total general fund	<u>54,953,496</u>	<u>49,617,425</u>	<u>37,658,812</u>	<u>36,300,455</u>	<u>45,318,839</u>
All other governmental funds:					
Nonspendable	-	-	-	-	2,923,167
Restricted	5,684,636	10,027,656	10,547,436	12,901,073	13,272,331
Committed	-	-	11,820,420	11,811,080	8,878,997
Assigned	-	-	5,777,260	12,301,900	-
Unassigned	<u>(32,714,452)</u>	<u>(26,585,290)</u>	<u>(27,535,988)</u>	<u>(23,280,361)</u>	<u>(15,873,763)</u>
Total all other governmental funds	<u>(27,029,816)</u>	<u>(16,557,634)</u>	<u>609,128</u>	<u>13,733,692</u>	<u>9,200,732</u>
Total Fund Balances	<u>27,923,680</u>	<u>33,059,791</u>	<u>38,267,940</u>	<u>50,034,147</u>	<u>54,519,571</u>
		<1>			

<1> Beginning in FY 2018/19, the General Fund and the Fire Special Revenue Fund were combined

Fiscal Year				
2015	2014	2013	2012	2011
\$ 11,313,445	\$ 11,537,445	\$ 11,788,003	\$ 12,974,225	\$ 16,649,006
985,913	1,710,864	928,749	883,501	871,873
5,342,829	5,182,303	5,037,196	5,181,542	5,419,667
10,933,751	9,536,944	8,579,695	8,872,998	7,677,045
15,033,672	14,689,176	13,074,022	17,644,570	15,241,836
<u>43,609,610</u>	<u>42,656,731</u>	<u>39,407,665</u>	<u>45,556,836</u>	<u>45,859,427</u>
2,523,014	2,531,014	2,577,079	-	-
15,532,774	15,039,236	14,897,917	11,977,969	20,393,283
8,870,725	8,458,732	8,053,276	10,669,486	10,133,160
36,079	327,168	358,898	-	570,420
<u>(13,324,985)</u>	<u>(12,172,510)</u>	<u>(5,109,470)</u>	<u>(9,060,234)</u>	<u>(9,191,206)</u>
<u>13,637,607</u>	<u>14,183,640</u>	<u>20,777,700</u>	<u>13,587,221</u>	<u>21,905,657</u>
<u>57,247,217</u>	<u>56,840,371</u>	<u>60,185,365</u>	<u>59,144,057</u>	<u>67,765,084</u>

CITY OF YUCAIPA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2020	2019	2018	2017
Revenues:				
Taxes:				
Property Taxes	\$ 12,598,276	\$ 12,136,328	\$ 11,616,465	\$ 11,072,145
Sales and Use Taxes	3,751,828	4,178,316	3,491,965	3,446,413
Franchise Taxes	1,491,027	1,422,487	1,381,727	1,339,715
Documentary Transfer Tax	186,819	165,803	196,525	187,977
Other Taxes	22,379	22,903	22,529	22,666
License and Permits	736,865	642,926	563,075	669,889
Fines and Forfeitures	40,581	44,876	42,799	34,708
Charges for Services	3,386,200	4,053,783	3,337,724	3,217,725
Intergovernmental	13,565,747	17,457,588	9,570,510	8,048,047
Investment Income	1,056,327	1,418,791	478,954	472,118
Other	425,493	819,162	391,399	563,339
Total Revenue	<u>37,261,542</u>	<u>42,362,963</u>	<u>31,093,672</u>	<u>29,074,742</u>
Expenditures:				
Current:				
General Government	3,453,098	3,710,893	3,405,544	3,082,881
Community Development	797,221	914,835	796,652	819,421
Building and Safety	609,026	478,236	387,227	443,510
Public Works	4,880,501	4,288,078	3,984,399	3,632,801
Public Safety	10,338,027	9,540,653	9,127,655	8,658,819
Fire Protection Services	4,020,422	3,543,496	3,097,650	2,926,527
Paramedic Services	1,614,130	1,589,010	1,486,067	1,329,323
Community Service	2,499,404	2,288,639	1,830,426	2,364,323
Capital Outlay	14,185,824	21,217,272	18,848,545	10,191,847
Debt Service:				
Interest and Fiscal Charges	-	-	-	-
Principal Payments	-	-	-	-
Bond Issuance Costs	-	-	-	-
Total Expenditures	<u>42,397,653</u>	<u>47,571,112</u>	<u>42,964,165</u>	<u>33,449,452</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(5,136,111)	(5,208,149)	(11,870,493)	(4,374,710)
Other Financing Sources (Uses)				
Transfer In	19,552,583	18,916,990	7,225,957	26,029,696
Transfer Out	(19,552,583)	(18,916,990)	(7,121,671)	(26,140,410)
Tax Allocation Bonds Issued	-	-	-	-
Premium on Bonds	-	-	-	-
Total Other Financing Sources	-	-	104,286	(110,714)
Extraordinary Item	-	-	-	-
Net Change in Fund Balance	(5,136,111)	(5,208,149)	(11,766,207)	(4,485,424)
Fund Balance, Beginning of Year	33,059,791	38,267,940	50,034,147	54,519,571
Fund Balance, End of the Year	<u>\$ 27,923,680</u>	<u>\$ 33,059,791</u>	<u>\$ 38,267,940</u>	<u>\$ 50,034,147</u>

