

CITY OF YUCAIPA

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022



CITY OF YUCAIPA, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2022

Prepared by
Finance Department

City of Yucaipa
Annual Comprehensive Financial Report
Year Ended June 30, 2022

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INTRODUCTORY SECTION



February 22, 2023

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, 2022.

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 objective of the audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2022, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts 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, 2022, 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 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 granting 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 City's internal controls over compliance 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 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. Management is authorized to approve budget adjustments within designated thresholds; however, they must be reported to City Council on a periodic basis. 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. 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 includes 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. Three museums, a Library, a Senior Center, and over 40 churches and 90 social or business clubs round out the community.

The Yucaipa Performing Arts Center (YPAC) and the adjacent urban Uptown Park 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 an indoor/outdoor stage with an adjoining 14,000 sq. ft. open air plaza for audiences. The YPAC serves as an anchor within the Historic Uptown district of the City and provides 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, Yucaipa Valley Water District, South Mesa Water Company and Western Heights Water Company. 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. This fiscal strategy assists in laying the foundation to continue the City's 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 manufacturing. Many residents commute for employment to other cities within the region.

The City's revenues have continued to increase through fiscal year 2021/2022. The City's largest revenue source is property taxes in the amount of \$13.8 million which is a 3.9% increase from the previous fiscal year. The trend of rising property values continued in the most recent fiscal year. Sales tax revenues have experienced annual growth except for fiscal year 2019/2020. The following fiscal year, the trend of increasing sales tax revenue returned to the City. During fiscal year 2021/2022, sales tax revenues increased 15.2%. This year's growth is primarily attributed to retail development projects being completed throughout the City.

For the future, there are several projects that hold economic development potential for the community. City staff continues to work with the development community to facilitate economic opportunities and foster responsible impacts. For example, the City has constructed several drainage related projects that have removed over 400 properties from associated flood plains and assisted in the capture and recharge of rainwater, 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.

- College Village Specific 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

The City Council has funded two contingency accounts to serve as buffers against severe changes in the local economic environment. The General Fund Emergency Contingency, is established for use upon the declaration of a state or federal state of emergency or a local emergency as defined in the Yucaipa Municipal Code Section 8.36.030. This commitment is calculated as 20% of the adopted General Fund Expenditure Budget for each year. In fiscal year 2021/2022 this commitment amounted to \$6,358,362. The Reserve for Economic Uncertainties Contingency totals \$1,000,000. This account may be used solely in any fiscal year in which actual General Fund revenue is at least 30% less than budgeted. Neither balance has been utilized during the fiscal year.

Acknowledgments

The preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the Finance department.

Respectfully submitted,



Jennifer Crawford
Acting City Manager

FINANCIAL SECTION

Independent Auditor's Report

The Honorable City Council
City of Yucaipa, California

Report on the Financial Statements

Opinions

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 (City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2022, the City adopted new accounting guidance, *GASB Statement No. 87, Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated February 22, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* in considering the City's internal control over financial reporting and compliance.

Van Lant & Fankhaed, LLP

February 22, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Yucaipa (City), we offer the following narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

- The City's Governmental Activities Net Position increased by approximately 3.4% to \$234.2 million as a result of this year's operations.
- During the year, the City's revenues exceeded expenses by approximately \$7.7 million.
- The total revenues from all sources were approximately \$50.1 million. The total cost of all City programs was approximately \$42.4 million. For capital related items, depreciation expense of \$6.7 million is included in this amount.
- The General Fund reported a change in fund balance of approximately (\$1.4) million.
- The revised General Fund budget reflects an estimated change in fund balance of (\$5.4) million.
- For the General Fund, actual operating revenues received exceeded final budget estimates by the amount of \$2.3 million, primarily due to increases in property taxes, sales and use taxes, licenses and permits, fines and forfeitures, and other revenues.
- Actual operating expenditures in the General Fund were approximately \$3.6 million less than the final budget.
- At the end of Fiscal Year (FY) 2021-2022, the Unassigned Fund Balance in the General Fund was approximately \$10.8 million, or 33.4% 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 \$1.5 million.
- At the end of FY 2021-2022, the unassigned and committed fund balance in the General Fund was approximately \$28 million and includes the following accounts:

1. Unassigned Fund Balance	\$ 10,781,774
2. Committed for Reserve for Economic Contingency (20% of Operational Budget)	6,358,362
3. Committed for Reserve for Economic Stabilization	1,000,000
4. Committed Fund Balance for Fire Services	9,320,060
5. Committed Other Post-Employment Benefits (OPEB)	<u>559,541</u>
Total	<u>\$ 28,019,737</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 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 include 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 a deposit made several years ago for the benefit of City residents relating to the Sheriff's Department. 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 former 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

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 and deferred inflows by approximately \$234 million as of June 30, 2022. This represents an increase from the previous year by the amount of approximately \$7.7 million. See Table 1, below, for a comparative analysis of net position between the fiscal years ended June 30, 2022 and June 30, 2021.

Table 1
Net Position
Governmental Activities

	Fiscal Year Ended June 30	
	2022	2021
Current and other Assets	\$ 64,450,210	\$ 59,548,160
Capital Assets, Net	187,300,451	187,300,451
Total Assets	251,750,661	246,848,611
Deferred Outflows of Resources	2,003,136	2,035,864
Current Liabilities	12,029,944	13,754,452
Long Term Liabilities	5,330,312	8,333,740
Total Liabilities	17,360,256	22,088,192
Deferred Inflows of Resources	2,145,301	259,415
Net Position:		
Net Investment in Capital Assets	192,150,325	187,300,451
Restricted	17,862,918	13,254,884
Unrestricted	24,234,997	25,981,533
Total Net Position	\$ 234,248,240	\$ 226,536,868

A large portion of the City's net position, \$192.1 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 Governmental Activities within the Financial Statements.

An additional portion of the City's net position, \$17.9 million, or 7.6% of total net position, 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, \$24.2 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 \$7.7 million during the year as a result of operations. The summary reflects an increase in total revenues in the amount of approximately \$1.1 million from the previous year. The increases in program and general revenues were partially offset by lower investment income.

The summary also reflects an increase in total expenses in the amount of approximately \$1 million from the previous year. The increase is the result of increased costs associated with public safety and community services partially offset with reduced costs associated with the City's pension plan.

Table 2
Summary of Governmental Activities

	Fiscal Year Ended June 30	
	2022	2021
Revenues		
Program Revenues:		
Charges for Services	\$ 7,477,356	\$ 4,557,440
Operating Grants	5,938,900	3,568,495
Capital Grants	9,340,764	9,636,799
General Revenues:		
Property Taxes	13,802,354	13,283,544
Sales Taxes	5,299,433	4,600,872
Other Taxes and Fees	2,014,485	1,901,420
Motor Vehicle In-Lieu Fees	5,931,673	5,689,226
Investment Income/Misc	272,835	5,718,369
Total Revenues	<u>50,077,800</u>	<u>48,956,165</u>
Expenses		
General Government	4,943,392	5,523,173
Public Safety/Fire/Paramedic	18,010,685	21,553,475
Comm. Dev./Pub. Works/Build. & Safety	15,891,490	12,466,518
Community Services	3,520,861	1,846,775
Total Expenses	<u>42,366,428</u>	<u>41,389,941</u>
Increase in Net Position	7,711,372	7,566,224
Beginning Net Position	<u>226,536,868</u>	<u>218,970,644</u>
Ending Net Position	<u>\$ 234,248,240</u>	<u>\$ 226,536,868</u>

Table 3
Revenues by Source – Governmental Activities
For the Years Ended June 30, 2022 & 2021

	2021/22		2020/21	
	Amount	% of Total	Amount	% of Total
Taxes				
Property	\$ 13,802,354	27.6%	\$ 13,283,544	27.1%
Sales and Use	5,299,433	10.6%	4,600,872	9.4%
Franchise Fees	1,672,542	3.3%	1,567,185	3.2%
Doc. Transfer	318,285	0.6%	311,936	0.6%
Other Taxes	23,658	0.0%	22,299	0.0%
Vehicle License Fees	5,931,673	11.8%	5,689,226	11.6%
Investment income	(187,606)	-0.4%	43,503	0.1%
Miscellaneous Revenues	460,441	0.9%	5,674,866	11.6%
Charges for Services	7,477,356	14.9%	4,557,440	9.3%
Operating Grants and Contributions	5,938,900	11.9%	3,568,495	7.3%
Capital Grants and Contributions	9,340,764	18.6%	9,636,799	19.7%
Total	\$ 50,077,800	100%	\$ 48,956,165	100%

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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 \$42.3 million, an increase of approximately \$1 million in comparison with the prior year. The General Fund has a fund balance of approximately \$51 million, while all other governmental funds combined have an approximate total fund balance deficit of approximately (\$8.6) million. This is due primarily to long-term deficit spending in capital projects requiring of loans from the General Fund (see Note 15 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 ACFR, the General Fund is the chief operating fund of the City. As of June 30, 2022, the Unassigned Fund Balance of the General Fund was approximately \$10.8 million. Included in the \$17.2 million Committed Fund Balance is approximately \$6.4 million that was authorized by City Council for future operating and economic contingencies and approximately \$9.3 million related to the consolidation of the Fire Protection Services Fund Balance. The total Fund Balance in the General Fund, as of June 30, 2022, was approximately \$51 million.

The total Fund Balance of the City's General Fund decreased by an amount of approximately (\$1.4) million. This decrease in Fund Balance was due to transfers out of the General Fund to fund capital projects. The differences in General Fund revenues from the total budgeted estimates can be summarized as follows:

Description	2021/22 Budget	2021/22 Actual	Variance	% Change
	Estimate	Revenue		
Property Tax	\$ 12,235,563	\$ 12,712,240	\$ 476,677	3.9%
Sales Tax	5,027,131	5,299,433	272,302	5.4%
Charges for Services	3,075,554	3,779,467	703,913	22.9%
Other Taxes	1,671,600	1,942,373	270,773	16.2%
Other Governmental	5,945,348	6,109,167	163,819	2.8%
Licenses & Permits	909,145	1,375,320	466,175	51.3%
Investment Income	81,500	(267,615)	(349,115)	-428.4%
Misc. Revenues	432,596	707,823	275,227	63.6%
Transfers In	1,845,437	3,193,612	1,348,175	73.1%

During FY 2021-2022, the City experienced increases among most revenue categories including Property Taxes, Sales and Use Taxes, Fines and Forfeitures, and program revenues. Investment income was one exception, as the City experienced a decrease of approximately (\$348 thousand) from the prior fiscal year.

Special Revenue Funds:

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 2021-2022, the fund balance of the Measure I Fund decreased by approximately \$1.4 million due mainly to increased participation in street improvement activities.

Miscellaneous

The Miscellaneous Special Revenue Fund primarily accounts for grant funding restricted for specific purposes. In FY 2021-2022, the fund balance decreased by approximately \$0.5 million.

Capital Projects Funds:

Public Facilities

The Public Facilities Fund is one component of the City's Development Impact Fee Program. It is used to account for impact fees received for new development and the costs of construction of public facilities including the Yucaipa Performing Arts Center. To the extent that the costs of construction exceed fund resources, an interfund cash flow borrowing is recorded. These loans will be repaid with future collection of impact fees. In FY 2021-2022, the fund balance of the Public Facilities Fund decreased slightly (\$40 thousand).

Park Facilities

The Park Facilities Fund is another component of the City's Development Impact Fee Program. It is used to account for impact fees received and to be used for costs of constructing parks, amenities, and open space. To the extent that the costs of construction exceed fund resources, an interfund cash flow borrowing is recorded. These loans will be repaid with future collection of impact fees. In FY 2021-2022, the fund balance of the Park Facilities Fund increased by \$822 thousand.

Drainage

The Drainage Fund is another component of the City's Development Impact Fee Program. It is used to account for financial transactions specifically related to the construction of drainage projects. In prior years, the General Fund has loaned the Drainage Fund resources for the construction of drainage. To the extent that the costs of construction exceed fund resources, an interfund cash flow borrowing is recorded. These loans will be repaid with future collection of impact fees. In FY 2021-2022, the fund balance of the Drainage Fund increased by \$1.6 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental activities as of June 30, 2022, amounts to approximately \$192 million (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment and construction-in-progress.

This component of net position increased approximately \$4.8 million during the fiscal year. The increase is attributable to an \$8.9 million increase to construction in progress offset by \$6.7 million in recognized depreciation expense. See Table 4 below for the capital asset amounts by category as of June 30, 2022. Also, please refer to Note 5 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	\$ 63,284,934
Infrastructure	98,660,095
Structures and Improvements	4,518,622
Equipment / Vehicles	2,167,381
Construction-in-Progress	23,519,293
Total Capital Assets	<u>\$ 192,150,325</u>

Long-term Debt. At the end of the current fiscal year, other than the obligations outlined in Note 9 related to the total Other Post-Employment Benefits (OPEB), Note 8 related to Pension Plan liabilities, and Compensated Absences, the City had no outstanding long-term debt. Debt balances accounted for by the Successor Agency to the former Yucaipa Redevelopment Agency are disclosed in Note 7 to the financial statements.

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, 34272 Yucaipa Blvd., Yucaipa, CA 92399.

BASIC FINANCIAL STATEMENTS

City of Yucaipa
Statement of Net Position
June 30, 2022

	Governmental Activities
ASSETS	
Cash and Investments	\$ 49,913,884
Receivables:	
Accounts	2,790,650
Interest	125,548
Due From Other Governments	1,758,092
Notes and Loans Receivable	3,200,105
Leases Receivable	83,268
Restricted Cash and Investments	1,539,489
Prepaid Items	189,300
Capital Assets, Not Being Depreciated	86,804,227
Capital Assets, Net of Accumulated Depreciation	105,346,098
Total Assets	<u>251,750,661</u>
DEFERRED OUTFLOWS OF RESOURCES	
OPEB Related Items	507,222
Pension Related Items	1,495,914
Total Deferred Outflows of Resources	<u>2,003,136</u>
LIABILITIES	
Accounts Payable	5,472,312
Accrued Liabilities	264,822
Deposits Payable	1,540,189
Unearned Revenue	4,752,621
Noncurrent Liabilities:	
Due Within One Year	82,156
Due in More Than One Year	5,248,156
Total Liabilities	<u>17,360,256</u>
DEFERRED INFLOWS OF RESOURCES	
Lease Related Items	80,200
OPEB Related Items	57,522
Pension Related Items	2,007,579
Total Deferred Inflows of Resources	<u>2,145,301</u>
NET POSITION	
Net Investment in Capital Assets	192,150,325
Restricted for:	
Public Safety	1,290,274
Public Works/Transportation	3,403,692
Community Development	1,297,916
Community Services/Public Education	3,643,830
Capital Projects	8,227,206
Unrestricted	24,234,997
Total Net Position	<u><u>\$ 234,248,240</u></u>

The accompanying notes are an integral part of this statement.

