



CITY COUNCIL MEETING

Tuesday, February 04, 2025
Regular Meeting - 6:00 PM
City Hall – City Council Chambers
425 Webster Street, Colusa, CA 95932

AGENDA

Zoom Information:

<https://us06web.zoom.us/j/85200701051>
Meeting ID: 852 0070 1051 Passcode: 086453
Mobile: 669-444-9171, ID 85200701051

Mayor – Ryan Codorniz
Mayor Pro Tem – Denise Codorniz
Council Member – Daniel Vaca
Council Member – Greg Ponciano
Council Member – Dave Markss

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMENTS *(The public to address any item of City business NOT appearing on this Agenda. Speakers must limit their comments to three (3) minutes each. Please note that per Government Code Section 54954.3(a), the City Council cannot take action or express a consensus of approval or disapproval on any public comments regarding matters which do not appear on the printed agenda)*

PRESENTATION

Colusa Safety Action Plan by TJKM

CONSENT CALENDAR - All items listed on the Consent Calendar are considered by the Council to be routine in nature and will be enacted by one motion unless an audience member or Council member requests otherwise, in which case, the item will be removed for separate consideration.

1. Approve - Council January 7 and 21 Draft Minutes
2. Receive and File - Code Enforcement January report
3. Receive and File - Treasurer's November report
4. Receive and File - Finance Department December report
5. Receive and File - December Warrants List
6. Adopt - Resolution authorizing the City Manager to execute the revised lease agreement with SF Metalworks/Ron Moore.

7. Adopt - Resolution presenting sponsorship of the Levitt Amp Colusa Free Music Series 2025

COUNCIL MEMBER /CITY MANAGER REPORTS AND STAFF COMMENTS

COUNCIL CONSIDERATION

8. Consideration of a Resolution authorizing the City Manager to sign a contract for tree work and care with West Coast Arborists, Inc.

Recommendation: Council to adopt the Resolution authorizing the City Manager to sign the contract for tree work and care with West Coast Arborists, Inc.

9. Consideration of a Resolution approving the Fiscal Year 2023-2024 Annual audit and Single audit reports.

Recommendation: Council to adopt the annual and single audit reports prepared by Smith & Newell, the City's contracted audit firm.

DISCUSSION ITEM

Request for Qualifications (RFQ) for the General Plan

FUTURE AGENDA ITEMS

ADJOURNED TO CLOSED SESSION

PUBLIC COMMENTS *(The public may comment on the item scheduled to be heard during the Closed Session)*

CONFERENCE WITH LABOR NEGOTIATORS (Section 54957.6) Agency designated representatives: City Manager Jesse Cain and Ryan Jones, City Attorney. Memorandum of Understandings (MOU's) for:

Professional Firefighters Association

Peace Officers Association

Department Heads

Middle Management

Miscellaneous Unit

REPORT ON CLOSED SESSION



SHELLY KITTLE, CITY CLERK

Notice of Meetings and Agendas

The Regular Colusa City Council meetings are held the first and third Tuesdays of each month at 6:00 pm in the Colusa City Council Chambers located at 425 Webster Street, Colusa California unless otherwise noted above. Copies of open session agenda packets, which are distributed to the City Council, are on file at the front desk of the City at 425 Webster Street, Colusa, California, and are available for public inspection beginning 72 hours in advance, during normal business hours (7:00 am – 5:00 pm., Monday through Thursday except for City holidays). Additionally, if any reports or documents, which are public records, are distributed to the City Council less than 72 hours before the meeting, those reports and documents will also be available for public inspection at the front desk of the City and on the day of the meeting in the Council Chambers.

Americans with Disabilities Act

In compliance with the Americans with Disabilities Act, persons requiring accommodations for a disability at a public meeting should notify the City Clerk at least 48 hours prior to the meeting at (530) 458-4941 in order to allow the City sufficient time to make reasonable arrangements to accommodate participation in this meeting.

“This institution is an equal opportunity employer and provider”



CITY COUNCIL MEETING

Tuesday, January 07, 2025
Regular Meeting - 6:00 PM
City Hall – City Council Chambers
425 Webster Street, Colusa, CA 95932

MINUTES

CALL TO ORDER- Mayor Codorniz called the meeting to order at 6:00 pm.

ROLL CALL – Council Members Markss, Ponciano, Conrado, Codorniz and Mayor Vaca were present.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA –There was council consensus on the agenda approval.

PUBLIC COMMENTS Margaret Roa inquired about the blighted house.

CONSENT CALENDAR - *All items listed on the Consent Calendar are considered by the Council to be routine in nature and will be enacted by one motion unless an audience member or Council member requests otherwise, in which case, the item will be removed for separate consideration.*

1. **Receive and File** - Street Department November report
2. **Receive and File** - Police Department November report
3. **Approve** - Draft Minutes of Council Meeting December 17

ACTION: Motion by Council Member Markss, seconded by Council Member Vaca to approve the consent items. Motion passed unanimously.

COUNCIL MEMBER /CITY MANAGER REPORTS AND STAFF COMMENTS

Council Members provided updates on meetings and events they attended.

Ryan Jones – no report

City Manager Cain provided updates on contracts and the property that closed December 30th.

Finance Director Aziz-Khan – provided updates in the Finance Department.

Police Chief Fitch – provided updates in the Police Department.

Fire Chief Conley – provided updates in the Fire Department.

Code Enforcement Officer Soto – provided updates in the Code Enforcement Department.

PUBLIC HEARING

4. Consideration of a Resolution approving the authority of the City Manager to close out the Micro-Enterprise loan grant.

PUBLIC HEARING opened at 6:15 pm: Citizen Roa asked if there were any pending loans.

PUBLIC HEARING closed at 6:17 pm.

ACTION: Motion by Council Member Ponciano, seconded by Council Member Conrado to adopt **Resolution 25-01** approving the city staff to close out the Micro-Enterprise loan grant. Motion passed 5-0 by the following roll-call vote:

AYES: Markss, Ponciano, Conrado, Vaca and Codorniz.

NOES: None.

ABSENT: None.

COUNCIL CONSIDERATION

5. Heritage Preservation Commission Appointment

ACTION: Motion by Council Member Vaca, seconded by Council Member Conrado to appoint Jeneane Wilsey to the Heritage Preservation Commission. Motion passed 5-0 by the following roll-call vote:

AYES: Markss, Ponciano, Conrado, Vaca and Codorniz.

NOES: None.

ABSENT: None.

DISCUSSION

6. Council Member Assignments

Council Member Assignments for 2025 were discussed and assigned.

FUTURE AGENDA ITEMS

Special Fund for Pirelli Building and name change.

Pickle Ball Courts and a Dog Park – March 4th

ADJOURNED at 6:38 pm

RYAN CODORNIZ, MAYOR

Shelly Kittle, City Clerk



CITY COUNCIL MEETING

Tuesday, January 21, 2025
Regular Meeting - 6:00 PM
City Hall – City Council Chambers
425 Webster Street, Colusa, CA 95932

MINUTES

CALL TO ORDER- Mayor Codorniz called the meeting to order at 6:00 pm.

ROLL CALL – Council Members Markss, Ponciano, Conrado, Codorniz and Mayor Vaca were present.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA –There was council consensus on the agenda approval.

PUBLIC COMMENTS – Susan Meeker, President of the Colusa Rotary Club thanked those who attended the “Night at the Races” event.

PRESENTATION

Mayor Codorniz read the 5-Year Service Award for Gumercindo Salazar III.

CONSENT CALENDAR - *All items listed on the Consent Calendar are considered by the Council to be routine in nature and will be enacted by one motion unless an audience member or Council member requests otherwise, in which case, the item will be removed for separate consideration.*

2. Receive and File - Police Department December report
3. Receive and File - Code Enforcement December report
4. Receive and File - Treasurer's October report
5. Receive and File - Parks, Recreation & Tree Commission Quarterly report

ACTION: Motion by Council Member Markss, seconded by Council Member Vaca to approve the consent items. Motion passed unanimously.

COUNCIL MEMBER /CITY MANAGER REPORTS AND STAFF COMMENTS

Councilmembers provided updates on meetings and events they attended.

Ryan Jones – no report

City Manager Cain – provided items of interest to council

Finance Director Aziz-Khan – provided updates in the Finance Department.

Treasurer Kelley – provided updates in the Treasurer

Police Chief Fitch – provided updates in the Police Department.

City Engineer – provided updates on the Walnut Ranch construction and Well 6.

Consultant Morley – provided updates in the Planning Department.

PUBLIC HEARING

6. Public Hearing for the Wastewater Control Plant Annexation and requesting the City Manager to initiate the entitlement process and the California Environmental Quality Act review, authorizing the City Manager to execute necessary contracts and expend funds and to bring back the item at a future meeting

Public Hearing opened at 6:17 pm

Jeneane Wilsey expressed opposition to a cannabis facility at the location.

Mike Olivas discussed the property swap and smell mitigation

Public Hearing closed at 6:25 pm

ACTION: Motion by Councilmember Ponciano, seconded by Mayor Codorniz to adopt **Resolution 25-02** requesting the City Manager to initiate the entitlement process and necessary California Environmental Quality Act Review for annexation of unincorporated territory to the City of Colusa involving approximately 697.37 acres and adjacent public right-of-ways acres and development of city-owned property for future construction of a cannabis operation (APN's 017-020-024, -025, -026, -027, 017-030-079, -080 AND 015-130-128, -129, 015-130-068, -082). Motion passed 5-0 by the following roll-call vote:

AYES: Markss, Ponciano, Conrado, Vaca and Codorniz.

NOES: None.

ABSENT: None.

COUNCIL CONSIDERATION

7. Consideration of a Resolution authorizing the City to publicize the Measure B Citizens Oversight Committee's Annual Report (FY 2023/2024).

Citizens Oversight Committee member Mark Leidner summarized the annual report.

Public Comments: Citizen Janice Bell commended the entire committee for their dedication and information.

ACTION: Motion by Councilmember Conrado, seconded by Councilmember Vaca to adopt **Resolution 25-03** authorizing the City to publicize the Measure B Citizens Oversight Committee's Annual Report (FY 2023/2024). Motion passed 5-0 by the following roll-call vote:

AYES: Markss, Ponciano, Conrado, Vaca and Codorniz.

NOES: None.

ABSENT: None.

8. Consideration of a Resolution authorizing the City Manager to waive the request for proposal process and sign the consulting services agreement with Element Land Solutions for Planning

ACTION: With no public comments, motion was made by Councilmember Ponciano, seconded by Councilmember Conrado to adopt **Resolution 25-04** authorizing the City Manager to waive the request for proposal process and sign the consulting services agreement with Element Land Solutions for Planning. Motion passed 5-0 by the following roll-call vote:

AYES: Markss, Ponciano, Conrado, Vaca and Codorniz.

NOES: None.

ABSENT: None.

9. Consideration of a Resolution approving the proposal and contract amendment with NV5 for geotechnical engineering evaluation services.

ACTION: With no public comments, motion by Councilmember Vaca, seconded by Mayor Codorniz to adopt **Resolution 25-05** approving the proposal and contract amendment with NV5 for geotechnical engineering evaluation services. Motion passed 5-0 by the following roll-call vote:

AYES: Markss, Ponciano, Conrado, Vaca and Codorniz.