Fiscal Year					
2016	2015	2014	2013	2012	2011
\$ 10,411,588	\$ 10,034,783	\$ 9,689,395	\$ 9,158,269	\$ 10,002,732	\$ 10,870,359
3,528,777	3,178,195	2,857,302	2,663,584	2,731,544	2,569,402
1,415,951	1,427,826	1,412,159	1,343,430	1,321,021	1,294,626
165,430	173,871	122,362	115,833	104,569	105,563
22,941	18,253	17,656	15,861	12,439	14,704
741,816	644,438	439,867	426,965	385,983	508,734
46,210	65,641	87,443	99,282	61,941	83,985
4,142,074	3,523,712	1,558,693	2,088,953	2,087,682	2,060,734
11,192,564	8,422,778	9,523,229	10,921,608	9,780,385	12,473,427
899,261	713,548	315,102	220,434	203,225	266,415
643,662	692,134	1,456,782	1,559,870	1,016,664	760,948
<u>33,210,274</u>	<u>28,895,179</u>	<u>27,479,990</u>	<u>28,614,089</u>	<u>27,708,185</u>	<u>31,008,897</u>
2,761,798	2,574,342	2,560,664	3,209,997	2,788,156	2,450,564
874,127	662,301	680,532	639,820	3,016,056	2,477,779
535,135	470,200	298,010	262,910	188,449	273,870
3,960,098	4,217,659	3,672,607	3,628,420	5,115,331	4,742,770
7,980,926	7,570,372	6,974,900	6,710,993	6,339,465	6,055,274
2,796,287	2,841,475	2,685,834	2,477,517	2,463,995	2,503,526
1,170,740	1,064,232	958,613	960,248	991,761	969,404
1,707,102	1,908,332	1,396,430	1,190,224	1,076,932	1,037,780
14,053,736	6,964,420	13,423,621	8,292,652	7,514,000	11,919,657
-	-	-	-	211,163	256,128
-	-	-	-	200,000	55,000
-	-	-	-	-	273,089
<u>35,839,949</u>	<u>28,273,333</u>	<u>32,651,211</u>	<u>27,372,781</u>	<u>29,905,308</u>	<u>33,014,841</u>
(2,629,675)	621,846	(5,171,221)	1,241,308	(2,197,123)	(2,005,944)
4,502,284	2,392,627	5,849,550	11,215,090	2,767,624	6,043,092
(4,600,255)	(2,607,627)	(4,023,323)	(11,415,090)	(2,972,624)	(6,248,092)
-	-	-	-	-	6,030,000
-	-	-	-	-	25,631
(97,971)	(215,000)	1,826,227	(200,000)	(205,000)	5,850,631
-	-	-	-	(6,218,903)	-
(2,727,646)	406,846	(3,344,994)	1,041,308	(8,621,026)	3,844,687
57,247,217	56,840,371	60,185,365	59,144,057	67,765,083	63,920,397
<u>\$ 54,519,571</u>	<u>\$ 57,247,217</u>	<u>\$ 56,840,371</u>	<u>\$ 60,185,365</u>	<u>\$ 59,144,057</u>	<u>\$ 67,765,084</u>