City of Yucaipa
Statement of Activities
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Change in Net Position
					Governmental Activities
Governmental Activities:					
General Government	\$ 4,943,392	\$ 747,516	\$ 3,258,139	\$ -	\$ (937,737)
Community Development	2,724,779	812,238	181,413	338,377	(1,392,751)
Building and Safety	1,163,594	1,758,166	-	-	594,572
Public Works	12,003,117	1,532,872	1,462,307	8,715,936	(292,002)
Public Safety	12,053,452	416,219	278,194	-	(11,359,039)
Fire Protection Services	4,463,457	425,009	127,787	-	(3,910,661)
Paramedic Services	1,493,776	-	-	-	(1,493,776)
Community Services	3,520,861	1,785,336	631,060	286,451	(818,014)
Total Governmental Activities	\$ 42,366,428	\$ 7,477,356	\$ 5,938,900	\$ 9,340,764	(19,609,408)

General Revenues:

Taxes:

Property Taxes	13,802,354
Sales and Use Taxes	5,299,433
Franchise Taxes	1,672,542
Documentary Transfer Tax	318,285
Other Taxes	23,658
Vehicle License Fees, Unrestricted	5,931,673
Investment Income	(187,606)
Miscellaneous	460,441

Total General Revenues 27,320,780

Change in Net Position 7,711,372

Net Position - Beginning of Year 226,536,868

Net Position - End of Year \$ 234,248,240

The accompanying notes are an integral part of this statement.

**City of Yucaipa
Balance Sheet
Governmental Funds
June 30, 2022**

		Special Revenue		Capital Projects
				Developer Fees Public Facilities
	General	Measure I	Miscellaneous	
ASSETS				
Cash and Investments	\$ 27,422,487	\$ 1,240,931	\$ 4,844,727	\$ 321,866
Receivables:				
Accounts	2,630,943	-	-	-
Interest	111,277	2,793	3,050	-
Due From Other Governments	-	346,584	198,568	-
Due From Other Funds	267,755	-	-	-
Restricted Cash and Investments	1,539,489	-	-	-
Advances to Other Funds	22,774,870	-	1,037,430	-
Notes and Loans Receivable	30,000	-	-	-
Leases Receivable	83,268	-	-	-
Prepaid Items	154,812	-	-	31,471
Total Assets	<u>\$ 55,014,901</u>	<u>\$ 1,590,308</u>	<u>\$ 6,083,775</u>	<u>\$ 353,337</u>
LIABILITIES				
Accounts Payable & Accrued Liabilities	\$ 1,474,738	\$ -	\$ 579,236	\$ 213,433
Deposits Payable	1,539,489	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	4,752,621	-
Advances From Other Funds	-	-	-	12,128,903
Total Liabilities	<u>3,014,227</u>	<u>-</u>	<u>5,331,857</u>	<u>12,342,336</u>
DEFERRED INFLOWS OF RESOURCES				
Lease Related	80,200	-	-	-
Unavailable Revenues	971,055	-	93,502	-
Total Deferred Inflows of Resources	<u>1,051,255</u>	<u>-</u>	<u>93,502</u>	<u>-</u>
FUND BALANCES				
Nonspendable	22,929,682	-	-	31,471
Restricted	-	1,590,308	658,416	-
Committed	17,237,963	-	-	-
Assigned	-	-	-	-
Unassigned	10,781,774	-	-	(12,020,470)
Total Fund Balances	<u>50,949,419</u>	<u>1,590,308</u>	<u>658,416</u>	<u>(11,988,999)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 55,014,901</u>	<u>\$ 1,590,308</u>	<u>\$ 6,083,775</u>	<u>\$ 353,337</u>

The accompanying notes are an integral part of this statement.

Capital Projects			
Developer Fees Parks	Developer Fees Drainage	Non-Major Funds	Total Governmental Funds
\$ 1,108,577	\$ -	\$ 14,076,066	\$ 49,014,654
159,191	516	-	2,790,650
159	-	8,269	125,548
-	-	1,212,940	1,758,092
-	-	761,000	1,028,755
-	-	-	1,539,489
-	-	-	23,812,300
-	2,893,575	276,530	3,200,105
-	-	-	83,268
-	-	3,017	189,300
<u>\$ 1,267,927</u>	<u>\$ 2,894,091</u>	<u>\$ 16,337,822</u>	<u>\$ 83,542,161</u>
\$ 371,289	\$ 693,149	\$ 2,126,716	\$ 5,458,561
-	-	700	1,540,189
-	-	1,028,755	1,028,755
-	-	-	4,752,621
<u>4,823,661</u>	<u>1,255,638</u>	<u>5,604,098</u>	<u>23,812,300</u>
<u>5,194,950</u>	<u>1,948,787</u>	<u>8,760,269</u>	<u>36,592,426</u>
-	-	-	80,200
<u>159,191</u>	<u>2,893,575</u>	<u>473,332</u>	<u>4,590,655</u>
<u>159,191</u>	<u>2,893,575</u>	<u>473,332</u>	<u>4,670,855</u>
-	-	3,017	22,964,170
-	-	7,218,561	9,467,285
-	-	-	17,237,963
-	-	7,273,590	7,273,590
<u>(4,086,214)</u>	<u>(1,948,271)</u>	<u>(7,390,947)</u>	<u>(14,664,128)</u>
<u>(4,086,214)</u>	<u>(1,948,271)</u>	<u>7,104,221</u>	<u>42,278,880</u>
<u>\$ 1,267,927</u>	<u>\$ 2,894,091</u>	<u>\$ 16,337,822</u>	<u>\$ 83,542,161</u>

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City of Yucaipa
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2022

Fund balances of governmental funds	\$ 42,278,880
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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 current financial resources and, therefore, are not reported in the funds:

Capital Assets Not Being Depreciated	86,804,227
Capital Assets Being Depreciated	275,265,465
Accumulated Depreciation	(169,919,367)

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

Compensated Absences	(525,666)
Net Pension Liability	(2,128,323)
Total OPEB Liability	(2,676,323)

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

Deferred Outflows Related to Pensions	1,495,914
Deferred Inflows Related to Pensions	(2,007,579)
Deferred Outflows Related to OPEB	507,222
Deferred Inflows Related to OPEB	(57,522)

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.

620,657

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

4,590,655

Net position of governmental activities

\$ 234,248,240

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, 2022

		Special Revenue		Capital Projects
	General	Measure I	Miscellaneous	Developer Fees Public Facilities
REVENUES				
Taxes:				
Property Taxes	\$ 12,712,240	\$ -	\$ -	\$ -
Sales and Use Taxes	5,299,433	-	-	-
Franchise Taxes	1,600,430	-	-	-
Documentary Transfer Tax	318,285	-	-	-
Other Taxes	23,658	-	-	-
Licenses and Permits	1,375,320	-	-	-
Fines and Forfeitures	309,093	-	17,011	-
Charges for Services	3,779,467	-	76,347	322,666
Intergovernmental	6,109,167	1,427,021	3,548,652	-
Investment Income	(267,615)	(36,313)	(45,084)	(968)
Other	398,730	-	39,691	10,000
Total Revenues	31,658,208	1,390,708	3,636,617	331,698
EXPENDITURES				
Current:				
General Government	4,569,878	-	527,606	-
Community Development	1,217,271	-	57,237	-
Building and Safety	1,163,594	-	-	-
Public Works	3,239,701	-	31,020	20,199
Public Safety	11,009,776	-	17,808	-
Fire Protection Services	4,463,457	-	-	-
Paramedic Services	-	-	-	-
Community Services	3,230,233	-	-	-
Capital Outlay	358,528	-	50,749	1,068,169
Total Expenditures	29,252,438	-	684,420	1,088,368
Excess (Deficiency) of Revenues over Expenditures	2,405,770	1,390,708	2,952,197	(756,670)
OTHER FINANCING SOURCES (USES)				
Transfers In	3,193,612	-	47,626	770,000
Transfers Out	(7,021,839)	(2,832,233)	(3,462,054)	(52,962)
Total Other Financing Sources (Uses)	(3,828,227)	(2,832,233)	(3,414,428)	717,038
Net Change in Fund Balances	(1,422,457)	(1,441,525)	(462,231)	(39,632)
Fund Balances, Beginning of Year	52,371,876	3,031,833	1,120,647	(11,949,367)
Fund Balances, End of Year	\$ 50,949,419	\$ 1,590,308	\$ 658,416	\$ (11,988,999)

The accompanying notes are an integral part of this statement.

Capital Projects			
Developer Fees Parks	Developer Fees Drainage	Non-Major Funds	Total Governmental Funds
\$ -	\$ -	\$ 1,090,114	\$ 13,802,354
-	-	-	5,299,433
-	-	72,112	1,672,542
-	-	-	318,285
-	-	-	23,658
-	-	-	1,375,320
-	-	-	326,104
847,363	906,817	3,058,822	8,991,482
21,398	2,329,663	4,469,989	17,905,890
(3,776)	-	(57,219)	(410,975)
4,349	-	12,020	464,790
869,334	3,236,480	8,645,838	49,768,883
-	-	92,560	5,190,044
-	-	113,578	1,388,086
-	-	-	1,163,594
-	93,322	1,823,325	5,207,567
-	-	158,871	11,186,455
-	-	-	4,463,457
-	-	1,493,776	1,493,776
35,124	-	37,261	3,302,618
1,115,096	2,610,757	9,173,032	14,376,331
1,150,220	2,704,079	12,892,403	47,771,928
(280,886)	532,401	(4,246,565)	1,996,955
1,177,728	1,128,037	8,820,304	15,137,307
(74,778)	(59,060)	(2,581,381)	(16,084,307)
1,102,950	1,068,977	6,238,923	(947,000)
822,064	1,601,378	1,992,358	1,049,955
(4,908,278)	(3,549,649)	5,111,863	41,228,925
\$ (4,086,214)	\$ (1,948,271)	\$ 7,104,221	\$ 42,278,880

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

Net change in fund balances - total governmental funds \$ 1,049,955

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 Additions	11,549,637
Depreciation	(6,691,897)
Disposals	(7,866)

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.	339,934
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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.	306,595
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Amounts for deferred inflows and deferred outflows related to the City's 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	(181,244)
Deferred Inflows Related to Pensions	(1,777,129)
Deferred Outflows Related to Total OPEB Liability	148,516
Deferred Inflows Related to Total OPEB Liability	(28,557)

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	(47,062)
Net Pension Liability	3,404,375
Total OPEB Liability	(353,885)

Change in net position of governmental activities	\$ 7,711,372
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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, 2022

	Governmental Activities - Internal Service Fund
ASSETS	
Current:	
Cash and Investments	\$ 899,230
Total Current Assets	<u>899,230</u>
LIABILITIES	
Current:	
Accounts Payable	13,751
Noncurrent:	
Accrued Liabilities	<u>264,822</u>
Total Liabilities	<u>278,573</u>
NET POSITION	
Unrestricted	<u><u>\$ 620,657</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, 2022

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Other Income	\$ 95,913
Total Operating Revenues	<u>95,913</u>
OPERATING EXPENSES	
Professional Services	645
Property and Liability Premiums	403,449
Claims Expense	<u>299,147</u>
Total Operating Expenses	<u>703,241</u>
Operating Income (Loss)	(607,328)
NON-OPERATING REVENUES (EXPENSES)	
Investment Income	<u>262</u>
Income (Loss) before contributions and transfers	(607,066)
Transfers In	<u>947,000</u>
Change in Net Position	339,934
Total Net Position, Beginning of Year	<u>280,723</u>
Total Net Position, End of Year	<u><u>\$ 620,657</u></u>

The accompanying notes are an integral part of this statement.

City of Yucaipa
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2022

	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities	
Cash Paid to Suppliers for Goods and Service	\$ (416,900)
Cash Paid for Claims	(109,325)
Other Receipts	95,913
Net Cash Provided (Used) by Operating Activities	(430,312)
Cash Flows from Non-Capital Financing Activities	
Transfers from Other Funds	947,000
Cash Flows from Investing Activities	
Interest Received	276
Net Increase (Decrease) in Cash and Cash Equivalents	516,964
Cash and Cash Equivalents, Beginning of Year	382,266
Cash and Cash Equivalents, End of Year	<u><u>\$ 899,230</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating income (loss)	\$ (607,328)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Increase (Decrease) in Accounts Payable	(12,806)
Increase (Decrease) in Accrued Liabilities	189,822
Net Cash Provided (Used) By Operating Activities	<u><u>\$ (430,312)</u></u>

The accompanying notes are an integral part of this statement.

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

	Successor Agency Private-Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and Investments	\$ 512,231	\$ 2,730,844
Cash and Investments with Fiscal Agent	780,274	2,372,085
Accounts Receivable	-	11,558
Interest Receivable	701	3,487
Total Assets	1,293,206	5,117,974
LIABILITIES		
Accounts Payable	2,219	148
Interest Payable	114,151	-
Bonds Payable	6,565,691	-
Total Liabilities	6,682,061	148
NET POSITION		
Restricted for Successor Agency Activities	(5,388,855)	-
Restricted for Individuals and Organizations	-	5,117,826
	\$ (5,388,855)	\$ 5,117,826

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, 2022

	Successor Agency Private-Purpose Trust Fund	Custodial Funds
ADDITIONS		
Taxes and Assessments Collected for Others	\$ 634,125	\$ 2,188,634
Investment Income	(9,898)	(40,924)
Total Additions	624,227	2,147,710
DEDUCTIONS		
Administration Costs	74,686	56,524
Interest Expense	342,371	-
Payments to Bondholders	-	2,183,472
Total Deductions	417,057	2,239,996
Change in Net Position	207,170	(92,286)
Net Position - Beginning	(5,596,025)	5,210,112
Net Position - Ending	<u>\$ (5,388,855)</u>	<u>\$ 5,117,826</u>

The accompanying notes are an integral part of this statement.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

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, as amended.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

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, 2022

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 fiduciary funds 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, 2022

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 *Miscellaneous Special Revenue Fund* accounts for various grant revenues received for restricted purposes.