NOES: None.

ABSENT: None.

DISCUSSION

Sidewalk Vendors, Pop-Ups (flower stands, etc.) without Business Licenses

Council and staff discussed Senate Bill 946 which requires vendors to have a city business license.

Jack Cunningham with the Chamber of Commerce discussed upcoming programs to help new businesses and existing businesses succeed.

FUTURE AGENDA ITEMS

None.

ADJOURNED TO CLOSED SESSION at 7:15 pm

PUBLIC COMMENTS – None.

CONFERENCE WITH LABOR NEGOTIATORS (Section 54957.6) Agency designated representatives: City Manager Jesse Cain and Ryan Jones, City Attorney. Memorandum of Understandings (MOU's) for:

Professional Firefighters Association

Peace Officers Association

Department Heads

Middle Management

Miscellaneous Unit

REPORT ON CLOSED SESSION - At 8:03 pm, Mayor Codorniz stated there was no reportable action.

RYAN CODORNIZ, MAYOR

Shelly Kittle, City Clerk

Code Enforcement Monthly Report

01/01/2025 to 01/31/2025

Total Alleged Violations: 5

Active: 1

Pending: 2

Compliance / Closed:

Complaints Received: - 4 (via landline) / - 0 (email portal) / - 1 (In Person)

Continuous Parking 11-8(z) & Expired Vehicles / Abandoned Junk / Animals / Illegal Burn

Letters: 1

In the field findings:

Shopping Carts: (0) (Sav Mor / (3) Rite Aid (0) Dollar General; All Returned

Note: Business(es) advised to pick up carts as needed

Tagged Vehicle(s) 7 – Towed (1) Vehicle

Types of Violations:

Vehicle - *Parking Issues* / Nuisance Junk / Weed and Vehicle Abatement

Continuous Follow Ups Conducted Daily – *Compliance in Progress*

Training / Education

Continue Community & Resource Relations / Translating Codes & Ordinance(s) into Spanish while interacting with Hispanic Community / Attended online meetings and recorded software trainings

Notes:

Daily drive-bys / Walkthrough of Cannabis Locations (odor inspections) - Equipment Inspections / Cannabis Facility Walk Through's / Pending projects: Nuisance / Shopping Carts / Checked in with Cannabis Partners / Continuous Research of relevant trainings / Attended Staff and Council Meetings



CITY OF COLUSA
425 Webster Street
Colusa, CA 95932
(530) 458-4941
Fax: (530) 458-8674

ITEM FOR FEBRUARY, 2025

To: Colusa City Council Members

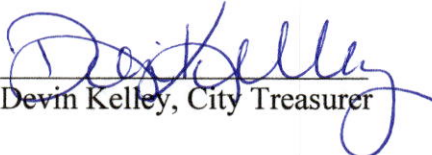
Re: Treasurer's Report for month ending November 2024

Please find the attached financial reports for your review. Based on the information provided to me by the finance department at the direction of the City Manager, I am able to verify the bank balance, LAIF balance, and petty cash balance as of November 30, 2024.

I have included a summary below:

Bank Balance as of November 30, 2024	\$3,108,176.28
Outstanding payables as presented	(217,760.01)
LAIF Balance as of November 30, 2024	11,529,426.80
Petty Cash as of November 30, 2024	500.00
Balance as presented as of November 30, 2024	<u>\$14,420,343.07</u>

Respectfully submitted,


Devin Kelley, City Treasurer

**CITY OF COLUSA, CALIFORNIA
BANK RECONCILIATION
FOR THE MONTH NOVEMBER 2024**

Bank Records:

Wells Fargo Bank Balance - November 30, 2024	\$ 3,108,176.28
Wells Fargo Escrow Account Balance - November 30, 2024	-

ADD / SUBTRACT:

Outstanding Accounts Payable	(212,657.86)
Outstanding Payroll Payable	(5,102.15)

Reconciling Items:	-
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Reconciled Checking Balance - Wells Fargo Bank - November 30, 2024	2,890,416.27
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LAIF Balance - November 30, 2024	11,529,426.80
Petty Cash Balance - November 30, 2024	500.00

Total Reconciled Bank Balances - November 30, 2024	<u>\$ 14,420,343.07</u>
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City Records (Post Journal Entries):

10200 - Wells Fargo Bank Operating / USDA Loan Escrow	\$ 2,947,026.98
10995 - LAIF	11,529,426.80
10100 - Petty Cash	500.00

Total Checking and LAIF	\$ 14,476,953.78
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ADD / SUBTRACT:

Credit Card Deposits in MOMS - Not In Bank	(55,974.15)
Rec.Desk not posted - In Bank	
Credit card Pmt in MOM-Not in the bank	(636.56)
Calpers payment made in Nov.	

Total Reconciled Book Balance - November 30, 2024	<u>\$ 14,420,343.07</u>
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City of Colusa
Finance Department
Monthly Staff Report – December 2024

Accounts Payable

- Review the Income and Expense statement for December 2024
- December 2024 Warrant Listing.
- 99 accounts payable checks processed.
- Staff training on AP functions cont'd

Payroll

- Prepare November salary allocation transfers.
- November regular Payroll and Strike Team Payroll
- Implement (3) regular salary step increase
- Implement (0) other Payroll Increase
- Reconciliation of benefits accounts
- Staff training on Payroll function Cont'd.

Accounts Receivable

- Provide continued utility billing customer support.
- 2,169 utility bills mailed.
- (2) bad checks processed.
- 1790 payments processed (utilities, bldg. permits, recreation and pool, encroachment, business license, State and County payments, and boat launch fees).
- Boat Launch and State Park Payments
- Mailed backflow letters
- 21 Building Permits
- 95 Credit card Payments
- Addressed zoning questions, Assist City Planner with questions and applications

City Hall - Customer Services

- 534 customers walk-ins.
- 138 utility late notices.
- 30 Water/Sewer shut off for non-payment.
- 7 open utility accounts & adjustments.
- 7 closed utility accounts.
- 425 received phone calls.

- 1 Events/marque and banner applications processed.
- State Park Reservation & Revenue
- 22 public works service requests
- Issued 14 New and 5 Revision Building Permits
- 1 Encroach Permit
- 2 Scout Cabin
- 7 Meter Changes
- Certificate of Occupancy
- Use Permit
- 19 Business License transactions
- Karate, and Thai Chi signups proofread Rec Book and address other issues

General Ledger

- Various correspondence with staff.
- Review the Income and Expenses
- Bank reconciliation.
- Staff training on General Ledger

Personnel - HR

- Sick leave and vacation leave accrual monthly report update.
- November 2025 MidAmerica retiree health insurance distribution.
- Workers Compensation claims cont. d.
- Cont'd migration of MOUs into Employee Handbook continued
- Review NCCSIF monthly Workers' Compensation & Liability Reports.
- Provide retirement information to retirees and Public Works.
- Employee Income Verification (2).

Recreation Department

- Thi-Chi (Adult class), Karate (Adult and Kids), and Jujitsu and winter camps are offered at the City Hall Auditorium
- Assist with the Flyers for Recreational activities
- Updated program in What's Happening (monthly calendar)
- Assisted with Recreation Programs Registration
- Registration and payment received and posted for the Recreation program

CDBG-HOME

- Loan monitoring and correspondence.
- Extended HOME grant for one more year

- Micro-Enterprise loans
- Devonshire apartments monitoring cont'd
- Home Loan compliance and reporting requirements
- Work in the process of closing the Micro-Enterprise loan grant

Other

- Permit Survey Report
- Street Sweeping invoice and reconciliation
- Worked on quarterly reports
- Review and evaluate the utility Reports
- Processed LIHWAP program Payment and reporting
- Work with Corbin Willits on On-Line Bill Pay scheduled cont'd.
- Input in MOMs
- Attend HDL meeting
- Attended Claim Committee and Executive Committee Meetings
- Coordinate and submitted correspondence on several grants
- Public record requests cont'd
- Schedule appointments for the Building Inspector
- Follow up with the customers on plans and permits
- Correspond on several different grants
- Review the water past due accounts
- Workman's comp Issues
- Back Flow Letters and Notices addressed customers' questions
- Helped customers with zoning, city loans, rec programs and Historic Preservation
- Bulk Water applications
- Quarterly and Monthly Reports for Finance dept. And Building dept.
- Ongoing meetings with Tyler Technology

Odor Complaints

Complaint period: November 2024

- (4) total complaints
- 3 Mushroom Smell
- 1 Cannabis smell
- Other

Donations:

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CITY OF COLUSA
DECEMBER 2024

Item 5.

WARRANT LISTING

Check Number	Check Date	Check Amount	Vendor:	Invoice Number	Fund:	Account	Dept.:	Description
63992	12/3/2024	997.19	AFLAC	187156	101	22340		P/R Liab - Long Term Disa
63992 Total		997.19						
63993	12/3/2024	600	SADIE ASH	12/3/2024	220	52500	225	PROP 64
63993	12/3/2024	1800	SADIE ASH	12/3/2024	102	52500	215	SS4A GRANT
63993	12/3/2024	1875	SADIE ASH	12/3/2024	253	60010	650	PROP 68 GRANT
63993	12/3/2024	1200	SADIE ASH	12/3/2024	101	52500	210	ADMIN, MISC PROJECTS
63993	12/3/2024	1350	SADIE ASH	12/3/2024	101	52500	210	ADMIN, MISC PROJECTS
63993 Total		6825						
63994	12/2/2024	55.44	AUTOZONE STORES LLC	37101185	214	52720	710	WIPERS / POLICE
63994 Total		55.44						
63995	12/3/2024	392	RODGER EARL BRAYFINDLEY	12/3/2024	101	53600	640	REG. FROM 11/1/24-11/30/24 COMPENSATION KARATE
63995	12/3/2024	244.8	RODGER EARL BRAYFINDLEY	12/3/2024	101	53600	640	REG. FROM 11/1/24-11/30/24 TAI-CHI COMPENSATION
63995 Total		636.8						
63996	12/3/2024	88.77	CINTAS	421240612	101	51200	630	LINEN MAINTENANCE / STREETS
63996	12/3/2024	88.76	CINTAS	421240612	101	51200	650	LINEN MAINTENANCE / PARKS
63996	12/3/2024	105.47	CINTAS	421240621	410	51200	670	LINEN MAINTENANCE - WATER
63996	12/3/2024	105.47	CINTAS	421240621	430	51200	690	LINEN MAINTENANCE - SEWER
63996	12/3/2024	53.51	CINTAS	421312712	101	51200	630	LINEN MAINTENANCE / STREETS
63996	12/3/2024	53.51	CINTAS	421312712	101	51200	650	LINEN MAINTENANCE / PARKS
63996	12/3/2024	72.82	CINTAS	421312731	410	51200	670	LINEN MAINTENANCE - WATER
63996	12/3/2024	72.82	CINTAS	421312731	430	51200	690	LINEN MAINTENANCE - SEWER
63996 Total		641.13						
63997	12/3/2024	12.5	COLUSA COUNTY AUDITOR	12/3/2024	101	53800	710	PARKING VIOLATION VC 40200.4 OCT. 2024 / POLICE
63997 Total		12.5						
63998	12/3/2024	415	COLUSA PROFESSIONAL	12/3/2024	101	22400		P/R Liab - Firemen Assoc
63998 Total		415						
63999	12/2/2024	46.74	DERODA INC.	119311	214	52720	710	OIL STABILIZER / POLICE
63999	12/2/2024	32.6	DERODA INC.	119523	101	52720	630	EQUIPMENT MAINTENANCE / STREETS
63999	12/2/2024	84.75	DERODA INC.	119623	101	52110	630	RAIN X, SEAL REPAIR, COOLANT / STREETS
63999 Total		164.09						
64000	12/2/2024	397.18	COMPUTER LOGISTICS	85720	214	52500	710	MONTHLY BILLING FOR DEC. 2024 / POLICE
64000 Total		397.18						
64001	12/2/2024	345.38	CORBIN WILLITS SYSTEMS IN	000C41115	101	53300	230	MONTHLY SERVICE FEES FOR DEC. 2024
64001	12/2/2024	345.38	CORBIN WILLITS SYSTEMS IN	000C41115	410	53300	230	MONTHLY SERVICE FEES FOR DEC. 2024
64001	12/2/2024	345.38	CORBIN WILLITS SYSTEMS IN	000C41115	430	53300	230	MONTHLY SERVICE FEES FOR DEC. 2024
64001 Total		1036.14						
64002	12/3/2024	383.5	COLUSA POLICE ASSOCIATION	12/3/2024	101	22410		P/R Liab - Police Assoc D
64002 Total		383.5						
64003	12/3/2024	104.39	DAVIES OIL COMPANY, INC.	75439	220	52270	225	Fuel
64003	12/3/2024	3001.72	DAVIES OIL COMPANY, INC.	75439	101	52270	710	Fuel
64003	12/3/2024	534.74	DAVIES OIL COMPANY, INC.	75439	101	52270	320	Fuel