CITY OF YUCAIPA
Assessed Value and Estimated Actual Value of Taxable Property by Major Type
Last Ten Fiscal Years

Category	2020	2019	2018	2017	2016
Residential	4,121,577,454	3,922,178,028	3,753,392,419	3,545,207,827	3,358,340,145
Commercial	359,691,461	343,889,586	318,283,068	307,441,314	282,344,120
Industrial	19,323,164	22,859,396	20,540,942	19,499,887	28,947,572
Irrigated	251,775	143,693	140,876	138,112	136,038
Dry Farm	3,363,591	3,429,995	3,372,477	3,433,192	3,395,439
Recreational	5,247,653	5,188,913	5,127,653	5,069,825	5,415,474
Institutional	12,156,160	8,179,074	9,902,113	10,120,689	3,759,117
Miscellaneous	17,107,033	10,852,354	11,567,874	10,872,131	10,959,685
Vacant Land	111,676,789	108,457,958	113,299,055	112,236,082	109,221,283
Unsecured	74,568,629	69,812,138	66,612,865	67,513,752	64,879,744
Total	<u>4,724,963,709</u>	<u>4,494,991,135</u>	<u>4,302,239,342</u>	<u>4,081,532,811</u>	<u>3,867,398,617</u>
Total direct rate	0.22917	0.22919	0.22923	0.22921	0.22914

Source:
HdL

2015	2014	2013	2012	2011
3,197,499,722	2,941,326,218	2,878,776,247	2,846,903,947	2,831,503,480
279,379,006	278,331,820	276,265,189	273,744,743	269,925,338
27,816,631	25,761,469	23,991,367	20,762,516	18,426,334
133,374	132,771	130,167	127,614	126,661
3,328,926	3,313,882	3,248,902	3,185,198	3,368,272
4,107,321	5,052,198	5,001,371	7,014,523	6,963,679
6,693,945	4,629,021	2,966,082	3,105,703	3,175,684
11,413,452	11,156,895	10,820,367	10,767,981	10,808,961
105,449,947	103,068,595	109,700,908	112,764,550	118,638,093
65,290,823	64,584,003	67,096,047	67,141,606	70,615,476
<u>3,701,113,147</u>	<u>3,437,356,872</u>	<u>3,377,996,647</u>	<u>3,345,518,381</u>	<u>3,333,551,978</u>
0.22912	0.22915	0.27624	0.2748	0.27536

CITY OF YUCAIPA
Direct & Overlapping Property Tax Rates
(Rate Per \$100 of Taxable Value)

Agency	2020	2019	2018	2017
Basic Levy	1.00000	1.00000	1.00000	1.00000
Redlands Unified School Bond 1993	0.03390	0.03240	0.04940	0.05240
San Bernardino Community College Bond	0.05620	0.04070	0.03760	0.03500
San Bernardino Valley Muni Water	0.14250	0.15250	0.15250	0.16250
Total Direct & Overlapping Tax Rates	1.23260	1.22560	1.23950	1.24990
City's Share of 1% Levy Per Prop 13	0.22228	0.22228	0.22228	0.22228
General Obligation Debt Rate	0	0	0	0
Redevelopment Rate ¹				
Total Direct Rate	0.22917	0.22919	0.22923	0.22921

¹ The approval of ABx1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.

Source:
HdL

2016	2015	2014	2013	2012	2011
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.05670	0.05940	0.06290	0.06410	0.05820	0.06170
0.04030	0.03930	0.04190	0.04590	0.03730	0.04670
0.16250	0.16250	0.16250	0.16250	0.16500	0.16500
1.25950	1.26120	1.26730	1.27250	1.26050	1.27340
0.22228	0.22228	0.22228	0.22228	0.22228	0.22228
0	0	0	0	0	0
				1.16500	1.16500
0.22914	0.22912	0.22915	0.27624	0.27480	0.27536