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 *Developer Fees Drainage Capital Projects Fund* accounts for and reports financial resources collected from development impact fees on new development and restricted for drainage facilities.

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 *Custodial 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, 2022

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, 2022.

G) Interfund Advances

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, 2022

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) Notes and Loans Receivable

The accompanying financial statements report certain loans receivable for loans made to private developers, private homeowners, and other parties. Where applicable, an allowance for doubtful accounts has been recorded to reflect management's best estimate of probable losses associated with non-repayment.

M) Unearned Revenue

The City reports unearned revenue for grants received prior to the period when eligible expenditures are incurred. The \$4,752,621 in unearned revenue reported as of June 30, 2022 represents American Rescue Plan Act funds received but not yet expended on eligible costs.

N) 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.

O) Net Position

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.

P) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents 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.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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 leases, the Net Pension Liability and the Total OPEB Liability.

Q) 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.

R) 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 96 – Subscription-Based Information Technology Arrangements: The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.

S) 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.

T) 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:

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

U) Leases

Lessor: The City is a lessor for noncancellable leases of land owned by the City. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially the same amount as the beginning lease receivable. The deferred inflow of resources is reduced as revenue on a straight-line basis over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

The City has entered into a lease with American Tower to allow the utilization of a cellular tower on City property. The lease term is 5 years and the agreement includes additional 5-year options. Lease payments increase by 4% each year in June under the terms of the lease. Payments received during the year were \$2,694 from July through May and \$2,752 in June. The current 5-year term will expire in December 2024.

At July 1, 2021 the City reported a lease receivable and a deferred inflow of resources of \$112,280. During the fiscal year, the City recognized lease revenue of \$32,080 and lease interest revenue of \$3,374. At June 30, 2022 the balances of the lease receivable and deferred inflow of resources were \$83,268 and \$80,200, respectively.

2) CASH AND INVESTMENTS

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

Statement of Net Position:	
Cash and Investments	\$ 49,913,884
Restricted Cash and Investments	1,539,489
Statement of Fiduciary Net Position:	
Cash and Investments	3,243,075
Cash and Investments with Fiscal Agent	3,152,359
Total Cash and Investments	<u>\$ 57,848,807</u>

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS - Continued

Cash and Investments consist of the following:

Cash on Hand	\$ 1,950
Deposits with Financial Institutions	10,169,527
Investments	47,677,330
Total Cash and Investments	<u>\$ 57,848,807</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.

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.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS - Continued

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.

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	\$ 33,178,244	\$ 8,217,029	\$ 10,835,997	\$ 14,125,218
U.S. Agency Securities	184,877	38,417	146,460	-
Foreign Issues	231,530	-	-	231,530
Municipal Securities	184,321	-	-	184,321
Medium Term Notes	3,178,765	-	510,063	2,668,702
LAIF	7,440,343	7,440,343	-	-
Money Market Mutual Funds	126,889	126,889	-	-
Held by Bond Trustee:				
LAIF	45,107	45,107	-	-
Money Market Mutual Funds	3,107,254	3,107,254	-	-
Total Pooled Investments	<u>\$ 47,677,330</u>	<u>\$ 18,975,039</u>	<u>\$ 11,492,520</u>	<u>\$ 17,209,771</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. The investments must meet the minimum investment rating when purchased.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS - Continued

Investment Type	Total	Minimum Legal Rating	AAA	A/AA	BBB	Rating not Required
U.S. Treasury Obligations	\$ 33,178,244	N/A	\$ -	\$ 33,178,244	\$ -	\$ -
U.S. Agency Securities	184,877	N/A	-	184,877	-	-
Supranational Agency Securities	231,530	A-	231,530	-	-	-
Municipal Bonds	184,321	A-	-	184,321	-	-
Medium Term Notes	3,178,765	A-	911,743	1,960,316	306,706	-
LAIF	7,440,343	N/A	-	-	-	7,440,343
Money Market Mutual Funds	126,889	N/A	126,889	-	-	-
Held by Bond Trustee:						
LAIF	45,107	N/A	-	-	-	45,107
Money Market Mutual Funds	3,107,254	AAA	3,107,254	-	-	-
Total Pooled Investments	<u>\$ 47,677,330</u>		<u>\$ 4,377,416</u>	<u>\$ 35,507,758</u>	<u>\$ 306,706</u>	<u>\$ 7,485,450</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, 2022, 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.

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, 2022, 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, 2022, 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.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS - Continued

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. Level 2 inputs are valued using a matrix pricing model. The City has the following recurring fair value measurements as of June 30, 2022:

Investment Type	Total	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
U.S. Treasury Obligations	\$ 33,178,244	\$ 33,178,244	\$ -	\$ -
U.S. Agency Securities	184,877	-	184,877	-
Supranational Agency Securities	231,530	-	231,530	-
Municipal Bonds	184,321	-	184,321	-
Medium Term Notes	3,178,765	-	3,178,765	-
Total Pooled Investments	\$ 36,957,737	\$ 33,178,244	\$ 3,779,493	\$ -

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, 2022 are as follows:

Due From (Receivable)	Due To (Payable)	Amount
General Fund	Non-major Governmental Funds	\$ 267,755
Non-major Governmental Funds	Non-major Governmental Funds	761,000
Total		\$ 1,028,755

The interfund balance due to the General Fund was the result of short-term borrowings to cover deficit cash balances at June 30, 2022. The \$761,000 due between non-major governmental funds is a result of short-term borrowings for capital projects. Interfund advances at June 30, 2022 are as follows:

Advances to Other Funds (Receivable)	Advances From Other Funds (Payable)	Amount
General Fund	Developer Fees Public Facilities	\$ 12,128,903
	Developer Fees Parks	4,823,661
	Developer Fees Drainage	1,255,638
	Non-major Governmental Funds	4,566,668
Miscellaneous Special Revenue	Non-major Governmental Funds	1,037,430
Total Advances To/From Other Funds		\$ 23,812,300

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

The advances due to the City's General Fund resulted from 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.

The City has adopted a Resolution establishing an interfund loan agreement, where the Developer Fees Funds are required to pay off the advances at 50% of the impact fees received, except for the Developer Fees Public Facilities Fund, which is required to make payments at 100% of the impact fees received. The Miscellaneous Special Revenue Fund has provided advances to nonmajor governmental funds for certain street projects. These balances are expected to be repaid with future revenues.

Interfund transfers at June 30, 2022 are as follows:

TRANSFERS OUT	TRANSFERS IN							Total
	General Fund	Miscellaneous Special Revenue	Dev. Fees Public Facilities	Developer Fees Parks	Developer Fees Drainage	Internal Service Fund	Non-Major Funds	
General Fund	\$ -	\$ 47,626	\$ 530,000	\$ 579,000	\$ 201,037	\$ 947,000	\$ 4,717,176	\$ 7,021,839
Measure I	2,107	-	-	-	-	-	2,830,126	2,832,233
Miscellaneous Special Revenue	2,342,054	-	-	-	927,000	-	193,000	3,462,054
Developer Fees Public Facilities	52,962	-	-	-	-	-	-	52,962
Developer Fees Parks	74,778	-	-	-	-	-	-	74,778
Developer Fees Drainage	59,060	-	-	-	-	-	-	59,060
Non-Major Funds	662,651	-	240,000	598,728	-	-	1,080,002	2,581,381
	<u>\$ 3,193,612</u>	<u>\$ 47,626</u>	<u>\$ 770,000</u>	<u>\$ 1,177,728</u>	<u>\$ 1,128,037</u>	<u>\$ 947,000</u>	<u>\$ 8,820,304</u>	<u>\$ 16,084,307</u>

The transfers from the General Fund to the other Major Funds and Non-Major Funds were to fund various park and facility projects and for paramedic services. The \$947,000 transfer to the Internal Service Fund was to cover claims expenses. The \$3,193,612 transfers from the various funds to the General Fund were to help fund various costs, including \$2,338,239 of ARPA funds to cover Covid-related revenue loss.

The transfers from the Measure I fund to the Non-Major Funds was to fund various street-related projects, while the \$927,000 transfer from the Miscellaneous Special Revenue Fund to the Developer Fees Drainage Fund was to provide funding for the Wilson III Basin project. The transfers from the Non-Major Funds to the Developer Fees Public Facilities Fund, the Developer Fees Drainage Fund, and other Non-Major Funds were to fund project costs for streets, parks, and various other public facilities.

4) NOTES AND LOANS RECEIVABLE

Notes and Loans Receivable at June 30, 2022 include \$2,893,575 due from a developer for the sale of real property, \$276,530 in loans relating to the City's Energy Independence Program, and \$30,000 relating to the City's Façade Improvement Program. Other Notes and Loans are offset by an allowance for doubtful accounts.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

5) CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Being Depreciated:				
Buildings and Improvements	\$ 15,194,683	\$ -	\$ -	\$ 15,194,683
Equipment	3,009,788	252,825	(37,496)	3,225,117
Vehicles	3,800,692	53,056	(56,614)	3,797,134
Infrastructure	250,668,093	2,380,438	-	253,048,531
Total Depreciable Capital Assets	272,673,256	2,686,319	(94,110)	275,265,465
Less Accumulated Depreciation:				
Buildings and Improvements	(10,253,721)	(422,340)	-	(10,676,061)
Equipment	(1,932,322)	(356,338)	35,528	(2,253,132)
Vehicles	(2,371,427)	(281,027)	50,716	(2,601,738)
Infrastructure	(148,756,244)	(5,632,192)	-	(154,388,436)
Total Accumulated Depreciation	(163,313,714)	(6,691,897)	86,244	(169,919,367)
Capital Assets, Net of Accumulated Depreciation	109,359,542	(4,005,578)	(7,866)	105,346,098
Capital Assets, Not Being Depreciated:				
Land	4,603,294	-	-	4,603,294
Rights of Way	58,681,640	-	-	58,681,640
Construction in Progress	14,655,975	11,423,196	(2,559,878)	23,519,293
Total Capital Assets Not Being Depreciated	77,940,909	11,423,196	(2,559,878)	86,804,227
Total Capital Assets	\$ 187,300,451	\$ 7,417,618	\$ (2,567,744)	\$ 192,150,325

Depreciation expense was charged to the following functions in the Statement of Activities:

General Government	\$ 311,297
Public Safety	864,675
Public Works	3,960,989
Community Development	1,336,693
Community Services	218,243
Total Depreciation Expense	<u>\$ 6,691,897</u>

6) 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, 2022:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Due Beyond One Year
Governmental Activities:						
Total OPEB Liability	2,322,438	353,885	-	2,676,323	-	2,676,323
Net Pension Liability	5,532,698	-	3,404,375	2,128,323	-	2,128,323
Compensated Absences	478,604	47,062	-	525,666	82,156	443,510
Total	<u>\$ 8,333,740</u>	<u>\$ 400,947</u>	<u>\$ 3,404,375</u>	<u>\$ 5,330,312</u>	<u>\$ 82,156</u>	<u>\$ 5,248,156</u>

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

6) 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 is reported as a liability in the statement of net position. This liability is primarily liquidated by the General Fund.

7) 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, 2022:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Due Beyond One Year
Tax Allocation Bonds:						
1998	\$ 295,000	\$ -	\$ 30,000	\$ 265,000	\$ 30,000	\$ 235,000
2004	1,490,000	-	50,000	1,440,000	50,000	1,390,000
2010	4,970,000	-	125,000	4,845,000	135,000	4,710,000
Unamortized Premium	16,516	-	825	15,691	825	14,866
Total	<u>\$ 6,771,516</u>	<u>\$ -</u>	<u>\$ 205,825</u>	<u>\$ 6,565,691</u>	<u>\$ 215,825</u>	<u>\$ 6,349,866</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. Future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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>\$ 265,000</u>	<u>\$ 56,787</u>	<u>\$ 321,787</u>

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.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

7) FIDUCIARY FUND LONG-TERM DEBT – Continued

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. Future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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>\$ 1,440,000</u>	<u>\$ 559,706</u>	<u>\$ 1,999,706</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, 2022 was \$4,845,000. Future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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
2028-2032	775,000	1,035,706	1,810,706
2033-2037	1,450,000	770,572	2,220,572
2038-2041	1,950,000	221,375	2,171,375
	<u>\$ 4,845,000</u>	<u>\$ 3,236,902</u>	<u>\$ 8,081,902</u>

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

8) 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, 2020 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2020 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

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

	Miscellaneous	Miscellaneous
	Prior to	PEPRA
	January 1, 2013	On or after
	January 1, 2013	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%	7.25%
Required employer contribution rates	11.60% + \$409,707	7.73% + \$6,860

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.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

8) PENSION PLAN - Continued

The City's required contribution for the unfunded liability and side fund was \$416,567 in fiscal year 2022. The City's contributions to the Plan for the year ended June 30, 2022 were \$1,056,163.

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

As of June 30, 2022, the City reported a net pension liability for its proportionate shares of the net pension liability of the Plan of \$2,128,323. 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, 2021, 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, 2020 rolled forward to June 30, 2021 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension 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, 2020, and 2021 was as follows:

Proportion - June 30, 2020	0.05085%
Proportion - June 30, 2021	0.03935%
Change - Increase (Decrease)	-0.01150%

For the year ended June 30, 2022, the City recognized a pension credit of \$389,841. At June 30, 2022, 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	\$ 1,056,163	\$ -
Differences between actual and expected experience	238,669	-
Changes in assumptions	-	-
Change in employer's proportion	196,840	-
Differences between employer's contributions and employer's proportionate share of contributions	4,242	149,666
Net differences between projected and actual earnings on plan investments	-	1,857,913
Total	<u>\$ 1,495,914</u>	<u>\$ 2,007,579</u>

\$1,056,163 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, 2023. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Amount
2023	\$ (309,980)
2024	(344,206)
2025	(400,209)
2026	(513,433)

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

8) PENSION PLAN - Continued

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

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	entry-age normal
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.

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 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.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

8) PENSION PLAN - Continued

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.

Subsequent Events - On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date, which will be used in the City's June 30, 2023 financial statements.

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:

1% Decrease		6.15%
Net Pension Liability/(Asset)	\$	5,913,011
Current Discount Rate		7.15%
Net Pension Liability/(Asset)	\$	2,128,323
1% Increase		8.15%
Net Pension Liability/(Asset)	\$	(100,424)

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

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

9) 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 PEPPRA 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 (\$143 and \$149 for the calendar years 2021 and 2022 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, 2021 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	17
Active employees	50
	67

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, 2022, the City's pay-as-you-go costs were \$28,747 and an implicit subsidy of \$19,994.