CITY OF COLUSA
DECEMBER 2024

Item 5.

WARRANT LISTING

64003	12/3/2024	90.94	DAVIES OIL COMPANY, INC.	75439	101	52270	650	Fuel					
64003	12/3/2024	1414.87	DAVIES OIL COMPANY, INC.	75439	101	52270	630	Fuel					
64003	12/3/2024	454.67	DAVIES OIL COMPANY, INC.	75439	410	52270	670	Fuel					
64003	12/3/2024	1570.43	DAVIES OIL COMPANY, INC.	75439	430	52270	690	Fuel					
64003	12/3/2024	86.53	DAVIES OIL COMPANY, INC.	75439	101	53600	640	Fuel					
64003	12/3/2024	1007.88	DAVIES OIL COMPANY, INC.	411842	101	52270	630	Fuel					
64003	12/3/2024	1204.6	DAVIES OIL COMPANY, INC.	412176	101	52270	630	Fuel					
64003 Total		9470.77											
64004	12/2/2024	7032.5	JACOB MORLEY		24-Nov	101	52500	220	EMAILS, WALK-INS, SOLAR PROJECT,REPORTS/ PLANNING				
64004 Total		7032.5											
64005	12/3/2024	322.95	FASTENAL	52086	101	52110	630	TOWELS,BATHTISSUE,BLEACH,CLEANING SUPPLIES/STREETS					
64005	12/3/2024	322.94	FASTENAL	52086	101	52110	650	TOWELS,BATHTISSUE,BLEACH,CLEANING SUPPLIES/PARKS					
64005	12/3/2024	64.21	FASTENAL	CAWIA5208	101	52110	630	BATTERIES & GLOVES / STREETS					
64005	12/3/2024	511.56	FASTENAL	CAWIA5210	101	52110	630	TOILET PAPER / STREETS					
64005	12/3/2024	127.77	FASTENAL	CAWIA5211	410	52720	670	GAS CYLINDER / WATER					
64005 Total		1349.43											
64006	12/3/2024	527.28	FIDELITY SECURITY LIFE IN	166561937	997	22330		VISION INSURANCE PREMIUMS DEC 2024					
64006 Total		527.28											
64007	12/3/2024	25.74	For2Fi, Inc.	59189	410	53200	670	COMMUNICATIONS - WATER					
64007	12/3/2024	25.73	For2Fi, Inc.	59189	430	53200	690	COMMUNICATIONS - SEWER					
64007 Total		51.47											
64008	12/3/2024	100	FRANCHISE TAX BOARD	12/3/2024	101	22520		PAYROLL GARNISHMENT					
64008 Total		100											
64009	12/3/2024	7082.5	GOLDEN HILLS CONSULTING	12/3/2024	430	62694	690	WALNUT RANCH SEWER ARCHAEOLOGICAL MONITORING/SEWER					
64009 Total		7082.5											
64010	12/3/2024	476.85	THE HARTFORD	239691689	997	22310		LIFE INSURANCE PREMIUM					
64010 Total		476.85											
64011	12/3/2024	1341.64	Hinderliter,de Llamas & A	SIN044902	101	52500	230	CONTRACT SERVICES-SALES TAX(OCT-DEC)					
64011 Total		1341.64											
64012	12/2/2024	1709	INTERNATIONAL MAILING EQU	IN8003	410	52100	670	ANNUAL RENEWAL OF EQUIPMENT MAINT. AGREEMENT					
64012	12/2/2024	1709	INTERNATIONAL MAILING EQU	IN8003	430	52100	690	ANNUAL RENEWAL OF EQUIPMENT MAINT. AGREEMENT					
64012 Total		3418											
64013	12/3/2024	11450	MARQUEE FIRE PROTECTIONS,	49066	101	52700	216	INS. ON FIRE PUMP,5 SPRINKLER RISERS & 4 HYDRANTS					
64013 Total		11450											
64014	12/2/2024	36.96	GEORGE L. MESSICK CO.	625659/1	101	52720	216	HOE GARDEN FOR PIRRELLE					
64014	12/3/2024	76.11	GEORGE L. MESSICK CO.	628949/1	101	52110	216	EX CORD FOR PIRELLI					
64014 Total		113.07											
64015	12/3/2024	1850	MetLife Investors	12/3/2024	101	22510		P/R Liab - Deferred Comp					
64015 Total		1850											
64016	12/2/2024	592.01	MME, MUNICIPAL MAINT., EQ	29583	101	52720	630	GUTTER BROOM, STEEL PLATE / STREETS					
64016 Total		592.01											
64017	12/2/2024	8138.2	NV5, INC.	416651	430	62681	690	WWTP IMPROVEMENTS SVC THROUGH OCT 26, 2024 - SEWER					

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64017 Total		8138.2								
64018	12/2/2024	51.52	PACIFIC STORAGE COMPANY	5234862	214	52100	710	SERVICE 64 GAL TOTE / POLICE		
64018 Total		51.52								
64019	12/2/2024	5292.04	WYATT PAXTON	794	101	52500	310	NOV. 2024 EMAILS,INSPECTIOSN, CALLS, PLAN CHECKS		
64019 Total		5292.04								
64020	12/3/2024	3032.89	PACIFIC GAS AND ELECTRIC	12/3/2024	101	52600	610	Utilities		
64020	12/3/2024	1221.74	PACIFIC GAS AND ELECTRIC	12/3/2024	101	52600	710	Utilities		
64020	12/3/2024	2285.12	PACIFIC GAS AND ELECTRIC	12/3/2024	101	52600	320	Utilities		
64020	12/3/2024	793.34	PACIFIC GAS AND ELECTRIC	12/3/2024	101	52600	630	Utilities		
64020	12/3/2024	19.73	PACIFIC GAS AND ELECTRIC	12/3/2024	620	52600	630	Utilities		
64020	12/3/2024	4271.49	PACIFIC GAS AND ELECTRIC	12/3/2024	241	52600	216	Utilities		
64020	12/3/2024	39.5	PACIFIC GAS AND ELECTRIC	12/3/2024	610	52600	630	Utilities		
64020	12/3/2024	9734.83	PACIFIC GAS AND ELECTRIC	12/3/2024	241	52600	630	Utilities		
64020	12/3/2024	190.49	PACIFIC GAS AND ELECTRIC	12/3/2024	640	52600	630	Utilities		
64020	12/3/2024	251.32	PACIFIC GAS AND ELECTRIC	12/3/2024	101	52600	640	Utilities		
64020	12/3/2024	563.44	PACIFIC GAS AND ELECTRIC	12/3/2024	101	52600	650	Utilities		
64020	12/3/2024	125.99	PACIFIC GAS AND ELECTRIC	12/3/2024	253	52600	640	Utilities		
64020	12/3/2024	16363.61	PACIFIC GAS AND ELECTRIC	12/3/2024	410	52600	670	Utilities		
64020	12/3/2024	30337.26	PACIFIC GAS AND ELECTRIC	12/3/2024	430	52600	690	Utilities		
64020	12/3/2024	800.46	PACIFIC GAS AND ELECTRIC	12/3/2024	310	52600	650	Utilities		
64020 Total		70031.21								
64021	12/2/2024	14853.9	PG&E CFM/PPC DEPARTMENT	129084616	430	62681	690	AGREEMENT CONTRACT #50108740 V2 / SEWER		
64021 Total		14853.9								
64022	12/3/2024	5554.17	PREMIER ACCESS INSURANCE	3149387	997	22320		DENTAL INSURANCE PREMIUMS		
64022 Total		5554.17								
64023	12/2/2024	58.36	QUILL CORPORATION	41534839	214	52100	710	OFFICE SUPPLIES / POLICE		
64023	12/2/2024	104.88	QUILL CORPORATION	41624654	101	52100	230	1099, W-2, / FINANCE		
64023	12/2/2024	33.75	QUILL CORPORATION	41624654	101	52100	630	PLANNER / STREETS		
64023	12/2/2024	33.75	QUILL CORPORATION	41624654	430	52100	690	PLANNER / SEWER		
64023 Total		230.74								
64024	12/2/2024	4500	REGIONAL HOUSING AUTHORITY	966-11242	262	52500	230	2024 HOME COMPLIANCE MONITORING FEE		
64024 Total		4500								
64025	12/3/2024	200	SIERRA CENTRAL CREDIT UNI	12/3/2024	101	22500		P/R Liab - Credit Union		
64025 Total		200								
64026	12/2/2024	80	STATE WATER RESOURCES CON	PO 65990	410	51300	670	DRINKING WATER OPERATOR RENEWAL / WATER		
64026 Total		80								
64027	12/3/2024	61	STATE DISBURSEMENT UNIT	11/30/2024	101	22520		COURT ORDERED CHILD SUPPORT WITHHOLDING DEC 2024		
64027 Total		61								
64028	12/3/2024	453.57	WACM MEDIA INC.	1220	101	53600	640	SHIRTS (ESSENTIAL TEE) / REC		
64028	12/3/2024	3491.09	WACM MEDIA INC.	12/3/2024	101	53600	640	BASKETBALL SHIRTS / REC		
64028 Total		3944.66								
64029	12/2/2024	15580.3	TJKM	56011	101	52500	215	PROFESSIONAL SVC FROM OCT. 1-OCT 31, 2024		