CITY OF YUCAIPA
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2020			2011		
	Combined (Secured & Unsecured)			Combined (Secured & Unsecured)		
	Total Assessed Value	Rank	Percent of Net Assessed Value	Total Assessed Value	Rank	Percent of Net Assessed Value
SNR 24 GOLDEN OAKS OWNER LLC	\$ 18,685,084	1	0.40%	\$ -		
YVCC II LC	18,325,320	2	0.39%	16,778,598	1	0.50%
YUCAIPA VALLEY ACRES LLC	16,691,383	3	0.35%	10,606,518	6	0.32%
CHAPMAN HEIGHTS YUCAIPA	14,706,841	4	0.31%	12,709,505	4	0.38%
SORENSEN ENGINEERING INC.	12,850,365	5	0.27%	-		
CALANDA REAL LP	12,449,728	6	0.26%	10,699,208	5	0.32%
JDP CH INVESTMENTS LP	12,383,659	7	0.26%	9,457,673	9	0.28%
OPHIRA SARAH LENHART	11,896,567	8	0.25%	-		
PUTNAM FAMILY PARTNERSHIP	11,687,160	9	0.25%	10,111,628	8	0.30%
STATER BROS MARKETS	10,625,446	10	0.22%	12,981,581	3	0.39%
YUCAIPA RETIREMENT RESIDENCE LP				16,729,080	2	0.50%
FEDERAL NATIONAL MORTGAGE ASSOC.				10,507,795	7	0.32%
TOPAZ-YUCAIPA LLC				7,961,051	10	0.24%
TOP TEN TOTAL	<u>140,301,553</u>		<u>2.97%</u>	<u>118,542,637</u>		<u>3.56%</u>
CITY TOTAL	<u>4,724,963,709</u>			<u>3,333,551,978</u>		

Source:
HdL

CITY OF YUCAIPA
Property Tax Levies and Collections ¹
Last Five Fiscal Years

Fiscal Year Ended 30-Jun	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Subsequent Years Collections of Prior Years ²	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2020	10,977,686	10,806,198	98.44%	295,981	11,102,179	101.13%
2019	10,474,628	10,389,693	99.19%	336,063	10,725,756	102.40%
2018	10,063,603	10,008,179	99.45%	291,704	10,299,883	102.35%
2017	9,600,087	9,431,090	98.24%	353,833	9,784,922	101.93%
2016	9,072,734	8,847,926	97.52%	355,412	9,203,338	101.44%

NOTE:

¹ The amounts presented include City property taxes and Redevelopment Agency increment. This schedule also includes amounts collected by the City and Redevelopment Agency that were passed-through to other agencies. The State of California dissolved the Redevelopment Agency effective 2012. Collections in subsequent years may include delinquent tax payments from multiple years which are not identified separately by the County of San Bernardino.

² Subsequent years collections of prior years may include delinquent tax payments from multiple prior years which are not identified separately by the County of San Bernardino. Limitations exist within the County's tax system which impede the ability to identify prior tax year delinquent payments by assessment year.

Source:

San Bernardino County Auditor-Controller's Office

The City of Yucaipa has elected to show only five years of data for this schedule

CITY OF YUCAIPA
Ratios of Outstanding Debt by Type
Last Five Fiscal Years

Fiscal Year Ended June 30	Former RDA Tax Allocation Bonds Principal Outstanding	Percentage of Personal Income ¹	Debt Per Capita ¹
2020	-	0.00%	\$ -
2019	-	0.00%	\$ -
2018	-	0.00%	\$ -
2017	-	0.00%	\$ -
2016	-	0.00%	\$ -

¹ These ratios are calculated using personal income and population for the prior calendar year.

NOTE:

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

The City of Yucaipa currently does not have any debt.

CITY OF YUCAIPA
Ratios of General Bonded Debt Outstanding
Last Five Fiscal Years

Fiscal Year Ended June 30	Former RDA Tax Allocation Bonds ¹	Percentage of Assessed Value ¹	Per Capita ¹
2020	-	0.00%	-
2019	-	0.00%	-
2018	-	0.00%	-
2017	-	0.00%	-
2016	-	0.00%	-

¹ Assessed Value has been used because the actual value of taxable property is not readily available in the State of California.

NOTE:

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

The City of Yucaipa currently does not have any debt.