Total OPEB Liability - The City's total OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age, Level Percent of Pay
Mortality	CalPERS 2000-2019 Experience Study
Age at Retirement	60
Health Care Trend Rate	6.50% for 2021; 6.00% for 2022, ultimate rate of 4.50% for 2031 and later years
Inflation Rate	3.00%
Salary Changes	3.00%
Discount Rate	1.92% - Bond Buyer 20-Bond GO index: June 30, 2021 2.45% - Bond Buyer 20-Bond GO index: June 30, 2020
Medical CPI	3.50% - used to project PERS statutory minimum benefit

Discount Rate – The discount rate used to measure the total OPEB liability was 1.92 percent and is based on the Bond Buyer 20-Bond GO index.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

9) OTHER POSTEMPLOYMENT BENEFITS - Continued

Changes in the Total OPEB Liability

	Total OPEB Liability (TOL)
Balance at June 30, 2021 (June 30, 2020 measurement date)	\$ 2,322,438
Changes in the year:	
Service cost	154,728
Interest on the total OPEB liability	60,116
Changes in assumptions or other inputs	224,819
Difference between expected and actual experience, changes of assumptions	(38,585)
Benefit payments, including implicit subsidy	(47,193)
Net changes	353,885
Balance at June 30, 2022 (June 30, 2021 measurement date)	\$ 2,676,323

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 (0.92%)	Discount Rate (1.92%)	1% Increase (2.92%)
Total OPEB liability	\$ 3,104,435	\$ 2,676,323	\$ 2,335,505

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	Current Rates	1% Increase
Total OPEB liability	\$ 2,300,735	\$ 2,676,323	\$ 3,156,725

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB - For the year ended June 30, 2022, the City recognized OPEB expense of \$283,808. 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	\$ 49,882	\$ -
Differences Between Expected and Actual Experience	-	57,522
Changes in Assumptions or Other Inputs	457,340	-
Total	\$ 507,222	\$ 57,522

The \$49,882 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

9) OTHER POSTEMPLOYMENT BENEFITS - Continued

Year Ending June 30,	Amount
2023	\$ 68,964
2024	68,964
2025	68,964
2026	68,964
2027	63,097
Thereafter	60,865

10) 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 California Intergovernmental Risk Authority (CIRA), a joint powers authority of California municipalities, up to a maximum \$15,000,000 per incident.

The membership of CIRA consists of thirty-seven California cities. The primary purpose of CIRA 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 CIRA'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.

Fiscal Year	Claims Payable Beginning of Year	Additions	Deletions	Claims Payable End of Year
6/30/22	\$ 75,000	\$ 297,918	\$ (108,096)	\$ 264,822
6/30/21	75,000	139,513	(139,513)	75,000
6/30/20	75,000	114,831	(114,831)	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.

11) 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.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

11) DEVELOPMENT IMPACT FEES - Continued

As of June 30, 2022, deferral fees owed to the City for all types of development impact fees totaled approximately \$219,941.

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.

12) 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, 2022 is \$15,610,000. 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.

13) 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 \$1,633,376.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

14) 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. In fiscal year 2022, the contingency has been 20% of the General Fund operating budget. In fiscal year 2023, this percentage will increase to 30%.
- **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.
- **OPEB:**
Fund balance in the General Fund has been committed to pay for retiree health benefits, until they become eligible under Medicare.
- **Fire Protection:**
Fund Balance in the General Fund has been committed to fire protection services. Fire is accounted for separately by the City internally, but rolls up into the General Fund. This commitment is the fund balance of this internal fund balance.

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.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

14) FUND BALANCE - Continued

The City's governmental fund balances at June 30, 2022, are presented below:

	General Fund	Measure I	Miscellaneous Special Revenue Fund	Developer Fees Public Facilities Fund	Developer Fees Parks	Developer Fees Drainage	Non-major Governmental Funds	Total
Nonspendable:								
Advances to Other Funds	\$22,774,870	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$22,774,870
Prepays	154,812	-	-	31,471	-	-	3,017	189,300
Restricted for:								
Capital Projects	-	-	658,416	-	-	-	8,312	666,728
Public Works/Street Projects	-	1,590,308	-	-	-	-	1,730,147	3,320,455
Public Safety	-	-	-	-	-	-	1,290,274	1,290,274
Landscape & Lighting	-	-	-	-	-	-	2,818,781	2,818,781
Community Services/Education	-	-	-	-	-	-	1,371,047	1,371,047
Committed to:								
Emergency Contingency	6,358,362	-	-	-	-	-	-	6,358,362
Economic Stabilization	1,000,000	-	-	-	-	-	-	1,000,000
OPEB	559,541	-	-	-	-	-	-	559,541
Fire Protection	9,320,060	-	-	-	-	-	-	9,320,060
Assigned to:								
Capital Projects	-	-	-	-	-	-	7,273,590	7,273,590
Unassigned	10,781,774	-	-	(12,020,470)	(4,086,214)	(1,948,271)	(7,390,947)	(14,664,128)
Total Fund Balances	\$50,949,419	\$ 1,590,308	\$ 658,416	\$ (11,988,999)	\$ (4,086,214)	\$ (1,948,271)	\$ 7,104,221	\$42,278,880

15) ACCUMULATED FUND DEFICITS

At June 30, 2022, the following funds had deficit fund balances:

Major Funds - Capital Projects:	
Developer Fees Public Facilities	(11,988,999)
Developer Fees Parks	(4,086,214)
Developer Fees Drainage	(1,948,271)
Non-major Funds	
Housing Authority	(60,118)
Miscellaneous Capital Projects	(401,187)
CDBG Capital	(133,582)
Air Quality Improvement	(1,302)
TDA Article 3	(89,728)
Traffic Facilities	(2,176,405)
Developer Impact Fees Fire	(2,143,164)
Low Water Crossings	(2,385,461)

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 is the result of cash flow advances made from the General Fund for the construction of various public facilities. In accordance with the interfund borrowing agreement, the advances are repaid as development impact fees are received in the fund.

Developer Impact Fees Parks Fund - The deficit fund balance is the result of cash flow advances made from the General Fund for the construction of Community Park. In accordance with the interfund borrowing agreement, the advances are repaid as development impact fees are received in the fund.

City of Yucaipa
Notes to Financial Statements
Year Ended June 30, 2022

15) ACCUMULATED FUND DEFICITS - Continued

Developer Fees Drainage Fund - The deficit fund balance is the result of cash flow advances made from the General Fund. Advances made to this fund were for the construction of regional drainage projects. In accordance with the interfund borrowing agreement, the advances are repaid as development impact fees are received in the fund.

Developer Fees Fire Fund - The deficit fund balance is the result of cash flow advances made from the General Fund, for the construction of Fire Station #3. In accordance with the interfund borrowing agreement, the advances are repaid as development impact fees are received in the fund.

Low Water Crossings Fund - The deficit fund balance is the result of cash flow advances made from the General Fund. The advances are repaid as funding is received.

Other deficits will be funded by future revenues and/or transfers as deemed necessary.

REQUIRED SUPPLEMENTARY INFORMATION

City of Yucaipa
Required Supplementary Information
Year Ended June 30, 2022

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>
2021	0.03935%	\$ 2,128,323	\$ 4,304,091	49.45%	92.58%
2020	0.05085%	5,532,698	4,475,311	123.63%	79.11%
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, 2022

Schedule of Plan Contributions
Last 10 Years*

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2022	\$ 856,580	\$ (1,056,163)	\$ (199,583)	\$ 4,920,339	21.47%
2021	750,096	(1,000,022)	(249,926)	4,304,091	23.23%
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, 6/30/2019, 6/30/2020

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

City of Yucaipa
Required Supplementary Information
Year Ended June 30, 2022

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

	Measurement Period				
	2021	2020	2019	2018	2017
Total OPEB Liability					
Service cost	\$ 154,728	\$ 142,461	\$ 119,792	\$ 102,354	\$ 99,373
Interest on total OPEB liability	60,116	65,155	63,678	50,657	46,820
Difference between expected and actual experience	(38,585)	-	(39,127)	-	-
Changes in assumptions	224,819	196,730	189,572	(104,868)	-
Benefit payments, including implicit subsidy	(47,193)	(41,805)	(26,360)	(28,231)	(19,085)
Net change in total OPEB liability	353,885	362,541	307,555	19,912	127,108
Total OPEB liability - beginning	2,322,438	1,959,897	1,652,342	1,632,430	1,505,322
Total OPEB liability - ending	<u>\$ 2,676,323</u>	<u>\$ 2,322,438</u>	<u>\$ 1,959,897</u>	<u>\$ 1,652,342</u>	<u>\$ 1,632,430</u>
Covered-employee payroll	\$ 4,865,564	\$ 5,131,471	\$ 4,750,449	\$ 3,643,825	\$ 3,496,726
Total OPEB liability as a percentage of covered-employee payroll	55.01%	45.26%	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 2022, the accounting discount rate change from 2.45% to 1.92%

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes:				
Property Taxes	\$ 11,835,563	\$ 12,235,563	\$ 12,712,240	\$ 476,677
Sales and Use Taxes	4,300,000	5,027,131	5,299,433	272,302
Franchise Taxes	1,350,000	1,450,000	1,600,430	150,430
Documentary Transfer Tax	200,000	200,000	318,285	118,285
Other Taxes	21,600	21,600	23,658	2,058
Licenses and Permits	909,145	909,145	1,375,320	466,175
Fines and Forfeitures	257,346	257,346	309,093	51,747
Charges for Services	2,643,459	3,075,554	3,779,467	703,913
Intergovernmental	5,945,348	5,945,348	6,109,167	163,819
Investment Income	81,500	81,500	(267,615)	(349,115)
Other	175,250	175,250	398,730	223,480
Total Revenues	27,719,211	29,378,437	31,658,208	2,279,771
EXPENDITURES				
Current:				
General Government:				
City Manager	1,144,743	1,144,743	875,218	269,525
City Council	67,585	67,585	66,435	1,150
General Services/City Clerk	377,083	377,083	348,381	28,702
Administrative Services	3,482,943	3,519,635	2,992,069	527,566
Non-departmental	378,608	378,608	287,775	90,833
Community Development	1,744,145	1,744,145	1,217,271	526,874
Building and Safety	552,043	552,043	1,163,594	(611,551)
Public Works	4,083,749	4,127,085	3,239,701	887,384
Public Safety:				
Police Services	11,864,963	11,864,963	11,009,776	855,187
Fire Protection Services	4,759,301	4,759,301	4,463,457	295,844
Community Services	3,293,655	3,811,090	3,230,233	580,857
Capital Outlay	510,082	470,082	358,528	111,554
Total Expenditures	32,258,900	32,816,363	29,252,438	3,563,925
Excess (Deficiency) of Revenues over Expenditures	(4,539,689)	(3,437,926)	2,405,770	5,843,696
OTHER FINANCING SOURCES (USES)				
Transfers In	1,845,437	1,845,437	3,193,612	1,348,175
Transfers Out	(3,845,215)	(3,845,215)	(7,021,839)	(3,176,624)
Total Other Financing Sources (Uses)	(1,999,778)	(1,999,778)	(3,828,227)	(1,828,449)
Net Change in Fund Balances	(6,539,467)	(5,437,704)	(1,422,457)	4,015,247
Fund Balances, Beginning of Year	52,371,876	52,371,876	52,371,876	-
Fund Balances, End of Year	\$ 45,832,409	\$ 46,934,172	\$ 50,949,419	\$ 4,015,247

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Measure I Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 1,112,700	\$ 1,112,700	\$ 1,427,021	\$ 314,321
Investment Income	-	-	(36,313)	(36,313)
Total Revenues	1,112,700	1,112,700	1,390,708	278,008
OTHER FINANCING SOURCES (USES)				
Transfers Out	(952,107)	(952,107)	(2,832,233)	(1,880,126)
Net Change in Fund Balances	160,593	160,593	(1,441,525)	(1,602,118)
Fund Balances, Beginning of Year	3,031,833	3,031,833	3,031,833	-
Fund Balances, End of Year	<u>\$ 3,192,426</u>	<u>\$ 3,192,426</u>	<u>\$ 1,590,308</u>	<u>\$ (1,602,118)</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Miscellaneous Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Fines & Forfeitures	\$ 12,800	\$ 12,800	\$ 17,011	\$ 4,211
Charges for Services	78,388	78,388	76,347	(2,041)
Intergovernmental	154,664	409,089	3,548,652	3,139,563
Investment Income	275	275	(45,084)	(45,359)
Other	41,517	41,517	39,691	(1,826)
Total Revenues	287,644	542,069	3,636,617	3,094,548
EXPENDITURES				
Current:				
General Government	106,578	160,040	527,606	(367,566)
Community Development	-	150,000	57,237	92,763
Public Works	32,595	32,595	31,020	1,575
Public Safety	18,500	19,000	17,808	1,192
Capital Outlay	20,000	70,963	50,749	20,214
Total Expenditures	177,673	432,598	684,420	(251,822)
Excess (Deficiency) of Revenues over Expenditures	109,971	109,471	2,952,197	2,842,726
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	47,626	47,626
Transfers Out	(3,815)	(930,815)	(3,462,054)	(2,531,239)
Total Other Financing Sources (Uses)	(3,815)	(930,815)	(3,414,428)	(2,483,613)
Net Change in Fund Balance	106,156	(821,344)	(462,231)	359,113
Fund Balance, Beginning of Year	1,120,647	1,120,647	1,120,647	-
Fund Balance, End of Year	\$ 1,226,803	\$ 299,303	\$ 658,416	\$ 359,113

City of Yucaipa
Notes to Required Supplementary Information
Year Ended June 30, 2022