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64029 Total		15580.3											
64030	12/3/2024	11390.48	USA BLUEBOOK	547388	430	57200	690	ALL WEATHER SAMPLER / SEWER					
64030	12/3/2024	200.48	USA BLUEBOOK	541585	430	52700	690	THERMOMETER / SEWER					
64030	12/3/2024	58.62	USA BLUEBOOK	546083	430	52720	690	EQUIPMENT MAINTENANCE / SEWER					
64030 Total		11649.58											
64031	12/3/2024	646.96	U. S. POST OFFICE	12/3/2024	410	52100	670	BULK POSTAGE FOR UTILITY BILLS/WATER					
64031	12/3/2024	646.96	U. S. POST OFFICE	12/3/2024	430	52100	690	BULK POSTAGE FOR UTILITY BILLS/SEWER					
64031 Total		1293.92											
64032	12/3/2024	46.57	VERIZON WIRELESS	997893129	310	53200	650	CITY CELL PHONE SERVICES					
64032	12/3/2024	402.08	VERIZON WIRELESS	997893129	101	53200	710	CITY CELL PHONE SERVICES					
64032	12/3/2024	41.57	VERIZON WIRELESS	997893129	220	53200	225	CITY CELL PHONE SERVICES					
64032	12/3/2024	88.73	VERIZON WIRELESS	997893129	410	53200	670	CITY CELL PHONE SERVICES					
64032	12/3/2024	171.28	VERIZON WIRELESS	997893129	430	53200	690	CITY CELL PHONE SERVICES					
64032	12/3/2024	83.14	VERIZON WIRELESS	997893129	101	53200	650	CITY CELL PHONE SERVICES					
64032	12/3/2024	220.23	VERIZON WIRELESS	997893129	101	53200	630	CITY CELL PHONE SERVICES					
64032	12/3/2024	90.17	VERIZON WIRELESS	997893129	101	53200	210	CITY CELL PHONE SERVICES					
64032 Total		1143.77											
64033	12/2/2024	487.2	WAVE TECHNOLOGIES	DG-4260	101	53200	710	CITY PHONE SERVICES					
64033	12/2/2024	69.6	WAVE TECHNOLOGIES	DG-4260	101	53200	320	CITY PHONE SERVICES					
64033	12/2/2024	34.8	WAVE TECHNOLOGIES	DG-4260	101	53200	640	CITY PHONE SERVICES					
64033	12/2/2024	34.8	WAVE TECHNOLOGIES	DG-4260	101	53200	210	CITY PHONE SERVICES					
64033	12/2/2024	34.8	WAVE TECHNOLOGIES	DG-4260	101	53200	220	CITY PHONE SERVICES					
64033	12/2/2024	34.8	WAVE TECHNOLOGIES	DG-4260	220	53200	225	CITY PHONE SERVICES					
64033	12/2/2024	174.2	WAVE TECHNOLOGIES	DG-4260	101	53200	230	CITY PHONE SERVICES					
64033	12/2/2024	34.8	WAVE TECHNOLOGIES	DG-4260	101	53200	310	CITY PHONE SERVICES					
64033	12/2/2024	34.8	WAVE TECHNOLOGIES	DG-4260	101	53200	110	CITY PHONE SERVICES					
64033	12/2/2024	34.8	WAVE TECHNOLOGIES	DG-4260	101	53200	215	CITY PHONE SERVICES					
64033	12/2/2024	34.8	WAVE TECHNOLOGIES	DG-4260	101	53200	630	CITY PHONE SERVICES					
64033	12/2/2024	39.9	WAVE TECHNOLOGIES	DG-4260	410	53200	670	CITY PHONE SERVICES					
64033	12/2/2024	39.89	WAVE TECHNOLOGIES	DG-4260	430	53200	690	CITY PHONE SERVICES					
64033 Total		1089.19											
64034	11/25/2024	134.48	JAMES PINGREY	000C41201	410	20310		MQ CUSTOMER REFUND FOR PIN0007					
64034 Total		134.48											
64035	12/16/2024	2609.12	BAR NONE AUCTION	172793	246	57100	630	STUMP GRINDER,PICKUP BROOM,ROLLER,BOOM TRUCK					
64035	12/16/2024	1115.88	BAR NONE AUCTION	172793	246	57100	630	STUMP GRINDER,PICKUP BROOM,ROLLER,BOOM TRUCK					
64035	12/16/2024	3202.1	BAR NONE AUCTION	172793	246	57100	630	STUMP GRINDER,PICKUP BROOM,ROLLER,BOOM TRUCK					
64035	12/16/2024	48158.75	BAR NONE AUCTION	172793	246	57100	630	STUMP GRINDER,PICKUP BROOM,ROLLER,BOOM TRUCK					
64035	12/16/2024	47438.55	BAR NONE AUCTION	172793	101	57100	231	STUMP GRINDER,PICKUP BROOM,ROLLER,BOOM TRUCK					
64035 Total		102524.4											
64036	12/17/2024	6.54	SUPERIOR CALIFORNIA OFFIC	INV144535	214	52100	710	COPIER METER READ NOV / POLICE					
64036 Total		6.54											
64037	12/16/2024	-3166.4	AERZEN USA CORPORATION		143	430	57100	690	CREDIT FOR RETURNED PART / SEWER				

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64037	12/16/2024	6040.89	AERZEN USA CORPORATION	6443	430	57100	690	CONTROL SYSTEM, OIL, AIR FILTER / SEWER		
64037	12/16/2024	3166.4	AERZEN USA CORPORATION	6577	430	57100	690	REPLACEMENT PART CONTROL SYSTEM / SEWER		
64037 Total		6040.89								
64038	12/11/2024	219.19	AIRGAS USA, LLC	551285371	101	52150	320	OXYGEN / FIRE		
64038 Total		219.19								
64039	12/17/2024	48.46	DS SERVICES OF AMERICA, I	121724	214	52100	710	WATER SERVICE / POLICE		
64039	12/17/2024	58.03	DS SERVICES OF AMERICA, I	12/17/2024	101	52100	630	WATER SERVICE / STREETS		
64039	12/17/2024	0.54	DS SERVICES OF AMERICA, I	12/17/2024	101	52100	230	WATER SERVICE / FINANCE		
64039	12/17/2024	31.04	DS SERVICES OF AMERICA, I	12172024	101	52100	220	WATER SERVICE / PLANNING		
64039 Total		138.07								
64040	12/12/2024	532.67	ALLIANT NETWORKING SERVIC	15657	101	52500	230	MAINTENANCE AGREEMENT JANUAAARY 2025		
64040	12/12/2024	532.66	ALLIANT NETWORKING SERVIC	15657	410	52500	230	MAINTENANCE AGREEMENT JANUAAARY 2025		
64040	12/12/2024	532.67	ALLIANT NETWORKING SERVIC	15657	430	52500	230	MAINTENANCE AGREEMENT JANUAAARY 2025		
64040 Total		1598								
64041	12/16/2024	2076.71	AMERIGAS	317129101	430	52600	690	PROPANE / SEWER		
64041 Total		2076.71								
64042	12/16/2024	513.81	ARNOLD'S	200356	101	52720	630	BATTERY,SMALL POST / STREETS		
64042	12/16/2024	28.77	ARNOLD'S	200588	101	52720	630	CARBURETOR HONDA / STREETS		
64042	12/16/2024	19.57	ARNOLD'S	200595	430	52720	690	SCREWS,WASHERS,LOCKNUTS / SEWER		
64042	12/16/2024	5.6	ARNOLD'S	200596	101	52110	630	TAP BOLT / STREETS		
64042	12/16/2024	4.37	ARNOLD'S	200598	430	52720	690	CAP SCREWS / SEWER		
64042	12/16/2024	4.37	ARNOLD'S	200600	430	52720	690	CAP SCREWS / SEWER		
64042 Total		576.49								
64043	12/17/2024	381.37	AT&T	12/17/2024	101	53200	710	CALNET DOJ NOV / POLICE		
64043 Total		381.37								
64044	12/17/2024	378.45	AT&T MOBILITY	12/17/2024	101	53200	320	MONTHLY CELL PHONE SERVICE / FIRE		
64044 Total		378.45								
64045	12/11/2024	884084.71	AUBURN CONSTRUCTORS, LLC	12/11/2024	430	62681	690	RWSQ:PHASE 1 PROJECT #2024-001 / SEWER		
64045 Total		884084.71								
64046	12/16/2024	49.55	AUTOZONE STORES LLC	37101229	101	52720	630	EQUIPMENT MAINT / STREETS		
64046 Total		49.55								
64047	12/11/2024	1603.34	BAUER COMPRESSORS	5662	101	52720	320	2024 ANNUAL PM / FIRE		
64047 Total		1603.34								
64048	12/16/2024	1600	CODY BECKLEY'S BOATWORKS	INV0451	221	52200	320	9.9 MERCURY OUTBAOARD MOTOR FOR FIRE BOAT / FIRE		
64048 Total		1600								
64049	12/16/2024	582.42	BUTTE SAND & GRAVEL	129030	101	52700	630	SAND / STREETS		
64049 Total		582.42								
64050	12/16/2024	100	TIM BYBEE	12/16/2024	410	51200	670	SAFETY BOOT REIMBURSEMENT / WATER		
64050	12/16/2024	100	TIM BYBEE	12/16/2024	430	51200	690	SAFETY BOOT REIMBURSEMENT / SEWER		
64050 Total		200								
64051	12/17/2024	100	JESSE CAIN	12/17/2024	101	51300	210	REIMBURSE FUEL PICKUP EQUIP.FROM SAC AUCTION/ADMIN		
64051 Total		100								