CITY OF YUCAIPA
Direct and Overlapping Debt
June 30, 2020

Net Taxable 2019-2020 Assessed Valuation

	Percentage Applicable	Outstanding Debt 06/30/20	Estimated Share of Overlapping Debt
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
San Bernardino Community College District	6.245%	\$ 738,367,480	\$ 46,111,049
Redlands Unified School District	0.067%	\$ 67,818,512	45,438
City of Yucaipa	100.000%	\$ -	-
City of Yucaipa Community Facilities District No. 98-1	100.000%	\$ 18,290,000	18,290,000
Yucaipa Calimesa Joint Unified School District Community Facilities District No. 2	100.000%	1,000,000	1,000,000
Yucaipa Calimesa Joint Unified School District Community Facilities District No. 3	100.000%	2,074,799	2,074,799
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$ 827,550,791	\$ 67,521,287
<u>OVERLAPPING GENERAL FUND DEBT:</u>			
San Bernardino County General Fund Obligations	1.994%	\$ 239,140,000	\$ 4,768,452
San Bernardino County Pension Obligation Bonds	1.994%	237,212,638	4,730,020
San Bernardino County Flood Control District General Fund Obligations	1.994%	57,155,000	1,139,671
Redlands Unified School District Certificates of Participation	0.067%	5,000,000	3,350
Yucaipa-Calimesa Joint Unified School District Certificates of Participation	83.129%	6,760,000	5,619,520
TOTAL OVERLAPPING GENERAL FUND DEBT		545,267,638	16,261,013
OVERLAPPING GENERAL FUND DEBT (Successor Agency):	100.000%	6,950,000	6,950,000
<u>DIRECT TAX AND ASSESSMENT DEBT:</u>			
City of Yucaipa	100.000%	\$ -	-
TOTAL DIRECT DEBT		\$ -	\$ -
COMBINED TOTAL DEBT ²			90,732,299

Notes:

¹ The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

² Excludes tax and revenue anticipation notes, revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2019-20 Assessed Valuation:

Direct Debt.....	0.00%
Total Direct and Overlapping Tax and Assessment Debt.....	1.43%
Combined Total Debt.....	1.92%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$244,767,773):

Total Overlapping Tax Increment Debt.....	2.84%
---	-------

Sources: California Municipal Statistics

CITY OF YUCAIPA
Legal Debt Margin Information
Last Five Fiscal Years

	2020	2019	Fiscal Year 2018	2017	2016
Assessed Valuation	4,724,963,709	4,494,991,135	4,302,239,342	4,081,532,811	3,867,398,617
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	1,181,240,927	1,123,747,784	1,075,559,836	1,020,383,203	966,849,654
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	177,186,139	168,562,168	161,333,975	153,057,480	145,027,448
Total net debt applicable to the limit					
General obligation bonds	-	-	-	-	-
Legal debt margin	177,186,139	168,562,168	161,333,975	153,057,480	145,027,448
Total debt applicable to the limit					
as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

NOTE:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision when assessed valuation was based up 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel.) The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local government located within the state.

Sources:

San Bernardino County Tax Assessor

CITY OF YUCAIPA
Pledged Revenue Coverage
Last Six Fiscal Years

Tax Allocation Bonds				
Fiscal Year Ended June 30	Former RDA Tax Increment	Debt Service		Coverage
		Principal	Interest	
2020	-	190,000	363,828	-
2019	-	180,000	371,675	-
2018	-	175,000	379,137	-
2017	-	165,000	386,243	-
2016	-	160,000	394,394	-
2015	-	155,000	400,775	-

NOTE:

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

On February 1, 2012 the Redevelopment Agency was dissolved.