1. Budgetary Control and Accounting

The City Council approves each year's budget prior to the beginning of the 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 management. 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 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, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 72,946	\$ 72,946	\$ 322,666	\$ 249,720
Investment Income	-	-	(968)	(968)
Other	50,000	50,000	10,000	(40,000)
Total Revenues	122,946	122,946	331,698	208,752
EXPENDITURES				
Current:				
Public Works	-	-	20,199	(20,199)
Capital Outlay	668,000	1,783,311	1,068,169	715,142
Total Expenditures	668,000	1,783,311	1,088,368	694,943
Excess (Deficiency) of Revenues over Expenditures	(545,054)	(1,660,365)	(756,670)	903,695
OTHER FINANCING SOURCES (USES)				
Transfers In	1,000,000	1,000,000	770,000	(230,000)
Transfers Out	(84,664)	(84,664)	(52,962)	31,702
Total Other Financing Sources (Uses)	915,336	915,336	717,038	(198,298)
Net Change in Fund Balance	370,282	(745,029)	(39,632)	705,397
Fund Balance (Deficit), Beginning of Year	(11,949,367)	(11,949,367)	(11,949,367)	-
Fund Balance (Deficit), End of Year	<u>\$ (11,579,085)</u>	<u>\$ (12,694,396)</u>	<u>\$ (11,988,999)</u>	<u>\$ 705,397</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, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Charges For Services	\$ 118,820	\$ 118,820	\$ 847,363	\$ 728,543
Intergovernmental	-	-	21,398	21,398
Investment Income	-	-	(3,776)	(3,776)
Other	99,000	10,000	4,349	(5,651)
Total Revenues	217,820	128,820	869,334	740,514
EXPENDITURES				
Current:				
Community Services	-	-	35,124	(35,124)
Capital Outlay	529,000	2,227,521	1,115,096	1,112,425
Total Expenditures	529,000	2,227,521	1,150,220	1,077,301
Excess (Deficiency) of Revenues over Expenditures	(311,180)	(2,098,701)	(280,886)	1,817,815
OTHER FINANCING SOURCES (USES)				
Transfers In	599,000	1,222,900	1,177,728	(45,172)
Transfers Out	(99,503)	(114,503)	(74,778)	39,725
Total Other Financing Sources (Uses)	499,497	1,108,397	1,102,950	(5,447)
Net Change in Fund Balances	188,317	(990,304)	822,064	1,812,368
Fund Balances (Deficit), Beginning of Year	(4,908,278)	(4,908,278)	(4,908,278)	-
Fund Balances (Deficit), End of Year	<u>\$ (4,719,961)</u>	<u>\$ (5,898,582)</u>	<u>\$ (4,086,214)</u>	<u>\$ 1,812,368</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, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 166,949	\$ 166,949	\$ 906,817	\$ 739,868
Intergovernmental	3,508,000	3,685,750	2,329,663	(1,356,087)
Total Revenues	3,674,949	3,852,699	3,236,480	(616,219)
EXPENDITURES				
Current:				
Public Works	-	-	93,322	(93,322)
Capital Outlay	4,599,000	6,264,643	2,610,757	3,653,886
Total Expenditures	4,599,000	6,264,643	2,704,079	3,560,564
Excess (Deficiency) of Revenues over Expenditures	(924,051)	(2,411,944)	532,401	2,944,345
OTHER FINANCING SOURCES (USES)				
Transfers In	201,037	1,128,037	1,128,037	-
Transfers Out	(1,277,316)	(1,277,316)	(59,060)	1,218,256
Total Other Financing Sources (Uses)	(1,076,279)	(149,279)	1,068,977	1,218,256
Net Change in Fund Balance	(2,000,330)	(2,561,223)	1,601,378	4,162,601
Fund Balance (Deficit), Beginning of Year	(3,549,649)	(3,549,649)	(3,549,649)	-
Fund Balance (Deficit), End of Year	\$ (5,549,979)	\$ (6,110,872)	\$ (1,948,271)	\$ 4,162,601

NON-MAJOR GOVERNMENTAL FUNDS

City of Yucaipa
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

	Gas Tax	Energy Independence Program	State COPs Grant
ASSETS			
Cash and Investments	\$ 94,985	\$ 269,227	\$ 760,572
Receivables:			
Interest	846	241	612
Due From Other Governments	293,769	-	77,211
Due From Other Funds	-	-	-
Notes and Loans Receivable	-	276,530	-
Prepaid Items	3,017	-	-
	<u>3,017</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 392,617</u>	<u>\$ 545,998</u>	<u>\$ 838,395</u>
LIABILITIES			
Accounts Payable & Accrued Liabilities	\$ 73,618	\$ -	\$ 31,726
Deposits Payable	-	-	-
Due to Other Funds	-	-	-
Advances From Other Funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>73,618</u>	<u>-</u>	<u>31,726</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	3,017	-	-
Restricted	315,982	545,998	806,669
Assigned	-	-	-
Unassigned	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>318,999</u>	<u>545,998</u>	<u>806,669</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 392,617</u>	<u>\$ 545,998</u>	<u>\$ 838,395</u>

Office of Traffic and Safety	Special Revenue				Capital Projects	
	LLMD	Housing Authority	Paramedic	PEG Video	Miscellaneous Capital Projects	CDBG Capital
\$ 129,828	\$ 2,868,893	\$ -	\$ 343,107	\$ 821,309	\$ 352,847	\$ -
92	2,007	-	-	577	256	-
-	3,593	-	13,632	23,193	20,781	331,497
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 129,920</u>	<u>\$ 2,874,493</u>	<u>\$ -</u>	<u>\$ 356,739</u>	<u>\$ 845,079</u>	<u>\$ 373,884</u>	<u>\$ 331,497</u>
\$ -	\$ 55,712	\$ (2,270)	\$ 3,054	\$ -	\$ 13,371	\$ 86,988
-	-	-	-	-	700	-
-	-	62,388	-	-	761,000	96,039
-	-	-	-	-	-	-
-	55,712	60,118	3,054	-	775,071	183,027
-	-	-	-	20,030	-	282,052
-	-	-	-	20,030	-	282,052
-	-	-	-	-	-	-
129,920	2,818,781	-	353,685	825,049	-	-
-	-	-	-	-	-	-
-	-	(60,118)	-	-	(401,187)	(133,582)
129,920	2,818,781	(60,118)	353,685	825,049	(401,187)	(133,582)
<u>\$ 129,920</u>	<u>\$ 2,874,493</u>	<u>\$ -</u>	<u>\$ 356,739</u>	<u>\$ 825,049</u>	<u>\$ 373,884</u>	<u>\$ 331,497</u>

Continued

City of Yucaipa
Combining Balance Sheet
Non-Major Governmental Funds (Continued)
June 30, 2022

	Capital Projects			
	Air Quality Improvement	Pool Capital Replacement	Street Maintenance	TDA Article 3
ASSETS				
Cash and Investments	\$ -	\$ 8,306	\$ 1,526,246	\$ -
Receivables:				
Interest	-	6	-	-
Due From Other Governments	99,820	-	-	89,728
Due From Other Funds	-	-	-	-
Notes and Loans Receivable	-	-	-	-
Prepaid Items	-	-	-	-
Total Assets	<u>\$ 99,820</u>	<u>\$ 8,312</u>	<u>\$ 1,526,246</u>	<u>\$ 89,728</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 132,215	\$ -
Deposits Payable	-	-	-	-
Due to Other Funds	19,600	-	-	89,728
Advances From Other Funds	-	-	-	-
Total Liabilities	<u>19,600</u>	<u>-</u>	<u>132,215</u>	<u>89,728</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Land Sale	<u>81,522</u>	<u>-</u>	<u>-</u>	<u>89,728</u>
Total Deferred Inflows of Resources	<u>81,522</u>	<u>-</u>	<u>-</u>	<u>89,728</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	8,312	1,394,031	-
Assigned	-	-	-	-
Unassigned	<u>(1,302)</u>	<u>-</u>	<u>-</u>	<u>(89,728)</u>
Total Fund Balances	<u>(1,302)</u>	<u>8,312</u>	<u>1,394,031</u>	<u>(89,728)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 99,820</u>	<u>\$ 8,312</u>	<u>\$ 1,526,246</u>	<u>\$ 89,728</u>

I-10 Specific Plan	Traffic Facilities	Capital Projects			Total Nonmajor Governmental Funds
		Developer Impact Fees Fire	Facilities Construction	Low Water Crossings	
\$ 20,119	\$ 228,564	\$ 48,182	\$ 6,603,881	\$ -	\$ 14,076,066
15	115	188	3,314	-	8,269
-	169,716	-	90,000	-	1,212,940
-	-	-	761,000	-	761,000
-	-	-	-	-	276,530
-	-	-	-	-	3,017
<u>\$ 20,134</u>	<u>\$ 398,395</u>	<u>\$ 48,370</u>	<u>\$ 7,458,195</u>	<u>\$ 0</u>	<u>\$ 16,337,822</u>
\$ -	\$ 1,537,370	\$ -	\$ 184,605	\$ 10,327	\$ 2,126,716
-	-	-	-	-	700
-	-	-	-	-	1,028,755
-	1,037,430	2,191,534	-	2,375,134	5,604,098
-	2,574,800	2,191,534	184,605	2,385,461	8,760,269
-	-	-	-	-	473,332
-	-	-	-	-	473,332
-	-	-	-	-	3,017
20,134	-	-	-	-	7,218,561
-	-	-	7,273,590	-	7,273,590
-	(2,176,405)	(2,143,164)	-	(2,385,461)	(7,390,947)
20,134	(2,176,405)	(2,143,164)	7,273,590	(2,385,461)	7,104,221
<u>\$ 20,134</u>	<u>\$ 398,395</u>	<u>\$ 48,370</u>	<u>\$ 7,458,195</u>	<u>\$ -</u>	<u>\$ 16,337,822</u>

City of Yucaipa
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Non-Major Governmental Funds
Year Ended June 30, 2022

	Gas Tax	Energy Independence Program	State COPs Grant
REVENUES			
Taxes:			
Property Taxes	\$ -	\$ -	\$ -
Franchise Taxes	-	-	-
Charges for Services	-	-	-
Intergovernmental	2,438,904	-	238,540
Investment Income	(6,831)	57,880	(8,770)
Other	12,020	-	-
	<u>2,444,093</u>	<u>57,880</u>	<u>229,770</u>
Total Revenues			
	<u>2,444,093</u>	<u>57,880</u>	<u>229,770</u>
EXPENDITURES			
Current:			
General Government	-	-	-
Community Development	-	-	-
Public Works	1,045,829	-	-
Public Safety	-	-	134,271
Paramedic Services	-	-	-
Community Services	-	2,921	-
Capital Outlay	7,732	-	-
	<u>1,053,561</u>	<u>2,921</u>	<u>134,271</u>
Total Expenditures			
	<u>1,053,561</u>	<u>2,921</u>	<u>134,271</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,390,532</u>	<u>54,959</u>	<u>95,499</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(1,222,657)	(77,830)	-
	<u>(1,222,657)</u>	<u>(77,830)</u>	<u>-</u>
Total Other Financing Sources (Uses)			
	<u>(1,222,657)</u>	<u>(77,830)</u>	<u>-</u>
Net Change in Fund Balances	167,875	(22,871)	95,499
Fund Balances (Deficit), Beginning of Year	<u>151,124</u>	<u>568,869</u>	<u>711,170</u>
Fund Balances (Deficit), End of Year	<u>\$ 318,999</u>	<u>\$ 545,998</u>	<u>\$ 806,669</u>

Office of Traffic and Safety	Special Revenue				Capital Projects	
	LLMD	Housing Authority	Paramedic	PEG Video	Miscellaneous Capital Projects	CDBG Capital
\$ -	\$ -	\$ -	\$ 1,090,114	\$ -	\$ -	\$ -
-	-	-	-	72,112	-	-
-	702,986	-	-	-	49,133	-
-	-	-	-	-	30,381	158,902
(1,366)	(27,715)	-	(2,921)	(8,236)	(3,745)	(47)
-	-	-	-	-	-	-
(1,366)	675,271	-	1,087,193	63,876	75,769	158,855
-	-	51,427	-	-	41,133	-
-	-	-	-	-	-	113,578
-	436,482	-	-	-	-	26,385
-	-	-	-	-	24,600	-
-	-	-	1,493,776	-	-	-
-	-	-	-	-	-	13,000
-	-	-	-	-	-	227,164
-	436,482	51,427	1,493,776	-	65,733	380,127
(1,366)	238,789	(51,427)	(406,583)	63,876	10,036	(221,272)
-	-	-	809,378	-	-	50,000
-	(91,823)	-	(49,110)	(85)	-	(9,889)
-	(91,823)	-	760,268	(85)	-	40,111
(1,366)	146,966	(51,427)	353,685	63,791	10,036	(181,161)
131,286	2,671,815	(8,691)	-	761,258	(411,223)	47,579
\$ 129,920	\$ 2,818,781	\$ (60,118)	\$ 353,685	\$ 825,049	\$ (401,187)	\$ (133,582)

Continued

City of Yucaipa
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Non-Major Governmental Funds (Continued)
Year Ended June 30, 2022

	Capital Projects			
	Air Quality Improvement	Pool Capital Replacement	Street Maintenance	TDA Article 3
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Franchise Taxes	-	-	-	-
Charges for Services	-	-	-	-
Intergovernmental	1,096,348	-	-	-
Investment Income	-	(87)	(10)	-
Other	-	-	-	-
Total Revenues	1,096,348	(87)	(10)	-
EXPENDITURES				
Current:				
General Government	-	-	-	-
Community Development	-	-	-	-
Public Works	26,793	-	43,696	-
Public Safety	-	-	-	-
Paramedic Services	-	-	-	-
Community Services	-	-	-	-
Capital Outlay	1,163,323	-	3,072,872	-
Total Expenditures	1,190,116	-	3,116,568	-
Excess (Deficiency) of Revenues over Expenditures	(93,768)	(87)	(3,116,578)	-
OTHER FINANCING SOURCES (USES)				
Transfers In	353,000	-	4,786,926	-
Transfers Out	(4,665)	-	(276,317)	(89,728)
Total Other Financing Sources (Uses)	348,335	-	4,510,609	(89,728)
Net Change in Fund Balances	254,567	(87)	1,394,031	(89,728)
Fund Balances (Deficit), Beginning of Year	(255,869)	8,399	-	-
Fund Balances (Deficit), End of Year	<u>\$ (1,302)</u>	<u>\$ 8,312</u>	<u>\$ 1,394,031</u>	<u>\$ (89,728)</u>

I-10 Specific Plan	Capital Projects				Total Nonmajor Governmental Funds
	Traffic Facilities	Developer Impact Fees Fire	Facilities Construction	Low Water Crossings	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,090,114
-	-	-	-	-	72,112
-	2,107,016	199,687	-	-	3,058,822
-	285,660	-	135,000	86,254	4,469,989
(223)	(3,674)	(2,320)	(49,154)	-	(57,219)
-	-	-	-	-	12,020
(223)	2,389,002	197,367	85,846	86,254	8,645,838
-	-	-	-	-	92,560
-	-	-	-	-	113,578
-	71,843	-	-	172,297	1,823,325
-	-	-	-	-	158,871
-	-	-	-	-	1,493,776
-	-	-	21,340	-	37,261
-	3,845,541	-	335,424	520,976	9,173,032
-	3,917,384	-	356,764	693,273	12,892,403
(223)	(1,528,382)	197,367	(270,918)	(607,019)	(4,246,565)
-	12,000	-	2,609,000	200,000	8,820,304
(1,097)	(105,366)	(135,231)	(513,757)	(3,826)	(2,581,381)
(1,097)	(93,366)	(135,231)	2,095,243	196,174	6,238,923
(1,320)	(1,621,748)	62,136	1,824,325	(410,845)	1,992,358
21,454	(554,657)	(2,205,300)	5,449,265	(1,974,616)	5,111,863
\$ 20,134	\$ (2,176,405)	\$ (2,143,164)	\$ 7,273,590	\$ (2,385,461)	\$ 7,104,221