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64052	12/17/2024	1000	CCOE-COLUSA OFFICE OF EDU	12/17/2024	101	51300	320	CALFIRE ACADEMY TRAINING CLASS / FIRE		
64052 Total		1000								
64053	12/16/2024	941.5	CALIFORNIA ENGINEERING CO	12614	410	61011	670	WALNUT RANCH PROJECT / WATER		
64053	12/16/2024	30504	CALIFORNIA ENGINEERING CO	12615	430	62694	690	WALNUT RANCH PROJECT / SEWER		
64053	12/16/2024	6371.37	CALIFORNIA ENGINEERING CO	12616	101	52500	216	PIRELLI CABLE PARCEL MAP		
64053	12/16/2024	220.5	CALIFORNIA ENGINEERING CO	12619	101	52500	220	PLANNING DEPARTMENT SUPPORT		
64053	12/16/2024	642.76	CALIFORNIA ENGINEERING CO	12620	101	52500	620	GENERAL SERVICES / CITY ENGINEER		
64053	12/16/2024	643.86	CALIFORNIA ENGINEERING CO	12620	410	52500	620	GENERAL SERVICES / CITY ENGINEER		
64053	12/16/2024	643.86	CALIFORNIA ENGINEERING CO	12620	430	52500	620	GENERAL SERVICES / CITY ENGINEER		
64053	12/16/2024	330.75	CALIFORNIA ENGINEERING CO	12621	430	62004	620	WWTP LAND ANNEXATION		
64053 Total		40298.6								
64054	12/16/2024	53.51	CINTAS	421375153	101	51200	630	LINEN SERVICE / STREETS		
64054	12/16/2024	53.51	CINTAS	421375153	101	51200	650	LINEN SERVICE / PARKS		
64054	12/16/2024	72.82	CINTAS	421375162	410	51200	670	LINEN SERVICE / WATER		
64054	12/16/2024	72.82	CINTAS	421375162	430	51200	690	LINEN SERVICE / SEWER		
64054	12/17/2024	53.51	CINTAS	421451591	101	51200	630	LINEN MAINT / STREETS		
64054	12/17/2024	53.51	CINTAS	421451591	101	51200	650	LINEN MAINT / PARKS		
64054	12/17/2024	72.82	CINTAS	421451602	410	51200	670	LINEN MAINT / WATER		
64054	12/17/2024	72.82	CINTAS	421451602	430	51200	690	LINEN MAINT / SEWER		
64054 Total		505.32								
64055	12/16/2024	65.3	CINTAS CORPORATION NO. 2	524404940	101	52150	630	FIRST AID SUPPLIES . STREETS-PARKS		
64055	12/16/2024	65.31	CINTAS CORPORATION NO. 2	524404940	101	52150	650	FIRST AID SUPPLIES . STREETS-PARKS		
64055 Total		130.61								
64056	12/16/2024	205	CITY OF YUBA CITY	33021	430	52500	690	TESTING / SEWER		
64056	12/16/2024	64	CITY OF YUBA CITY	33023	430	52500	690	TESTING / SEWER		
64056	12/16/2024	64	CITY OF YUBA CITY	33030	430	52500	690	TESTING / SEWER		
64056	12/16/2024	204	CITY OF YUBA CITY	33034	410	52500	670	TESTING / WATER		
64056	12/16/2024	102	CITY OF YUBA CITY	33055	410	52500	670	TESTING / WATER		
64056	12/16/2024	64	CITY OF YUBA CITY	33061	430	52500	690	TESTING / SEWER		
64056	12/16/2024	64	CITY OF YUBA CITY	33062	430	52500	690	TESTING / SEWER		
64056 Total		767								
64057	12/16/2024	30.9	COLUSA COUNTY AUDITOR	4473	101	53800	650	REIMBURSEMENT OF ALT SENTENCING SVC NOV / PARKS		
64057 Total		30.9								
64058	12/16/2024	84	COLUSA COUNTY	GF-140	253	52400	640	COLUSA MUNICIPAL POOL ANNUAL PERMIT 2025 / REC		
64058	12/16/2024	262	COLUSA COUNTY	GF-143	253	52400	640	SWIMMING POOL ANNUAL PERMIT FEE 2025 / REC-POOL		
64058	12/16/2024	262	COLUSA COUNTY	GF-193	430	52400	690	WATER/SEWER DEPT ANNUAL PERMIT 2025 / SEWER		
64058	12/16/2024	84	COLUSA COUNTY	GF-548	253	52400	640	SNACK BAR PERMIT 2025 / POOL-REC		
64058 Total		692								
64059	12/11/2024	110.61	DERODA INC.	119654	101	52720	320	HITCH,BALL MOUNT,WIPER BLADES / FIRE		
64059	12/11/2024	195.87	DERODA INC.	119841	101	52720	320	BATTERY, BATTERY BOX / FIRE		
64059	12/11/2024	10.85	DERODA INC.	119863	101	52720	320	BATTERY TERMINAL / FIRE		
64059	12/11/2024	7.16	DERODA INC.	119959	101	52720	320	FUSE / FIRE		

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64059	12/11/2024	38.62	DERODA INC.	119965	101	52720	320	CONNECTOR,FUSE / FIRE		
64059	12/16/2024	102.52	DERODA INC.	120285	101	52110	630	ADAPTER,FLARE TOOL,GLOVES / STREETS		
64059	12/16/2024	109.01	DERODA INC.	120286	101	52720	630	STARTER,SHOP TOWELS / STREETS-PARKS		
64059	12/16/2024	109.01	DERODA INC.	120286	101	52720	650	STARTER,SHOP TOWELS / STREETS-PARKS		
64059	12/11/2024	227.57	DERODA INC.	120327	101	52720	320	WINCH,ROPE / FIRE		
64059	12/11/2024	50.56	DERODA INC.	120635	101	52720	320	AIR FILTER / FIRE		
64059	12/16/2024	126.13	DERODA INC.	120638	101	52720	630	OIL,STOP LEAK / STREETS		
64059	12/17/2024	63.92	DERODA INC.	120764	214	52720	710	EQUIPMENT MAINT / POLICE		
64059	12/16/2024	26.24	DERODA INC.	120786	101	52720	630	OIL,SHAKER SIPHON / STREETS		
64059	12/17/2024	41.27	DERODA INC.	120949	101	52720	320	OIL,OIL FILTER / FIRE		
64059	12/17/2024	192.94	DERODA INC.	121019	101	52720	630	OIL,FILTER,AIR FILTER,SPARK PLUG / STREETS		
64059 Total		1412.28								
64060	12/17/2024	866.25	COMPUTER LOGISTICS	85113	101	52500	320	INSTALL NEW WORKSTATION / FIRE		
64060	12/17/2024	247.5	COMPUTER LOGISTICS	85220	101	52500	320	GENERAL IT SUPPORT / FIRE		
64060	12/11/2024	82.5	COMPUTER LOGISTICS	85751	101	52500	320	GENERAL IT SUPPORT / FIRE		
64060 Total		1196.25								
64061	12/11/2024	77.53	COMCAST	12/11/2024	101	53200	320	BUSINESS CABLE / FIRE		
64061 Total		77.53								
64062	12/17/2024	705	COP WARE, INC.	87013	101	52850	710	CA PEACE OFFICER SOURCEBOOK FEB 25/ JAN26 / POLICE		
64062 Total		705								
64063	12/17/2024	84	DAVIES CHEVRON	12/17/2024	214	52720	710	CARWASH X 7 / POLICE		
64063 Total		84								
64064	12/16/2024	7825.35	JOE CRAIG	106	246	52500	630	SYSTEMETIC TREE INJECTIONS / STREETS		
64064 Total		7825.35								
64065	12/16/2024	2241.98	FASTENAL	52138	410	52110	670	NUTS/BOLTS VARIETY / WATER		
64065	12/16/2024	2241.99	FASTENAL	52138	430	52110	690	NUTS/BOLTS VARIETY / SEWER		
64065	12/16/2024	405.14	FASTENAL	52143	101	52110	630	SUPPLIES / STREETS		
64065 Total		4889.11								
64066	12/16/2024	32.61	GRIFF'S FEED & SEED	12996	101	52110	630	RUBBER BOOTS-TEMP WORKER / STREETS		
64066	12/16/2024	65.23	GRIFF'S FEED & SEED	13054	101	52110	630	RAKES / STREETS		
64066	12/16/2024	85.89	GRIFF'S FEED & SEED	13107	101	52110	630	SHOVEL,CULTIVATOR / STREETS		
64066	12/17/2024	97.84	GRIFF'S FEED & SEED	16047	101	51200	630	JEANS-NOKES / STREETS-PARKS		
64066	12/17/2024	97.84	GRIFF'S FEED & SEED	16047	101	51200	650	JEANS-NOKES / STREETS-PARKS		
64066 Total		379.41								
64067	12/16/2024	400.14	JOHNSON PRINTING & DESIGN	68573	310	52100	650	BOAT PASSES / STATE PARK		
64067	12/16/2024	172.85	JOHNSON PRINTING & DESIGN	68573	410	52100	670	SERVICE RECORDS,DOOR HANGERS / WATER		
64067	12/16/2024	172.85	JOHNSON PRINTING & DESIGN	68573	430	52100	690	SERVICE RECORDS,DOOR HANGERS / SEWER		
64067 Total		745.84								
64068	12/12/2024	50.22	DEERE CREDIT INC.	2982461	310	59200	650	MOWER LEASE / PARKS		
64068	12/12/2024	154.26	DEERE CREDIT INC.	2982461	310	59100	650	MOWER LEASE / PARKS		
64068	12/12/2024	226	DEERE CREDIT INC.	2982461	253	59200	650	MOWER LEASE / PARKS		
64068	12/12/2024	694.17	DEERE CREDIT INC.	2982461	253	59100	650	MOWER LEASE / PARKS		

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64068	12/12/2024	226	DEERE CREDIT INC.	2982461	101	59200	650	MOWER LEASE / PARKS				
64068	12/12/2024	694.18	DEERE CREDIT INC.	2982461	101	59100	650	MOWER LEASE / PARKS				
64068 Total		2044.83										
64069	12/17/2024	2705.5	JONES MAYER	126600	101	52500	240	ATTORNEY SERVICES/GENERAL FUND RETAINER				
64069	12/17/2024	2705.5	JONES MAYER	126600	410	52500	240	ATTORNEY SERVICES/WATER FUND RETAINER				
64069	12/17/2024	2665.11	JONES MAYER	126600	430	52500	240	ATTORNEY SERVICES/SEWER FUND RETAINER				
64069 Total		8076.11										
64070	12/16/2024	500	MARKS, GABRIEL	12/16/2024	310	52500	650	COLUSA STATE PARK CAMP HOST DEC / STATEPARK				
64070 Total		500										
64071	12/16/2024	8.94	MERIDIAN SUPPLY	173597	101	52720	630	ANTIFREEZE / STREETS				
64071 Total		8.94										
64072	12/11/2024	71.73	GEORGE L. MESSICK CO.	624394/1	101	52700	320	CASTER / FIRE				
64072	12/11/2024	15.2	GEORGE L. MESSICK CO.	624398/1	101	52700	320	FILTER / FIRE				
64072	12/11/2024	108.09	GEORGE L. MESSICK CO.	624613/1	101	52700	320	GATE HINGE, PLYWOOD, FASTENERS / FIRE				
64072	12/11/2024	155.49	GEORGE L. MESSICK CO.	625118/1	101	52700	320	DISH SOAP, CHARGER / FIRE				
64072	12/11/2024	64.87	GEORGE L. MESSICK CO.	625160/1	101	52700	320	ROPE, FASTENERS, CHAIN COIL / FIRE				
64072	12/11/2024	61.92	GEORGE L. MESSICK CO.	625177/1	310	52700	650	ELBOW, BRASS / STATE PARK				
64072	12/11/2024	120.68	GEORGE L. MESSICK CO.	625959/1	101	52700	320	LEVER, FIRE				
64072	12/11/2024	19.74	GEORGE L. MESSICK CO.	626154/1	101	52700	320	BATTERY / FIRE				
64072	12/16/2024	10.86	GEORGE L. MESSICK CO.	626755/1	430	52110	690	BATTERIES / SEWER				
64072	12/11/2024	39.48	GEORGE L. MESSICK CO.	626756/1	101	52700	320	BATTERY / FIRE				
64072	12/16/2024	21.74	GEORGE L. MESSICK CO.	627031/1	310	52110	650	BATTERIES / STATE PARK				
64072	12/16/2024	52.17	GEORGE L. MESSICK CO.	627045/1	430	52700	690	FLOOR CLEANER, BATTERIES / SEWER				
64072	12/16/2024	17.38	GEORGE L. MESSICK CO.	627180/1	101	52720	630	SPRAY PAINT PRIMER / STREETS				
64072	12/16/2024	102.19	GEORGE L. MESSICK CO.	627252/1	101	52110	630	BULB EXTRACTOR, LED LIGHT / STREETS				
64072	12/16/2024	10.86	GEORGE L. MESSICK CO.	627255/1	101	52110	650	BULB EXTRACTOR / STATE PARK				
64072	12/16/2024	121.78	GEORGE L. MESSICK CO.	627281/1	101	52720	630	ECHO SAW CHAIN / STREETS				
64072	12/16/2024	31.53	GEORGE L. MESSICK CO.	627341/1	310	52720	650	ECHO BAR OIL / STATE PARK				
64072	12/16/2024	23.9	GEORGE L. MESSICK CO.	627343/1	101	52110	630	SUPER CLEAN DEGREASER, ARMORALL / STREETS				
64072	12/16/2024	67.4	GEORGE L. MESSICK CO.	627497/1	310	52110	650	SPRINKLER/BASE / STATE PARK				
64072	12/16/2024	50.64	GEORGE L. MESSICK CO.	627564/1	430	52110	690	TAPE, GLOVES, PLIERS, SEWER				
64072	12/16/2024	63.05	GEORGE L. MESSICK CO.	627586/1	430	52110	690	WRECKING BAR, HAMMER / SEWER				
64072	12/16/2024	50	GEORGE L. MESSICK CO.	627588/1	101	52110	630	BUG FOGGER / STREETS				
64072	12/16/2024	57.66	GEORGE L. MESSICK CO.	627607/1	101	52110	610	RAGS, DISH SOAP, LYSOL, EXTENSION CORD / CITY HALL				
64072	12/16/2024	43.48	GEORGE L. MESSICK CO.	627618/1	101	52110	630	LOCKING CLAMP / STREETS				
64072	12/16/2024	50	GEORGE L. MESSICK CO.	627632/1	101	52110	630	BUG FOGGER / STREETS				
64072	12/16/2024	304.49	GEORGE L. MESSICK CO.	627671/1	101	52110	630	LADDER / STREETS				
64072	12/16/2024	21.72	GEORGE L. MESSICK CO.	627731/1	430	52110	690	GASKET, SCISSORS / SEWER				
64072	12/16/2024	233.78	GEORGE L. MESSICK CO.	627760/1	101	52110	630	RATCHETS, TOW CHAIN / STREETS				
64072	12/11/2024	144.96	GEORGE L. MESSICK CO.	627967/1	101	52700	320	FASTENERS, BOLT, CABLE / FIRE				
64072	12/11/2024	17.31	GEORGE L. MESSICK CO.	627988/1	101	52700	320	HOOS / FIRE				
64072	12/16/2024	72.36	GEORGE L. MESSICK CO.	628047/1	430	52110	690	CABLE TIE, ROPE, BRACE, FASTNERS / SEWER				