CITY OF YUCAIPA
Demographic and Economic Statistics
Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (In Thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2019	55,712	\$ 1,542,724	\$ 27,691	3.20%
2018	54,844	\$ 1,407,956	\$ 25,672	3.40%
2017	54,651	\$ 1,338,730	\$ 24,495	4.00%
2016	54,324	\$ 1,347,721	\$ 24,808	5.80%
2015	53,779	\$ 1,367,950	\$ 25,436	6.60%
2014	52,598	\$ 1,353,662	\$ 25,736	8.20%
2013	52,654	\$ 1,365,950	\$ 25,942	6.60%
2012	52,549	\$ 1,372,475	\$ 26,118	7.70%
2011	52,100	\$ 1,343,555	\$ 25,788	10.60%
2010	51,476	\$ 1,324,375	\$ 25,728	11.50%

Sources:

State Department of Finance, HdL, State of California Employment Development Department
<https://www.census.gov/quickfacts/fact/table/yucaipacitycalifornia/BZA115218>
<https://worldpopulationreview.com/us-cities/yucaipa-ca-population>

Current Year and Nine Years Ago

TOTAL TOP EMPLOYERS
TOTAL EMPLOYEES IN CITY

*The City of Yucaipa chooses to not present the principal employer data as the information is not readily available.

CITY OF YUCAIPA

City Employees
by Function

Last Five Fiscal Years

	Employees as of June 30				
	2020	2019	2018	2017	2016
Full-time employees:					
Administrative Services Department:					
Administrative Services	2.00	3.00	3.00	3.00	3.00
Finance	5.00	3.75	3.75	3.75	3.75
City Manager Department:	4.00	3.00	3.00	3.00	2.00
Community Services Department:	10.10	10.20	7.00	7.00	7.00
Development Services Department:					
Director	1.00	0.40	0.40	0.40	1.33
Administration	2.31	1.00	1.75	2.24	1.90
Engineering	4.50	6.00	6.00	5.00	5.00
Street Maintenance	5.25	4.50	4.50	4.00	5.00
Parks/Facilities Maintenance	8.75	8.00	8.00	8.00	7.00
Planning	3.50	2.50	2.50	2.50	1.90
Code Enforcement	3.00	4.16	4.16	4.20	4.33
Fire Services Department:	0.00	0.25	0.25	0.00	0.00
General Services Department:	4.40	4.00	4.00	4.00	4.00
Successor Agency to RDA	0.14	0.48	0.52	0.39	0.54
Yucaipa Housing Authority	0.06	0.16	0.18	0.28	0.00
Total	54.00	53.00	49.00	47.75	46.75

Sources:

City of Yucaipa

CITY OF YUCAIPA
Operating Indicators
by Function
Last Five Fiscal Years

Function	2020	2019	Fiscal Year 2018	2017	2016
Police:					
Calls for service	43,808	44,488	42,964	30,672	32,676
Citations issued	1,252	1,727	1,293	1,380	3,126
Fire:					
Number of Incidents	7,636	7,922	7,691	7,696	7,536
Inspections performed	-	-	105	1,554	1,549
Building and Safety:					
Building Permits Issued	1,376	1,448	1,274	1,511	1,420
No. of New Dwelling Units	17	21	125	76	97
Parks and recreation:					
Community center attendance	16,897	27,712	21,007	22,475	17,840
STARS (prev. Kids Club)	12,269	16,288	15,036	13,347	12,654
STARS Camps	940	1,388	1,574	-	-
Aquatics	1,275	6,950	7,090	6,248	4,348
Community Center Classes	4,218	5,880	6,508	4,429	4,144
Scherer Center Classes	3,742	5,130	5,267	4,907	4,013
Administration					
New Business Licenses	422	469	459	514	535
Renewed Business Licenses	1,547	1,549	1,487	1,591	1,497

1 Sports and Aquatics programs taken over by contracted activity providers.

2 Registration software program conversion which altered the tracking of individual attendance.

Sources:

City of Yucaipa

CITY OF YUCAIPA
Capital Asset Statistics
by Function
Last Five Fiscal Years

Function	<u>2020</u>	<u>2019</u>	<u>Fiscal Year</u> <u>2018</u>	<u>2017</u>	<u>2016</u>
Police:					
Stations	1	1	1	1	1
Sub-stations					
Fire:					
Fire Stations	3	3	3	3	3
Public Works					
Streets (miles)	227.82	227.82	227.82	227.82	227.82
Traffic signals (city-owned)	31.5	27.5	27.5	27.5	27.5
Roundabouts	4	2	2	2	2
Parks and Recreation:					
Parks (acreage)	534	534	532	532	532
Community Centers	2	2	2	2	2
Performing Arts Centers	1	1	0	0	0
Sources:					
City of Yucaipa					