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Gas Tax Special Revenue Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,355,990	\$ 2,438,904	\$ 1,082,914
Investment Income	1,600	(6,831)	(8,431)
Other	10,000	12,020	2,020
	<u>1,367,590</u>	<u>2,444,093</u>	<u>1,076,503</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Works	1,355,086	1,045,829	309,257
Capital Outlay	9,000	7,732	1,268
	<u>1,364,086</u>	<u>1,053,561</u>	<u>310,525</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>3,504</u>	<u>1,390,532</u>	<u>1,387,028</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	75,619	-	(75,619)
Transfers Out	(1,222,657)	(1,222,657)	-
	<u>(1,147,038)</u>	<u>(1,222,657)</u>	<u>(75,619)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	(1,143,534)	167,875	1,311,409
Fund Balance, Beginning of Year	<u>151,124</u>	<u>151,124</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (992,410)</u></u>	<u><u>\$ 318,999</u></u>	<u><u>\$ 1,311,409</u></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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ 77,830	\$ 57,880	\$ (19,950)
EXPENDITURES			
Current:			
Community Services	-	2,921	(2,921)
Excess (Deficiency) of Revenues over Expenditures	77,830	54,959	(22,871)
OTHER FINANCING SOURCES (USES):			
Transfers Out	(77,830)	(77,830)	-
Net Change in Fund Balance	-	(22,871)	(22,871)
Fund Balance, Beginning of Year	568,869	568,869	-
Fund Balance, End of Year	<u>\$ 568,869</u>	<u>\$ 545,998</u>	<u>\$ (22,871)</u>

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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 175,000	\$ 238,540	\$ 63,540
Investment Income	<u>-</u>	<u>(8,770)</u>	<u>(8,770)</u>
Total Revenues	175,000	229,770	54,770
EXPENDITURES			
Current:			
Public Safety	<u>175,000</u>	<u>134,271</u>	<u>40,729</u>
Net Change in Fund Balance	-	95,499	95,499
Fund Balance, Beginning of Year	<u>711,170</u>	<u>711,170</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 711,170</u></u>	<u><u>\$ 806,669</u></u>	<u><u>\$ 95,499</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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ (1,366)	\$ (1,366)
Net Change in Fund Balance	-	(1,366)	(1,366)
Fund Balance, Beginning of Year	131,286	131,286	-
Fund Balance, End of Year	<u>\$ 131,286</u>	<u>\$ 129,920</u>	<u>\$ (1,366)</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - LLMD Special Revenue Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 910,427	\$ 702,986	\$ (207,441)
Investment Income	-	(27,715)	(27,715)
	<u>910,427</u>	<u>675,271</u>	<u>(235,156)</u>
Total Revenues	910,427	675,271	(235,156)
EXPENDITURES			
Current:			
Public Works	<u>832,204</u>	<u>436,482</u>	<u>395,722</u>
Excess (Deficiency) of Revenues over Expenditures	78,223	238,789	160,566
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(91,823)</u>	<u>(91,823)</u>	<u>-</u>
Net Change in Fund Balance	(13,600)	146,966	160,566
Fund Balance, Beginning of Year	<u>2,671,815</u>	<u>2,671,815</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 2,658,215</u></u>	<u><u>\$ 2,818,781</u></u>	<u><u>\$ 160,566</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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
EXPENDITURES			
Current:			
Community Development	\$ 67,115	\$ 51,427	\$ 15,688
Net Change in Fund Balance	(67,115)	(51,427)	15,688
Fund Balance (Deficit), Beginning of Year	(8,691)	(8,691)	-
Fund Balance (Deficit), End of Year	<u>\$ (75,806)</u>	<u>\$ (60,118)</u>	<u>\$ 15,688</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Paramedic Special Revenue Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 1,104,500	\$ 1,090,114	\$ (14,386)
Investment Income	-	(2,921)	(2,921)
Total Revenues	1,104,500	1,087,193	(17,307)
EXPENDITURES			
Current:			
Paramedic Services	1,864,768	1,493,776	370,992
Excess (Deficiency) of Revenues over Expenditures	(760,268)	(406,583)	353,685
OTHER FINANCING SOURCES (USES)			
Transfers In	809,378	809,378	-
Transfers Out	(49,110)	(49,110)	-
Total Other Financing Sources (Uses)	809,378	760,268	-
Net Change in Fund Balance	49,110	353,685	353,685
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	\$ 49,110	\$ 353,685	\$ 304,575

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - PEG Video Special Revenue Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Franchises Taxes	\$ 100,500	\$ 72,112	\$ (28,388)
Investment Income	<u>-</u>	<u>(8,236)</u>	<u>(8,236)</u>
Total Revenues	100,500	63,876	(36,624)
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u></u>	<u>(85)</u>	<u>(85)</u>
Net Change in Fund Balance	100,500	63,791	(36,709)
Fund Balance, Beginning of Year	<u>761,258</u>	<u>761,258</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 861,758</u></u>	<u><u>\$ 825,049</u></u>	<u><u>\$ (36,709)</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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 35,400	\$ 30,381	\$ (5,019)
Investment Income	-	(3,745)	(3,745)
Charges for Services	44,578	49,133	4,555
	<u>79,978</u>	<u>75,769</u>	<u>(4,209)</u>
Total Revenues			
EXPENDITURES			
Current:			
General Government	55,649	41,133	14,516
Public Safety	35,400	24,600	10,800
	<u>91,049</u>	<u>65,733</u>	<u>25,316</u>
Total Expenditures			
Net Change in Fund Balances	(11,071)	10,036	21,107
Fund Balance (Deficit), Beginning of Year	<u>(411,223)</u>	<u>(411,223)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ (422,294)</u></u>	<u><u>\$ (401,187)</u></u>	<u><u>\$ 21,107</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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 750,112	\$ 158,902	\$ (591,210)
Investment Income	-	(47)	(47)
	<u>750,112</u>	<u>158,855</u>	<u>(591,257)</u>
Total Revenues			
EXPENDITURES			
Current:			
Community Development	255,786	113,578	142,208
Public Works	-	26,385	(26,385)
Community Services	41,326	13,000	28,326
Capital Outlay	660,702	227,164	433,538
	<u>957,814</u>	<u>380,127</u>	<u>577,687</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(207,702)</u>	<u>(221,272)</u>	<u>(13,570)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	50,000	50,000	-
Transfers Out	(18,982)	(9,889)	9,093
	<u>31,018</u>	<u>40,111</u>	<u>9,093</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	(176,684)	(181,161)	(4,477)
Fund Balance (Deficit), Beginning of Year	<u>47,579</u>	<u>47,579</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ (129,105)</u></u>	<u><u>\$ (133,582)</u></u>	<u><u>\$ (4,477)</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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 2,207,000	\$ 1,096,348	\$ (1,110,652)
EXPENDITURES			
Current:			
Public Works	-	26,793	(26,793)
Capital Outlay	2,039,000	1,163,323	875,677
Total Expenditures	2,039,000	1,190,116	848,884
Excess (Deficiency) of Revenues over Expenditures	168,000	(93,768)	(261,768)
OTHER FINANCING SOURCES (USES)			
Transfers In	140,000	353,000	213,000
Transfers Out	(101,430)	(4,665)	96,765
Total Other Financing Sources (Uses)	38,570	348,335	309,765
Net Change in Fund Balance	206,570	254,567	47,997
Fund Balance (Deficit), Beginning of Year	(255,869)	(255,869)	-
Fund Balance (Deficit), End of Year	\$ (49,299)	\$ (1,302)	\$ 47,997

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Pool Capital Replacement Capital Projects Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ (87)	\$ (87)
Net Change in Fund Balance	-	(87)	(87)
Fund Balance, Beginning of Year	8,399	8,399	-
Fund Balance, End of Year	<u>\$ 8,399</u>	<u>\$ 8,312</u>	<u>\$ (87)</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Street Maintenance Capital Projects Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 170,000	\$ -	\$ (170,000)
Investment Income	-	(10)	(10)
	<u>170,000</u>	<u>(10)</u>	<u>(170,010)</u>
EXPENDITURES			
Current:			
Public Works	-	43,696	(43,696)
Capital Outlay	3,416,319	3,072,872	343,447
	<u>3,416,319</u>	<u>3,116,568</u>	<u>299,751</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(3,246,319)</u>	<u>(3,116,578)</u>	<u>129,741</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	2,906,800	4,786,926	1,880,126
Transfers Out	(36,317)	(276,317)	(240,000)
	<u>2,870,483</u>	<u>4,510,609</u>	<u>1,640,126</u>
Net Change in Fund Balance	(375,836)	1,394,031	1,769,867
Fund Balance (Deficit), Beginning of Year	-	-	-
Fund Balance (Deficit), End of Year	<u>\$ (375,836)</u>	<u>\$ 1,394,031</u>	<u>\$ 1,769,867</u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - TDA Article 3 Capital Projects Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
OTHER FINANCING SOURCES (USES)			
Transfers Out	\$ -	\$ (89,728)	\$ (89,728)
Net Change in Fund Balance	-	(89,728)	(89,728)
Fund Balance (Deficit), Beginning of Year	-	-	-
Fund Balance (Deficit), End of Year	\$ -	\$ (89,728)	\$ (89,728)

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - I-10 Specific Plan Capital Projects Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ (223)	\$ (223)
EXPENDITURES			
Current:			
Public Works	700	-	700
Excess (Deficiency) of Revenues over Expenditures	(700)	(223)	477
OTHER FINANCING SOURCES (USES)			
Transfers Out	(1,097)	(1,097)	-
Net Change in Fund Balance	(1,797)	(1,320)	477
Fund Balance, Beginning of Year	21,454	21,454	-
Fund Balance, End of Year	\$ 19,657	\$ 20,134	\$ 477

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual -Traffic Facilities Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 450,320	\$ 2,107,016	\$ 1,656,696
Intergovernmental	4,700,000	285,660	(4,414,340)
Investment Income	-	(3,674)	(3,674)
	<u>5,150,320</u>	<u>2,389,002</u>	<u>(2,761,318)</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Works	-	71,843	(71,843)
Capital Outlay	11,094,835	3,845,541	7,249,294
	<u>11,094,835</u>	<u>3,917,384</u>	<u>7,177,451</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(5,944,515)</u>	<u>(1,528,382)</u>	<u>4,416,133</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	12,000	12,000	-
Transfers Out	(371,032)	(105,366)	265,666
	<u>(359,032)</u>	<u>(93,366)</u>	<u>265,666</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(6,303,547)	(1,621,748)	4,681,799
Fund Balances (Deficit), Beginning of Year	<u>(554,657)</u>	<u>(554,657)</u>	<u>-</u>
Fund Balances (Deficit), End of Year	<u><u>\$ (6,858,204)</u></u>	<u><u>\$ (2,176,405)</u></u>	<u><u>\$ 4,681,799</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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 42,534	\$ 199,687	\$ 157,153
Investment Income	<u>-</u>	<u>(2,320)</u>	<u>(2,320)</u>
Total Revenues	42,534	197,367	154,833
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(135,231)</u>	<u>(135,231)</u>	<u>-</u>
Net Change in Fund Balances	(92,697)	62,136	154,833
Fund Balance (Deficit), Beginning of Year	<u>(2,205,300)</u>	<u>(2,205,300)</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u><u>\$ (2,297,997)</u></u>	<u><u>\$ (2,143,164)</u></u>	<u><u>\$ 154,833</u></u>

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Facilities Construction Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 135,000	\$ 135,000
Investment Income	-	(49,154)	(49,154)
Total Revenues	-	85,846	85,846
EXPENDITURES			
Current:			
Community Services	-	21,340	(21,340)
Capital Outlay	1,715,234	335,424	1,379,810
Total Expenditures	1,715,234	356,764	1,358,470
Excess (Deficiency) of Revenues over Expenditures	(1,715,234)	(270,918)	1,444,316
OTHER FINANCING SOURCES (USES)			
Transfers In	-	2,609,000	2,609,000
Transfers Out	(612,777)	(513,757)	99,020
Total Other Financing Sources (Uses)	(612,777)	2,095,243	2,708,020
Net Change in Fund Balances	(2,328,011)	1,824,325	4,152,336
Fund Balances, Beginning of Year	5,449,265	5,449,265	-
Fund Balances, End of Year	\$ 3,121,254	\$ 7,273,590	\$ 4,152,336

City of Yucaipa
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Low Water Crossings Capital Projects Fund
Year Ended June 30, 2022

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 4,428,000	\$ 86,254	\$ (4,341,746)
EXPENDITURES			
Current:			
Public Works	-	172,297	(172,297)
Capital Outlay	4,978,490	520,976	4,457,514
Total Expenditures	4,978,490	693,273	4,285,217
Excess (Deficiency) of Revenues over Expenditures	(550,490)	(607,019)	(56,529)
OTHER FINANCING SOURCES (USES)			
Transfers In	200,000	200,000	-
Transfers Out	(229,249)	(3,826)	225,423
Total Other Financing Sources (Uses)	(29,249)	196,174	225,423
Net Change in Fund Balances	(579,739)	(410,845)	168,894
Fund Balance (Deficit), Beginning of Year	(1,974,616)	(1,974,616)	-
Fund Balance (Deficit), End of Year	(2,525,106)	\$ (2,385,461)	\$ 168,894

CUSTODIAL FUNDS

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

	Police Department Donation	Cramer House	CFD 98-1 Debt Reserves	Totals
ASSETS				
Cash and Investments	\$ 54,638	\$ 52,706	\$ 2,623,500	\$ 2,730,844
Cash and Investments with Fiscal Agents	-	-	2,372,085	2,372,085
Accounts Receivable	-	-	11,558	11,558
Interest Receivable	39	37	3,411	3,487
	<u>54,677</u>	<u>52,743</u>	<u>5,010,554</u>	<u>5,117,974</u>
LIABILITIES				
Accounts Payable	-	-	148	148
	<u>-</u>	<u>-</u>	<u>148</u>	<u>148</u>
NET POSITION				
Restricted for Organizations and Individuals	<u>\$ 54,677</u>	<u>\$ 52,743</u>	<u>\$ 5,010,406</u>	<u>\$ 5,117,826</u>