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64072	12/11/2024	37.37	GEORGE L. MESSICK CO.	628063/1	101	52700	320	ELBOW,PIPE SEALANT / FIRE		
64072	12/16/2024	59.78	GEORGE L. MESSICK CO.	628093/1	430	52110	690	SHOVEL,DUSTER / SEWER		
64072	12/16/2024	22.82	GEORGE L. MESSICK CO.	628107/1	101	52110	630	GLOVES,FASTENERS / STREETS		
64072	12/16/2024	15.21	GEORGE L. MESSICK CO.	628108/1	101	52110	630	DRIVER SET / STREETS		
64072	12/16/2024	60.88	GEORGE L. MESSICK CO.	628139/1	430	52110	690	PICKUP TOOL / SEWER		
64072	12/16/2024	215.19	GEORGE L. MESSICK CO.	628149/1	101	52110	630	FASTENERS,NUT,BIT HOLDER / STREETS		
64072	12/16/2024	35.88	GEORGE L. MESSICK CO.	628179/1	101	52110	630	FASTENERS / STREETS		
64072	12/16/2024	22.82	GEORGE L. MESSICK CO.	628202/1	430	52110	690	SHOE GOO,DUSTER / SEWER		
64072	12/16/2024	156.59	GEORGE L. MESSICK CO.	628206/1	430	52110	690	TOOL SET,TOW KIT / SEWER		
64072	12/16/2024	67.4	GEORGE L. MESSICK CO.	628272/1	101	52110	630	RAKE,SCOOP / STREETS		
64072	12/16/2024	21.58	GEORGE L. MESSICK CO.	628333/1	430	52110	690	EPOXY,ROPE / SEWER		
64072	12/16/2024	23.25	GEORGE L. MESSICK CO.	628465/1	101	52110	630	RAKE,FASTENERS / STREETS		
64072	12/11/2024	9.78	GEORGE L. MESSICK CO.	628474/1	101	52720	320	CONNECTOR / FIRE		
64072	12/11/2024	1.09	GEORGE L. MESSICK CO.	628475/1	101	52720	320	CONNECTOR / FIRE		
64072	12/16/2024	20.65	GEORGE L. MESSICK CO.	628519/1	101	52110	630	HOLE SAW / STREETS		
64072	12/16/2024	57.59	GEORGE L. MESSICK CO.	628584/1	430	52110	690	SPRAY BOTTLE,SOLDER,STEEL STIK,TORCH / SEWER		
64072	12/16/2024	25	GEORGE L. MESSICK CO.	628620/1	101	52110	630	DRILL BIT / STREETS		
64072	12/11/2024	78.26	GEORGE L. MESSICK CO.	629127/1	101	53800	320	PARACORD / FIRE		
64072	12/17/2024	10.86	GEORGE L. MESSICK CO.	629952/1	101	52720	320	SWITCH / FIRE		
64072	12/17/2024	10.86	GEORGE L. MESSICK CO.	629957/1	101	52720	320	SWITCH / FIRE		
64072	12/17/2024	31.84	GEORGE L. MESSICK CO.	6298849/1	101	52720	320	BRUSH,PAINT / FIRE		
64072 Total		3211.16								
64073	12/12/2024	60	MESSENGER PUBLISHING GROU	28299	101	53100	220	ORDINANCE ADD ARTICLE 41.5 TO MUNICODE/PLANNING		
64073	12/16/2024	32	MESSENGER PUBLISHING GROU	28310	220	53100	225	PUBLIC NOTICE-ANIMALS / CODE ENFORCEMENT		
64073	12/16/2024	32	MESSENGER PUBLISHING GROU	28311	101	53100	120	PUBLIC NOTICE-COUNCIL COMPENSATION / COUNCIL		
64073	12/16/2024	48	MESSENGER PUBLISHING GROU	28328	272	53100	710	PUBLIC NOTICE-NEW POLICE DEPT / POLICE		
64073 Total		172								
64074	12/17/2024	148739	NEXGEN ASSET MANAGEMENT	12/17/2024	430	62681	690	RECYCLED WATER UPGRADES PROJECT#C-06-7896-410		
64074 Total		148739								
64075	12/17/2024	69.44	PACIFIC STORAGE COMPANY	5239026	101	52100	230	64 GALLON TOTE / FINANCE		
64075 Total		69.44								
64076	12/12/2024	17.22	QUILL CORPORATION	41559062	101	52100	110	CALENDARS / CITY CLERK		
64076	12/12/2024	11.12	QUILL CORPORATION	41559062	101	52100	120	CALENDARS / COUNCIL		
64076	12/12/2024	11.12	QUILL CORPORATION	41559062	101	52100	220	CALENDARS / ADMIN		
64076	12/12/2024	196.46	QUILL CORPORATION	41559062	101	52100	630	CALENDARS,PLANNERS / STREETS		
64076	12/12/2024	137.66	QUILL CORPORATION	41559062	410	52100	670	CALENDARS,PLANNERS / WATER		
64076	12/12/2024	137.67	QUILL CORPORATION	41559062	430	52100	690	CALENDARS,PLANNERS / SEWER		
64076	12/12/2024	68.19	QUILL CORPORATION	41559062	101	52100	230	CALENDARS,CALCULATOR TAPE / FINANCE		
64076 Total		579.44								
64077	12/17/2024	559605.6	R&R HORN, INC.	12/17/2024	430	62694	690	WALNUT RANCH-SEWER-8421		
64077 Total		559605.6								
64078	12/12/2024	126.94	RACE TELECOMMUNICATIONS,	RC1412849	101	53200	630	CITY COMMUNICATIONS / STREETS		

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64078	12/12/2024	156.94	RACE TELECOMMUNICATIONS,	RC1412849	101	53200	320	CITY COMMUNICATIONS / FIRE		
64078	12/12/2024	156.94	RACE TELECOMMUNICATIONS,	RC1412849	101	53200	710	CITY COMMUNICATIONS / POLICE		
64078	12/12/2024	156.94	RACE TELECOMMUNICATIONS,	RC1412849	101	53200	230	CITY COMMUNICATIONS / FINANCE		
64078 Total		597.76								
64079	12/17/2024	181.49	READING OIL, INC.	326191	101	52270	630	PROPANE-ASPHALT TRAILER / STREETS		
64079 Total		181.49								
64080	12/17/2024	45	SORENSEN PEST CONTROL, IN	1328163	101	52700	320	MONTHLY PEST SERVICE DEC / FIRE		
64080 Total		45								
64081	12/11/2024	501535.57	CWSRF ACCOUNTING OFFICE	12/11/2024	430	59100	690	CLEAN WATER STATE REVOLVING FUND / SEWER		
64081	12/11/2024	214279.91	CWSRF ACCOUNTING OFFICE	12/11/2024	430	59200	690	CLEAN WATER STATE REVOLVING FUND / SEWER		
64081 Total		715815.48								
64082	12/16/2024	188.38	SUPERIOR TIRE SERVICE	306176	310	52720	650	FLAT REPAIR / STATE PARK		
64082 Total		188.38								
64083	12/16/2024	563	SWRCB ACCOUNTING OFFICE	WD0276480	311	52400	650	ANNUAL PERMIT BOAT LAUCH 5A06CR00065A1/ STATEPARK		
64083	12/16/2024	13945	SWRCB ACCOUNTING OFFICE	WD0281168	430	52400	690	WWTP ANNUAL PERMIT FEE 5A06NC00020 / SEWER		
64083	12/16/2024	3945	SWRCB ACCOUNTING OFFICE	WD0281432	430	52400	690	COLUSA CS ANNUAL PERMIT 5SSO10908 / SEWER		
64083	12/16/2024	8123	SWRCB ACCOUNTING OFFICE	WD0281795	430	52400	690	WWTP ANNUAL PERMIT 5A060101001 / SEWER		
64083	12/16/2024	881	SWRCB ACCOUNTING OFFICE	WD0281873	410	52400	670	COLUSA CITS WS ANNUAL PERMIT 4DW0560 / WATER		
64083 Total		27457								
64084	12/17/2024	903.61	TIRE HUB, LLC	46084009	214	52720	710	EQUIPMENT MAINT / POLICE		
64084 Total		903.61								
64085	12/17/2024	1000	BRUNO TORRES	12/17/2024	101	51300	320	REIMBURSEMENT FOR CALFIRE ACADEMY TRAINING / FIRE		
64085 Total		1000								
64086	12/17/2024	75	TRANSUNION RISK AND ALTER	12/17/2024	214	52500	710	MINIMUM USAGE NOVEMBER / POLICE		
64086 Total		75								
64087	12/17/2024	1109.18	TRI COUNTIES BANK	12/17/2024	101	52100	120	OFFICE CHAIRS FOR COUNCIL CHAMBERS / COUNCIL		
64087	12/17/2024	9.99	TRI COUNTIES BANK	12/17/2024	101	52500	210	ADOBE EXPRESS / ADMIN		
64087	12/17/2024	100	TRI COUNTIES BANK	12/17/2024	101	52160	230	SAVMOR-GIFTCARD FOR 5 YEARS OF SERVICE / FINANCE		
64087	12/17/2024	52	TRI COUNTIES BANK	12/17/2024	101	52500	215	CONSTANT CONTACT / ECON D		
64087	12/17/2024	96.21	TRI COUNTIES BANK	12/17/2024	101	51300	630	ROUND TABLE-TRAINING / STREETS		
64087	12/17/2024	96.2	TRI COUNTIES BANK	12/17/2024	101	51300	650	ROUND TABLE-TRAINING / PARKS		
64087	12/17/2024	4968.11	TRI COUNTIES BANK	12/17/2024	430	52720	690	WORK&PLAY POWERSPORTS-REPAIR RANGER / SEWER		
64087	12/17/2024	159	TRI COUNTIES BANK	12/17/2024	410	51300	670	AT YOUR PACE TRAINING COURSE / WATER		
64087	12/17/2024	307.9	TRI COUNTIES BANK	12/17/2024	101	52100	210	ZOOM / ADMIN		
64087	12/17/2024	4299.13	TRI COUNTIES BANK	12/17/2024	101	52110	210	AMAZON-STRING LIGHTS OLD TYME CHRISTMAS / ADMIN		
64087	12/17/2024	50.49	TRI COUNTIES BANK	12/17/2024	101	51300	320	CARLS JR-PRE-PO WIND / FIRE		
64087	12/17/2024	85.41	TRI COUNTIES BANK	12/17/2024	101	51300	320	GRANZELLAS-S/T PRE-PO / FIRE		
64087	12/17/2024	253	TRI COUNTIES BANK	12/17/2024	101	51300	320	TRAVELER'S INN S/T PRE-PO / FIRE		
64087	12/17/2024	141.16	TRI COUNTIES BANK	12/17/2024	101	51300	320	ROCCOS BAR- S/T PRE-PO / FIRE		
64087	12/17/2024	79.1	TRI COUNTIES BANK	12/17/2024	101	51300	320	GRANZELLAS- S/T PRE-PO / FIRE		
64087	12/17/2024	147.94	TRI COUNTIES BANK	12/17/2024	101	52100	320	STAPLES-OFFICE SUPPLIES / FIRE		
64087	12/17/2024	253	TRI COUNTIES BANK	12/17/2024	101	51300	320	TRAVELERS INN-S/T PRE-PO / FIRE		