City of Yucaipa
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
June 30, 2022

	Police Department Donation	Cramer House	CFD 98-1 Debt Reserves	Totals
ADDITIONS				
Taxes and Assessments Collected for Others	\$ -	\$ -	\$ 2,188,634	\$ 2,188,634
Investment Income	(575)	(555)	(39,794)	(40,924)
Total Additions	(575)	(555)	2,148,840	2,147,710
DEDUCTIONS				
General and Administrative	-	-	56,524	56,524
Payments to Bondholders	-	-	2,183,472	2,183,472
Total Deductions	-	-	2,239,996	2,239,996
Net Change in Fiduciary Net Position	(575)	(555)	(91,156)	(92,286)
Net Position, Beginning of Year	55,252	53,298	5,101,562	5,210,112
Net Position, End of Year	\$ 54,677	\$ 52,743	\$ 5,010,406	\$ 5,117,826

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Yucaipa's Annual Comprehensive 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.	98
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	106
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.	112
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.	117
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.	119

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

	Fiscal Year				
	2022	2021	2020	2019	2018
Net Position:					
Investment in Capital Assets	\$ 192,150,325	\$ 187,300,451	\$ 193,575,047	\$ 187,442,518	\$ 173,234,642
Restricted for:					
Low and Moderate Housing	-	-	437	21,998	50,095
Public Safety	1,290,274	842,456	689,126	773,906	1,147,116
Public Works/Transportation	3,403,692	172,578	134,574	1,345,343	1,795,685
Community Development	1,297,916	8,399	8,364	4,306	306
Community Service / Public Education	3,643,830	3,433,073	3,100,353	2,914,000	2,679,478
Capital Projects	8,227,206	8,798,378	115,836	2,451,698	2,598,651
Other Purpose	-	-	1,245,728	1,288,717	1,277,363
Unrestricted	<u>24,234,997</u>	<u>25,981,533</u>	<u>25,066,595</u>	<u>23,879,234</u>	<u>33,974,660</u>
 Total Net Position	 <u><u>\$ 234,248,240</u></u>	 <u><u>\$ 226,536,868</u></u>	 <u><u>\$ 223,936,060</u></u>	 <u><u>\$ 220,121,720</u></u>	 <u><u>\$ 216,757,996</u></u>

Fiscal Year				
2017	2016	2015	2014	2013
\$ 161,130,470	\$ 155,769,811	\$ 150,107,657	\$ 151,188,060	\$ 152,718,653
93,740	-	-	-	-
1,437,359	1,709,562	1,731,433	1,648,506	1,511,857
3,136,626	3,001,667	9,715,836	9,602,617	8,763,810
13,106	14,494	12,815	12,815	5,546,679
2,497,976	2,550,577	2,308,616	2,196,701	1,978,972
3,590,668	4,680,900	347,493	323,462	617,337
1,510,011	1,489,306	1,472,937	1,407,186	1,372,341
34,487,009	38,545,036	38,714,479	42,269,769	41,093,013
<u>\$ 207,896,965</u>	<u>\$ 207,761,353</u>	<u>\$ 204,411,266</u>	<u>\$ 208,649,116</u>	<u>\$ 213,602,662</u>

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

	Fiscal Year				
	2022	2021	2020	2019	2018
Expenses:					
Governmental activities:					
General Government	\$ 4,943,392	\$ 5,523,173	\$ 4,640,613	\$ 4,052,236	\$ 4,093,998
Community Development	2,724,779	2,662,672	2,267,651	2,374,236	2,256,053
Building and Safety	1,163,594	814,756	609,026	478,236	387,227
Public Works	12,003,117	13,813,740	10,128,308	8,542,114	8,011,508
Public Safety	12,053,452	11,610,569	11,124,230	10,293,490	9,869,497
Fire Protection Services	4,463,457	3,568,310	4,020,422	3,543,496	3,097,650
Paramedic Services	1,493,776	1,549,946	1,614,130	1,589,010	1,486,067
Community Services	3,520,861	1,846,775	2,720,132	2,474,834	2,012,974
Total Governmental Activities	<u>42,366,428</u>	<u>41,389,941</u>	<u>37,124,512</u>	<u>33,347,652</u>	<u>31,214,974</u>
Program Revenues:					
Governmental activities:					
Charges for Services	7,477,356	4,557,440	4,492,201	4,452,055	3,598,357
Operating Grants and Contributions	5,938,900	3,568,495	2,203,890	1,698,865	1,730,819
Capital Grants and Contributions	9,340,764	9,636,799	9,938,960	6,044,151	13,559,464
Total governmental activities program revenues	<u>22,757,020</u>	<u>17,762,734</u>	<u>16,635,051</u>	<u>12,195,071</u>	<u>18,888,640</u>
Net (Expense) Revenue and Change in Net Position	<u>(19,609,408)</u>	<u>(23,627,207)</u>	<u>(20,489,461)</u>	<u>(21,152,581)</u>	<u>(12,326,334)</u>
General Revenues:					
Taxes:					
Property Taxes	13,802,354	13,283,544	12,598,276	12,136,328	11,616,465
Sales and Use Taxes	5,299,433	4,600,872	3,751,828	4,178,316	3,491,965
Franchise Taxes	1,672,542	1,567,185	1,491,027	1,422,487	1,381,727
Documentary Transfer Tax	318,285	311,936	186,819	165,803	196,525
Other Taxes	23,658	22,299	22,379	22,903	22,529
Vehicle License Fees, Unrestricted	5,931,673	5,689,226	5,448,407	5,183,224	4,961,077
Investment Income	(187,606)	43,503	412,106	646,973	64,534
Miscellaneous	460,441	5,674,866	392,959	760,271	391,399
Total General Revenue	<u>27,320,780</u>	<u>31,193,431</u>	<u>24,303,801</u>	<u>24,516,305</u>	<u>22,126,221</u>
Change in Net Position	7,711,372	7,566,224	3,814,340	3,363,724	9,799,887
Net Position- Beginning of the Year	<u>226,536,868</u>	<u>218,970,644</u>	<u>220,121,720</u>	<u>216,757,996</u>	<u>206,958,109</u>
Net Position- End of the Year	<u>\$ 234,248,240</u>	<u>\$ 226,536,868</u>	<u>\$ 223,936,060</u>	<u>\$ 220,121,720</u>	<u>\$ 216,757,996</u>

Fiscal Year				
2017	2016	2015	2014	2013
\$ 3,810,457	\$ 3,217,017	\$ 3,059,021	\$ 2,786,070	\$ 3,886,687
2,278,822	5,564,038	5,170,508	6,178,671	6,281,252
443,510	535,135	470,200	298,010	262,910
5,836,411	6,628,742	6,745,133	12,320,777	6,336,623
9,308,288	8,559,107	8,133,233	7,269,032	7,008,652
2,926,527	2,796,287	2,841,475	2,685,834	2,477,517
1,329,323	1,170,740	1,064,232	958,613	960,248
2,549,809	1,893,305	2,106,093	1,633,333	1,427,406
28,483,147	30,364,371	29,589,895	34,130,340	28,641,295
3,695,175	3,601,914	3,146,047	2,525,564	2,649,133
1,590,665	1,712,301	1,743,410	1,056,654	1,287,363
1,648,680	7,479,465	3,671,538	4,372,675	6,462,954
6,934,520	12,793,680	8,560,995	7,954,893	10,399,450
(21,548,627)	(17,570,691)	(21,028,900)	(26,175,447)	(18,241,845)
11,072,145	10,411,588	10,034,783	9,689,395	9,158,269
3,446,413	3,528,777	3,178,195	2,857,302	2,663,584
1,339,715	1,415,951	1,427,826	1,412,159	1,343,430
187,977	165,430	173,871	122,362	115,833
22,666	22,941	18,253	17,656	15,861
4,706,421	4,459,501	4,267,755	3,963,654	3,895,205
183,557	463,238	482,999	315,102	217,721
725,345	453,352	558,284	2,844,271	963,676
21,684,239	20,920,778	20,141,966	21,221,901	18,373,579
135,612	3,350,087	(886,934)	(4,953,546)	131,734
207,761,353	204,411,266	205,298,200	213,602,662	213,470,928
\$ 207,896,965	\$ 207,761,353	\$ 204,411,266	\$ 208,649,116	\$ 213,602,662

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

	Fiscal Year				
	2022	2021	2020	2019	2018
General Fund:					
Nonspendable	\$ 22,929,682	\$ 24,846,293	\$ 26,910,385	\$ 22,370,194	\$ 20,416,604
Restricted	-	-	-	125,052	192,397
Committed	17,237,963	15,853,604	18,324,766	17,908,560	7,463,406
Assigned	-	2,387,911	3,187,945	4,591,778	4,019,175
Unassigned	10,781,774	9,284,068	6,530,400	4,621,841	5,567,230
Total general fund	<u>50,949,419</u>	<u>52,371,876</u>	<u>54,953,496</u>	<u>49,617,425</u>	<u>37,658,812</u>
All other governmental funds:					
Nonspendable	34,488	-	-	-	-
Restricted	9,467,285	9,225,434	5,684,636	10,027,656	10,547,436
Committed	-	-	-	-	11,820,420
Assigned	7,273,590	5,449,265	-	-	5,777,260
Unassigned	<u>(25,445,902)</u>	<u>(25,817,650)</u>	<u>(32,714,452)</u>	<u>(26,585,290)</u>	<u>(27,535,988)</u>
Total all other governmental funds	<u>(8,670,539)</u>	<u>(11,142,951)</u>	<u>(27,029,816)</u>	<u>(16,557,634)</u>	<u>609,128</u>
Total Fund Balances	<u>\$ 42,278,880</u>	<u>\$ 41,228,925</u>	<u>\$ 27,923,680</u>	<u>\$ 33,059,791</u>	<u>\$ 38,267,940</u>

<1>

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

Fiscal Year				
2017	2016	2015	2014	2013
\$ 20,648,580	\$ 13,946,845	\$ 11,313,445	\$ 11,537,445	\$ 11,788,003
310,760	1,073,460	985,913	1,710,864	928,749
7,035,269	6,761,166	5,342,829	5,182,303	5,037,196
3,225,598	12,009,103	10,933,751	9,536,944	8,579,695
5,080,248	11,528,265	15,033,672	14,689,176	13,074,022
<u>36,300,455</u>	<u>45,318,839</u>	<u>43,609,610</u>	<u>42,656,731</u>	<u>39,407,665</u>
-	2,923,167	2,523,014	2,531,014	2,577,079
12,901,073	13,272,331	15,532,774	15,039,236	14,897,917
11,811,080	8,878,997	8,870,725	8,458,732	8,053,276
12,301,900	-	36,079	327,168	358,898
<u>(23,280,361)</u>	<u>(15,873,763)</u>	<u>(13,324,985)</u>	<u>(12,172,510)</u>	<u>(5,109,470)</u>
<u>13,733,692</u>	<u>9,200,732</u>	<u>13,637,607</u>	<u>14,183,640</u>	<u>20,777,700</u>
<u>\$ 50,034,147</u>	<u>\$ 54,519,571</u>	<u>\$ 57,247,217</u>	<u>\$ 56,840,371</u>	<u>\$ 60,185,365</u>

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

	Fiscal Year				
	2022	2021	2020	2019	2018
Revenues:					
Taxes:					
Property Taxes	\$ 13,802,354	\$ 13,283,544	\$ 12,598,276	\$ 12,136,328	\$ 11,616,465
Sales and Use Taxes	5,299,433	4,600,872	3,751,828	4,178,316	3,491,965
Franchise Taxes	1,672,542	1,567,185	1,491,027	1,422,487	1,381,727
Documentary Transfer Tax	318,285	311,936	186,819	165,803	196,525
Other Taxes	23,658	22,299	22,379	22,903	22,529
License and Permits	1,375,320	987,628	736,865	642,926	563,075
Fines and Forfeitures	326,104	381,295	40,581	44,876	42,799
Charges for Services	8,991,482	4,490,771	3,386,200	4,053,783	3,337,724
Intergovernmental	17,905,890	19,719,637	13,565,747	17,457,588	9,570,510
Investment Income	(410,975)	365,311	1,056,327	1,418,791	478,954
Other	464,790	5,682,031	425,493	819,162	391,399
Total Revenue	<u>49,768,883</u>	<u>51,412,509</u>	<u>37,261,542</u>	<u>42,362,963</u>	<u>31,093,672</u>
Expenditures:					
Current:					
General Government	5,190,044	4,320,276	3,453,098	3,710,893	3,405,544
Community Development	1,388,086	1,192,242	797,221	914,835	796,652
Building and Safety	1,163,594	814,756	609,026	478,236	387,227
Public Works	5,207,567	4,499,705	4,880,501	4,288,078	3,984,399
Public Safety	11,186,455	10,758,027	10,338,027	9,540,653	9,127,655
Fire Protection Services	4,463,457	3,568,310	4,020,422	3,543,496	3,097,650
Paramedic Services	1,493,776	1,549,946	1,614,130	1,589,010	1,486,067
Community Service	3,302,618	1,626,246	2,499,404	2,288,639	1,830,426
Capital Outlay	14,376,331	9,933,302	14,185,824	21,217,272	18,848,545
Total Expenditures	<u>47,771,928</u>	<u>38,262,810</u>	<u>42,397,653</u>	<u>47,571,112</u>	<u>42,964,165</u>
Excess (Deficiency) of Revenues over (under) Expenditures	1,996,955	13,149,699	(5,136,111)	(5,208,149)	(11,870,493)
Other Financing Sources (Uses)					
Transfer In	15,137,307	10,663,705	19,552,583	18,916,990	7,225,957
Transfer Out	<u>(16,084,307)</u>	<u>(10,873,705)</u>	<u>(19,552,583)</u>	<u>(18,916,990)</u>	<u>(7,121,671)</u>
Total Other Financing Sources	<u>(947,000)</u>	<u>(210,000)</u>	<u>-</u>	<u>-</u>	<u>104,286</u>
Net Change in Fund Balance	1,049,955	12,939,699	(5,136,111)	(5,208,149)	(11,766,207)
Fund Balance, Beginning of Year	41,228,925	27,923,680	33,059,791	38,267,940	50,034,147
Fund Balance, End of the Year	<u>\$ 42,278,880</u>	<u>\$ 41,228,925</u>	<u>\$ 27,923,680</u>	<u>\$ 33,059,791</u>	<u>\$ 38,267,940</u>