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64087	12/17/2024	224.78	TRI COUNTIES BANK	12/17/2024	101	52720	320	AMAZON-PRESSURE REDUCING VALVE / FIRE		
64087	12/17/2024	216.42	TRI COUNTIES BANK	12/17/2024	101	52700	320	AMAZON-EVERPURE 2 FILTER CARTRIDGE / FIRE		
64087	12/17/2024	16.3	TRI COUNTIES BANK	12/17/2024	101	52850	320	AMAZON-MONTHLY MEMBERSHIP / FIRE		
64087	12/17/2024	99.99	TRI COUNTIES BANK	12/17/2024	101	52100	320	MICROSOFT 365 / FIRE		
64087	12/17/2024	8.55	TRI COUNTIES BANK	12/17/2024	101	53200	320	AMAZON-SCREEN PROTECTOR / FIRE		
64087	12/17/2024	32.61	TRI COUNTIES BANK	12/17/2024	101	53600	640	AMAZON-GYM TIMER-JIU JITSU / REC		
64087	12/17/2024	561.8	TRI COUNTIES BANK	12/17/2024	101	53600	640	AMAZON-LAPTOP / REC		
64087	12/17/2024	29	TRI COUNTIES BANK	12/17/2024	214	52100	710	WHEN I WORK / POLICE		
64087	12/17/2024	8.4	TRI COUNTIES BANK	12/17/2024	214	52100	710	USPS / POLICE		
64087	12/17/2024	33.15	TRI COUNTIES BANK	12/17/2024	214	52100	710	AMAZON-BATTERIES / POLICE		
64087	12/17/2024	8.69	TRI COUNTIES BANK	12/17/2024	214	52100	710	AMAZON-BATTERY / POLICE		
64087	12/17/2024	5.5	TRI COUNTIES BANK	12/17/2024	214	52100	710	USPS / POLICE		
64087	12/17/2024	11.3	TRI COUNTIES BANK	12/17/2024	214	52100	710	AMAZON-BINDERS / POLICE		
64087	12/17/2024	65.24	TRI COUNTIES BANK	12/17/2024	214	52100	710	AMAZON-BINDERS / POLICE		
64087	12/17/2024	133.82	TRI COUNTIES BANK	12/17/2024	214	51200	710	AMAZON-UNIFORM SERVICE HASH MARKS / POLICE		
64087 Total		13663.37								
64088	12/17/2024	398.75	TYLER TECHNOLOGIES, INC	25489016	101	52500	231	PROJECT-SCOPE ALIGNMENT MEETING		
64088 Total		398.75								
64089	12/17/2024	130	VALLEY TOXICOLOGY SERVICE	5084	214	52500	710	ALCOHOL & DRUG ANALYSIS-NOVEMBER / POLICE		
64089 Total		130								
64090	12/17/2024	276.23	XEROX CORPORATIONS	6528949	101	53300	215	COPIER AGREEMENT / ECON D		
64090	12/17/2024	276.23	XEROX CORPORATIONS	6528949	101	53300	220	COPIER AGREEMENT / PLANNING		
64090	12/17/2024	276.23	XEROX CORPORATIONS	6528949	101	53300	230	COPIER AGREEMENT / FINANCE		
64090 Total		828.69								
Grand Total		2747438.55								



City of Colusa California

STAFF REPORT

DATE: February 4, 2025
TO: City Council
FROM: City Manager, Jesse Cain

AGENDA ITEM:

Consideration of the revised Lease Agreement with SF Metalworks for continued tenancy in the Colusa Bio Innovation Center

Recommendation: Council approve the revised lease and authorize the City Manager to execute the revised lease agreement with SF Metalworks/Ron Moore.

BACKGROUND ANALYSIS:

In October 2021 the City of Colusa entered a sub lease with SF Metalworks for up to 10,000 square feet of the Pirelli Cable/Prysmian Manufacturing facility while the City of Colusa finds funding to complete the purchase of said property. SF Metalworks moved into the building in January 2022 and began working on the building to get it in a place so that it can be used. SF Metalworks and I worked together on improvements to the building that needed to be completed to make the space tenant ready. Because the City of Colusa has not yet been able to obtain grants to funds to make the repairs, SF Metalworks used what they would have been paying the City in a lease payment to make the repairs that were the City responsibility. The repairs that have been made are concrete saw cut outs in the floors where old equipment had been installed and doweled into the concrete floor. Those areas were then filled with concrete so that the floors are now flat and drain correctly. A dividing demising wall was installed to separate out the leased area from the other tenant areas, conduit and electricity was run to install lights in the leased area, a restroom facility was built, and the gutter drains on the building were reconstructed and installed. These were all items that the City of Colusa was responsible for providing.

Because we have now completed the purchase of the former Pirelli Cable/Prysmian Manufacturing facility building and most of the improvements have been made for SF Metalworks leased area, we need to enter into a new lease with SF Metal works as the original lease was a sub lease.

The lease terms use the original lease amount the City of Colusa approved in 2021 of \$.35 per sq. ft. for year 3 of the lease. SF Metalworks has spent \$96,797.77 as of to date on property improvements. That amount has been listed as a credit against lease payments and is shown

in the table in section 5 of the lease under Rent. I backed into the lease payments that they would have been made if the City had paid for the property improvements. SF Metalworks will be making the first lease payment on the amount of \$1,003.03 February 28, 2025. From that point the monthly lease payment shall be \$4,525.85 per month

BUDGET IMPACT:

An increase of revenues of \$62,068.80 annually

STAFF RECOMMENDATION:

Council to adopt Resolution 25-.

ATTACHMENTS: Resolution 25-____
Lease Agreement

RESOLUTION NO. 25-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLUSA APPROVING A LEASE WITH RONALD JOE MOORE AT 1480 WILL S GREEN AVE FOR 12,931 SQUARE FEET AND AUTHORIZING THE CITY MANAGER TO SIGN THE LEASE AGREEMENT

WHEREAS, the City has available lease space at the city-owned industrial building at 1480 Will S. Green Avenue; and

WHEREAS, Ronald Joe Moore doing business as SF Metalworks desires to lease space from the City.

THEREFORE, BE IT RESOLVED by the City Council of the City of Colusa as follows:

SECTION 1.

The City Council approves the lease agreement with Ronald Joe Moore, dated February 4, 2025.

SECTION 2.

The City Council authorizes the City Manager to sign the lease agreement with Ronald Joe Moore.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Colusa held on February 4, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RYAN CODORNIZ, MAYOR

ATTEST:

SHELLY KITTLE, CITY CLERK

**COMMERCIAL SPACE LEASE
LOCATED AT
1480 WILL S. GREEN AVENUE, COLUSA, CALIFORNIA***

THIS LEASE OF REAL PROPERTY ("Lease"), dated as of the latter of the Parties' signatures herein, is made and entered into by and between the City of Colusa, a Municipal Corporation ("Landlord"), and Front Row Builders, Inc (a California Corporation) / DBA SF Metalworks ("Tenant"). The Landlord and Tenant shall be described herein from time to time as a "Party," and collectively as the "Parties."

1. Recitals.

This Lease is entered into based upon the following facts, circumstances and understandings: City of Colusa, ("**Landlord**") is the owner of that certain parcel of improved real property of approximately forty-eight (48) acres in size and located at 1480 Will S. Green Avenue, Colusa, CA, (such parcel, together with all improvements thereon, and all appurtenant rights and easements, the "**Property**") attached hereto and incorporated herein by this reference.

- 2. Grant and Acceptance of Lease.** Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed and observed by Tenant, does hereby lease to Tenant and Tenant hereby leases and takes from the Landlord the property described in in section 3 below and depicted in Exhibit "A" attached hereto, for Tenant's proposed use, subject to the following terms and conditions for the Term.

3. Leased Area.

- 3.1.** Landlord leases to Tenant and Tenant leases from Landlord the premises described as a portion of the building located at 1480 Will S. Green Avenue, Colusa, CA 95932 consisting of 18,206 square feet of interior space as depicted on the attached Exhibit A (including exterior space).
- 3.2.** The tenant has the option to include the additional square footage of leased premises at any time during the first five years of this lease at the current rent per square foot subject to all scheduled rent amounts and increases set forth in this lease provided tenant gives landlord 30 days advance notice to exercise this option for additional space, and adjacent space is still available.
- 3.3.** Tenant has also leased the fenced in yard area as part of the premises and as depicted on Exhibit B. The rent for the yard area is included in the rent charged pursuant to paragraph 5. Tenant shall pay for and be responsible for the clean-up of any contamination caused by Tenant's use of the storage yard. The yard area is currently a gravel surface, and Tenant may install asphalt paving or other improvements to the yard area, provided Tenant complies with all applicable laws, rules, regulations and obtains all required government approvals and permits.
- 3.4.** Tenant acknowledges that the Landlord has made no representation or warranty regarding the condition of the Property except as specifically stated in this Lease.