Fiscal Year				
2017	2016	2015	2014	2013
\$ 11,072,145	\$ 10,411,588	\$ 10,034,783	\$ 9,689,395	\$ 9,158,269
3,446,413	3,528,777	3,178,195	2,857,302	2,663,584
1,339,715	1,415,951	1,427,826	1,412,159	1,343,430
187,977	165,430	173,871	122,362	115,833
22,666	22,941	18,253	17,656	15,861
669,889	741,816	644,438	439,867	426,965
34,708	46,210	65,641	87,443	99,282
3,217,725	4,142,074	3,523,712	1,558,693	2,088,953
8,048,047	11,192,564	8,422,778	9,523,229	10,921,608
472,118	899,261	713,548	315,102	220,434
563,339	643,662	692,134	1,456,782	1,559,870
<u>29,074,742</u>	<u>33,210,274</u>	<u>28,895,179</u>	<u>27,479,990</u>	<u>28,614,089</u>
3,082,881	2,761,798	2,574,342	2,560,664	3,209,997
819,421	874,127	662,301	680,532	639,820
443,510	535,135	470,200	298,010	262,910
3,632,801	3,960,098	4,217,659	3,672,607	3,628,420
8,658,819	7,980,926	7,570,372	6,974,900	6,710,993
2,926,527	2,796,287	2,841,475	2,685,834	2,477,517
1,329,323	1,170,740	1,064,232	958,613	960,248
2,364,323	1,707,102	1,908,332	1,396,430	1,190,224
10,191,847	14,053,736	6,964,420	13,423,621	8,292,652
<u>33,449,452</u>	<u>35,839,949</u>	<u>28,273,333</u>	<u>32,651,211</u>	<u>27,372,781</u>
(4,374,710)	(2,629,675)	621,846	(5,171,221)	1,241,308
26,029,696	4,502,284	2,392,627	5,849,550	11,215,090
<u>(26,140,410)</u>	<u>(4,600,255)</u>	<u>(2,607,627)</u>	<u>(4,023,323)</u>	<u>(11,415,090)</u>
(110,714)	(97,971)	(215,000)	1,826,227	(200,000)
(4,485,424)	(2,727,646)	406,846	(3,344,994)	1,041,308
54,519,571	57,247,217	56,840,371	60,185,365	59,144,057
<u>\$ 50,034,147</u>	<u>\$ 54,519,571</u>	<u>\$ 57,247,217</u>	<u>\$ 56,840,371</u>	<u>\$ 60,185,365</u>

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

Category	2022	2021	2020	2019	2018
Residential	\$4,477,721,348	\$4,290,661,031	\$4,121,577,454	\$3,922,178,028	\$3,753,392,419
Commercial	392,826,501	384,136,677	359,691,461	343,889,586	318,283,068
Industrial	22,737,494	21,352,036	19,323,164	22,859,396	20,540,942
Irrigated	259,472	256,811	251,775	143,693	140,876
Dry Farm	2,432,318	3,068,142	3,363,591	3,429,995	3,372,477
Recreational	5,342,452	5,660,995	5,247,653	5,188,913	5,127,653
Institutional	10,279,542	16,166,803	12,156,160	8,179,074	9,902,113
Miscellaneous	15,862,094	16,814,925	17,107,033	10,852,354	11,567,874
Vacant Land	134,905,956	120,960,512	111,676,789	108,457,958	113,299,055
Unsecured	81,693,302	74,728,619	74,568,629	69,812,138	66,612,865
Total	<u>\$5,144,060,479</u>	<u>\$4,933,806,551</u>	<u>\$4,724,963,709</u>	<u>\$4,494,991,135</u>	<u>\$4,302,239,342</u>
Total direct rate	0.23994	0.22914	0.22917	0.22919	0.22923

Source:
HdL

2017	2016	2015	2014	2013
\$3,545,207,827	\$3,358,340,145	\$3,197,499,722	\$2,941,326,218	\$2,878,776,247
307,441,314	282,344,120	279,379,006	278,331,820	276,265,189
19,499,887	28,947,572	27,816,631	25,761,469	23,991,367
138,112	136,038	133,374	132,771	130,167
3,433,192	3,395,439	3,328,926	3,313,882	3,248,902
5,069,825	5,415,474	4,107,321	5,052,198	5,001,371
10,120,689	3,759,117	6,693,945	4,629,021	2,966,082
10,872,131	10,959,685	11,413,452	11,156,895	10,820,367
112,236,082	109,221,283	105,449,947	103,068,595	109,700,908
67,513,752	64,879,744	65,290,823	64,584,003	67,096,047
<u>\$4,081,532,811</u>	<u>\$3,867,398,617</u>	<u>\$3,701,113,147</u>	<u>\$3,437,356,872</u>	<u>\$3,377,996,647</u>
0.22921	0.22914	0.22912	0.22915	0.27624

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

Agency	2022	2021	2020	2019	2018
Basic Levy	1.00000	1.00000	1.00000	1.00000	1.00000
Redlands Unified School Bond 1993	0.06620	0.03600	0.03390	0.03240	0.04940
San Bernardino Community College Bond	0.05340	0.06510	0.05620	0.04070	0.03760
San Bernardino Valley Muni Water	0.13000	0.14250	0.14250	0.15250	0.15250
Total Direct & Overlapping Tax Rates	1.24960	1.24360	1.23260	1.22560	1.23950
 City's Share of 1% Levy Per Prop 13	 0.22228	 0.22228	 0.22228	 0.22228	 0.22228
 General Obligation Debt Rate	 0	 0	 0	 0	 0
 Total Direct Rate	 0.23994	 0.22914	 0.22917	 0.22919	 0.22923

Source:
HdL

2017	2016	2015	2014	2013
1.00000	1.00000	1.00000	1.00000	1.00000
0.05240	0.05670	0.05940	0.06290	0.06410
0.03500	0.04030	0.03930	0.04190	0.04590
0.16250	0.16250	0.16250	0.16250	0.16250
1.24990	1.25950	1.26120	1.26730	1.27250
0.22228	0.22228	0.22228	0.22228	0.22228
0	0	0	0	0
0.22921	0.22914	0.22912	0.22915	0.27624

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

Taxpayer	2022			2013		
	Combined (Secured & Unsecured)			Combined (Secured & Unsecured)		
	Total Assessed Value	Rank	Percent of Net Assessed Value	Total Assessed Value	Rank	Percent of Net Assessed Value
YVCC II LLC	\$ 25,555,116	1	0.50%	\$ 21,493,706	1	0.64%
SNR 24 GOLDEN OAKS OWNER LLC	19,266,611	2	0.37%			
SORENSEN ENGINEERING INC	19,076,176	3	0.37%	8,313,946	9	0.25%
CHAPMAN HEIGHTS YUCAIPA	15,156,389	4	0.29%	13,061,312	4	0.39%
YUCAIPA VENTURE LLC	15,155,400	5	0.29%			
YUCAIPA AVENUE E LLC	14,384,751	6	0.28%			
CSL WILDWOOD PROPERTY LLC	13,200,000	7	0.26%			
JDP CH INVESTMENT LP	12,754,473	8	0.25%			
SUN LAKEVIEW MOBILE ESTATES LLC	12,741,672	9	0.25%			
PUTNAM FAMILY PARTNERSHIP	12,044,402	10	0.23%	10,379,501	7	0.31%
YUCAIPA RETIREMENT RESIDENCE LP				14,475,439	2	0.43%
STATER BROS MARKETS				13,424,345	3	0.40%
GERALD S. RUBIN				11,238,111	5	0.33%
CALANDA REAL LP				10,994,784	6	0.33%
YUCAIPA VALLEY ACRES				8,404,569	8	0.25%
TOPAZ-YUCAIPA LLC				8,164,056	10	0.24%
TOP TEN TOTAL	<u>159,334,990</u>		<u>3.10%</u>	<u>119,949,769</u>		<u>3.55%</u>
CITY TOTAL	<u>\$ 5,144,060,479</u>			<u>\$ 3,377,996,647</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
2022	\$11,890,508	\$11,878,270	99.90%	\$332,576	\$12,210,846	102.69%
2021	11,431,712	11,406,447	99.78%	353,249	11,759,696	102.87%
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%

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
2022	\$ -	0.00%	\$ -
2021	-	0.00%	-
2020	-	0.00%	-
2019	-	0.00%	-
2018	-	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
2022	\$ -	0.00%	\$ -
2021	-	0.00%	-
2020	-	0.00%	-
2019	-	0.00%	-
2018	-	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, 2022

2021-2022 Assessed Valuation: \$ 5,144,046,115

	Percentage Applicable	Outstanding Debt 06/30/22	Estimated Share of Overlapping Debt
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
San Bernardino Community College District	6.043%	\$ 730,017,126	\$ 44,114,935
Redlands Unified School District	0.062%	59,303,512	36,768
City of Yucaipa	100.000%	\$ -	\$ -
City of Yucaipa Community Facilities District No. 98-1	100.000%	15,610,000	15,610,000
Yucaipa Calimesa Joint Unified School District Community Facilities District No. 2	100.000%	920,000	920,000
Yucaipa Calimesa Joint Unified School District Community Facilities District No. 3	100.000%	1,948,001	1,948,001
California Statewide Community Development Authority Assessment District No. 21-01	100.000%	3,528,000	3,528,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$ 811,326,639	\$ 66,157,704
<u>OVERLAPPING GENERAL FUND DEBT:</u>			
San Bernardino County General Fund Obligations	1.932%	\$ 188,035,000	\$ 3,632,836
San Bernardino County Pension Obligation Bonds	1.932%	119,835,000	2,315,212
San Bernardino County Flood Control District General Fund Obligations	1.932%	44,780,000	865,150
Yucaipa-Calimesa Joint Unified School District General Fund Obligations	82.651%	5,834,502	4,822,274
TOTAL OVERLAPPING GENERAL FUND DEBT		358,484,502	11,635,472
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	100.000%	6,550,000	6,550,000
<u>DIRECT TAX AND ASSESSMENT DEBT:</u>			
City of Yucaipa	100.000%	\$ -	\$ -
TOTAL DIRECT DEBT		\$ -	\$ -
COMBINED TOTAL DEBT²			\$ 84,343,176

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 2021-22 Assessed Valuation:

Direct Debt.....	0.00%
Total Direct and Overlapping Tax and Assessment Debt.....	1.29%
Combined Total Debt.....	1.64%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$291,489,307):

Total Overlapping Tax Increment Debt.....	2.25%
---	-------

CITY OF YUCAIPA
Legal Debt Margin Information
Last Five Fiscal Years

	2022	2021	Fiscal Year 2020	2019	2018
Assessed Valuation	\$ 5,144,060,479	\$ 4,933,806,551	\$ 4,724,963,709	\$ 4,494,991,135	\$ 4,302,239,342
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	1,286,015,120	1,233,451,638	1,181,240,927	1,123,747,784	1,075,559,836
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	192,902,268	185,017,746	177,186,139	168,562,168	161,333,975
Total net debt applicable to the limit					
General obligation bonds	-	-	-	-	-
Legal debt margin	<u>192,902,268</u>	<u>185,017,746</u>	<u>177,186,139</u>	<u>168,562,168</u>	<u>161,333,975</u>
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	
2022	\$ -	\$ 205,000	\$ 346,941	\$ -
2021	-	195,000	355,602	-
2020	-	190,000	363,828	-
2019	-	180,000	371,675	-
2018	-	175,000	379,137	-
2017	-	165,000	386,243	-

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>
2021	54,494	\$ 1,722,373	\$ 31,606	5.70%
2020	55,634	1,620,848	29,134	7.90%
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%

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				
	2022	2021	2020	2019	2018
Full-time employees:					
City Manager Department	5.05	3.55	4.00	3.00	3.00
Community Services Department	13.60	10.60	10.10	10.20	7.00
Development Services Department:					
Director	1.00	1.00	1.00	0.40	0.40
Administration	2.00	2.00	2.31	1.00	1.75
Engineering	5.50	5.50	4.50	6.00	6.00
Street Maintenance	5.25	5.25	5.25	4.50	4.50
Parks/Facilities Maintenance	9.75	8.75	8.75	8.00	8.00
Planning	4.25	3.25	3.50	2.50	2.50
Code Enforcement	3.25	4.25	3.00	4.16	4.16
Finance Department	8.78	8.00	7.00	6.75	6.75
Fire Services Department	0.00	0.00	0.00	0.25	0.25
General Services Department	6.85	6.38	4.40	4.00	4.00
Successor Agency to RDA	0.52	0.27	0.14	0.48	0.52
Yucaipa Housing Authority	0.20	0.20	0.06	0.16	0.18
Total	<u>66.00</u>	<u>59.00</u>	<u>54.00</u>	<u>53.00</u>	<u>49.00</u>

Sources:

City of Yucaipa

CITY OF YUCAIPA
Operating Indicators
by Function
Last Five Fiscal Years

Function	2022	2021	Fiscal Year 2020	2019	2018
Police:					
Calls for service	42,995	42,814	43,808	44,488	42,964
Citations issued	4,236	1,305	1,252	1,727	1,293
Fire:					
Number of Incidents	8,500	8,263	7,636	8,297	7,922
Inspections performed	-	-	-	-	105
Building and Safety:					
Building Permits Issued	2,210	1,885	1,376	1,448	1,274
No. of New Dwelling Units	233	119	17	21	125
Parks and recreation:					
Community center attendance	14,139	7,112	16,897	27,712	21,007
STARS	1,093	1,649	12,269	16,288	15,036
Camps	683	433	940	1,388	1,574
Aquatics	3,570	2,440	1,275	6,950	7,090
Community Center Classes	1,061	715	4,218	5,880	6,508
Scherer Center Classes	5,384	1,153	3,742	5,130	5,267
Administration					
New Business Licenses	570	428	422	469	459
Renewed Business Licenses	1,452	1,564	1,547	1,549	1,487

Sources:
City of Yucaipa

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

Function	Fiscal Year				
	2022	2021	2020	2019	2018
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)	32.5	32.5	31.5	27.5	27.5
Roundabouts	4	4	4	2	2
Parks and Recreation:					
Parks (acreage)	534	534	534	534	532
Community Centers	2	2	2	2	2
Performing Arts Centers	1	1	1	1	0
Sources:					
City of Yucaipa					