- 3.5. Landlord represents to the Tenant that no hazardous materials or conditions exist on, in or near the Premises that would endanger the Tenant or Tenants employees health, nor affect the Tenants operations in any way.
- 3.6. Tenant has examined the Premises and acknowledges that the Premises are as is, in operative condition, and suitable for occupancy by Tenant.
- 3.7. Tenant accepts the Premises subject to all local, state and federal laws, regulations and ordinances ("Laws"). Landlord makes no representation or warranty that Premises are now or in the future will be suitable for Tenant's use. Tenant has made its own investigation regarding all applicable Laws.

4. Term; Commencement Date.

- 4.1. The provisions of this Lease are effective as of the Commencement Date.
- 4.2. Duration of Term: One (5) year term with Three (5) year extensions thereafter starting from the Commencement Date, subject to Term extensions as set forth in Section 4.4 below.
- 4.3. Commencement Date: The intended Commencement Date of this Lease is January 1st, 2025.
- 4.4. Lease Term Expiration Date: The lease Term shall expire at 5:00 pm Pacific Time on January 31st, 2030. The tenant will have the option to renew the Lease three (3) times under the conditions described in Section 5. The intention to renew shall be given in writing six (6) months before the end of the lease term. Any holding over after the term of this agreement expires, which requires Landlord's consent, shall create a month-to-month tenancy and may revert to market rate, at the sole discretion of the Landlord. Either party may terminate the holdover tenancy by giving written notice to the other at least thirty (30) days prior to the intended termination date, subject to any applicable laws. Such notice may be given on any date. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect.

5. Rent.

- 5.1. Definition: ("Rent") shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except the security deposit.
- 5.2. The Parties agree that any tenant improvements that the Tenant performs on the City's behalf shall be deducted from any annual lease payment, provided a signed approval from the City authorizing the improvements. The following chart shows the tenant improvement cost rent credits to date and the schedule of lease payments going forward from the commencement date.

Amount	Description	Remaining Balance	Period
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	Tenant Improvement Costs for benefit of City	\$96,797.77	
\$12,693.60	Rent for 1st year (5,289 sq ft @ \$0.20/sq ft)	\$84,104.17	Oct. 21 to Oct. 22
\$12,693.60	Rent for 2nd year (5,289 sq ft @ \$0.20/sq ft)	\$71,410.57	Oct. 22 to Oct. 23
\$54,310.20	Rent for 3rd year (12,931 sq ft @ \$0.35/sq ft)	\$17,100.37	Oct. 23 to Oct. 24
\$54,310.20	Rent for 4th year (12,931 sq ft @ \$0.35/sq ft)		Oct. 24 to Oct. 25
\$4525.85	Rent for 11/1/2024	\$12,574.52	Nov. 24
\$4525.85	Rent for 12/1/2024	\$8,048.67	Dec. 24
\$4525.85	Rent for 1/1/2025	\$3,522.82	Jan. 25
\$62,068.80	Rent for 5th year (12,931 sq ft @ \$0.40/sq ft)		Oct. 25 to Oct. 26
\$1,200.00	Yard area (15,000 sq ft @ \$100/mo)		Incl in annual rent

5.3. Payment: Rent shall be paid to City of Colusa, 425 Webster St., Colusa, CA 95932, or at any other location specified by Landlord in writing to Tenant.

6. Late Charge; Interest; NSF Checks: Tenant acknowledges that either late payment of Rent or issuance of an NSF check may cause Landlord to incur costs and expenses, the exact amount of which are difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on the Landlord. If any installment of Rent due from Tenant is not received by the Landlord within five (5) calendar days after the date due, or if a check is returned NSF, Tenant shall pay to Landlord, respectively, \$50.00 as the late charge, plus 10% interest per annum on the delinquent amount and \$5.00 as an NSF fee, any of which shall be deemed additional Rent. The Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs the Landlord may incur by reason of Tenant's late or NSF payment. Any late charge, delinquent interest, or NSF fees due shall be paid with the current installation of Rent. The Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of the Tenant. The Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under paragraph 5 or prevent the Landlord from exercising any other rights and remedies under this agreement, and as provided by law.

7. Permitted Uses.

- 7.1. The Premises are for the sole use as commercial and industrial purposes. Hours of operation may include 3 shifts for 24 hours per day of continuous operation.
- 7.2. No other use is permitted without the Landlord's prior written consent. If any use by the Tenant causes an increase in the premium on Landlord's existing property insurance, the Tenant shall be notified of said condition and given an opportunity to change or modify such use, or otherwise make the City whole for the increased insurance costs, within 90 days. Failure to cure the situation shall be a material breach of this lease.
- 7.3. The Tenant will comply with all Laws affecting its use of the Premises.
- 7.4. The Tenant shall be restricted from any access to or utilization of the groundwater under the Property for any purpose.
- 7.5. Ongoing Access to Property. During the Term of this Lease, the Tenant grants the Owner and Landlord the right of access, without escort and with 48 hours' notice to the Tenant, to, over, under and across the Property (including, if necessary, the existing building on the Property and any other improvements that may be constructed on the Property) and the Premises for its employees and agents during normal business hours, at no charge to the Owner or the Landlord as necessary or desirable for the Owner to conduct its environmental investigation, monitoring and remediation activities. Such grant of access shall allow the Owner and the Landlord to engage in any and all activities related to its environmental investigation, monitoring and remediation activities, including, but not limited to, drilling soil borings, installing groundwater monitoring wells, excavating contaminated soils, installing engineering control and remediation systems, including, by way of example only, soil or pavement covers and groundwater extraction. In exercising its use of the Property and Premises herein, the Owner and the Landlord agree to cooperate with any reasonable security or access control procedures utilized by the Tenant and further agrees not to unduly disturb or interfere with the business or other activities of Tenants engaged in industrial uses and operations within the building.
- 8. Tenant's Work, Maintenance, Repairs and Restoration.**
- 8.1. The Tenant may undertake all necessary tenant improvements and install, place, use, modify, operate and remove on the Premises furniture, trade fixtures and related equipment ("FF&E") as the Tenant deems necessary for its business operations at the Premises.
- 8.2. Any improvements made by the Tenant, and all demolition, construction and installation work at the Premises, shall be performed at the Tenant's sole cost and expense and in a good and workmanlike manner, and in compliance with all applicable codes and governmental regulations.
- 8.3. The Tenant shall provide prior written notice to the Landlord at least five (5) business days before undertaking any demolition, construction, improvements, installation of signage, or change out of locks or security systems. Notwithstanding anything in this section to the contrary, no portion of the existing building or other improvements on the Property may be demolished, nor any alterations to the building structure, roof, HVAC system or electrical or plumbing systems, be made, without the Landlord's prior written

consent in each instance, which consent may not be unreasonably withheld, and which consent shall be given or denied within five (5) business days from receipt of a written request thereof from the Tenant or its agents or representatives. If no response is given by the Landlord within such five (5) business day period, such consent will be deemed given.

- 8.4.** The Tenant shall maintain the Premises in neat and safe condition in compliance with all applicable codes and governmental regulations, including any and all security lighting or appliances installed. The Landlord at the Landlord cost will maintain, make repairs and/or make replacements to, (except as specifically modified by the Tenant's improvements) the primary building shell consisting of the exterior walls, foundation, roof, primary electrical feed to the Tenant's main power panel, or primary building water and wastewater systems or any other component thereof to ensure the integrity and serviceability of the aforementioned items. The Tenant acknowledges and agrees that all improvements made by the Tenant to facilitate the Tenant's operations are not within the Landlord's responsibility as stated in this section, shall be at the sole cost and expense of the Tenant both for initial improvements and ongoing maintenance and repair during the Term of this Lease. Any and all roof penetrations shall require the Landlord's expressed written consent and supervision, or at the Landlord's option, the Landlord shall utilize the Landlord's preferred contractor for roofing repairs necessary for the Tenant's equipment, and will invoice such costs to Tenant, which invoice shall be due and payable within ten (10) business days of receipt.
- 8.5.** The Tenant, at the Tenant's expense, shall be required to make all repairs to the Premises due to damage caused by the Tenant, its agents or contractors.
- 8.6.** Upon the expiration, cancellation or termination of this Lease, the Tenant shall surrender the Premises, together with all improvements and alterations, but not FF&E, installed during the Term by the Tenant, in good condition and repair, less ordinary wear and tear and casualty not caused by the Tenant, its agents or contractors. The Tenant shall not permit or suffer any mechanic's or materialmen's liens to be lodged against the Property or Premises and will defend, indemnify and hold harmless the Landlord from and against all claims, liabilities, costs and expenses associated with any such liens. Further, the Tenant and any applicable subtenant will post notices of non-responsibility or local equivalent with respect to any work performed on the Property or Premises indicating that the applicable work is being done by or under the Tenant and that the Landlord does not consent to the fee interest in the Property being subject to any liens or claims of a lien.
- 8.7.** If the Tenant or its sublessees intend to excavate soils on the Property and relocate those excavated soils either elsewhere on the Property or to an off-site location, the Tenant shall give the Landlord at least thirty (30) days' notice prior to such excavation and cooperate with reasonable requests of the Landlord in connection with the management of such soils.
- 9. Title to Tenant's Facilities.**
- 9.1.** Title to FF&E placed on the Premises by the Tenant shall be held by and remain with the Tenant. All FF&E (as opposed to improvements, alterations and fixtures constituting

real property under applicable law) shall remain the property of the Tenant and are not fixtures. The Tenant, or any other lawful tenants or occupants of the Property, have the right to remove all FF&E at their sole expense on or before the expiration or termination of this Lease.

9.2. Any such FF&E not removed by the expiration of the Term shall be deemed abandoned and the Landlord may dispose of the same or arrange for its storage at Tenant's cost as required by law.

9.3. The Landlord acknowledges that the Tenant may enter into financing arrangements including promissory notes and financial and security agreements for the financing of FF&E (the "Collateral") with a third-party financing entity and may in the future enter into additional financing arrangements with other financing entities. In connection therewith, the Landlord consents to the installation of the Collateral to the extent that the Collateral is part of the (i) approved FF&E; (ii) disclaims any interest in the Collateral, as fixtures or otherwise, whether arising at law or otherwise, including, but not limited to any statutory landlord's lien; and (iii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any Rent due or to become due and that such Collateral may be removed at any time without recourse to legal proceedings.

10. Signs. Tenant signage will be in compliance with all applicable City codes and will be located where approved by permit application. The Tenant will be responsible for the maintenance of all Tenant installed signage. Signs shall be maintained in a manner so their appearance is in a substantially new condition, and shall not be allowed to fade or deteriorate in appearance. All Tenant signage must be removed within 30 days of termination or expiration of this Lease. If the Tenant signage is not removed within the 30 day time period, City may remove or cause the signage to be removed and the cost of such removal shall be invoiced to Tenant for payment within ten (10) days of receipt of the invoice.

11. Tenant Environmental Law Compliance and Indemnity.

11.1. The Tenant has made aware that Hazardous Materials Wastes have been previously discovered on the property and have been and are still being Monitored by an independent 3rd party. The Landlord represents to the Tenant that these Hazardous Materials Wastes are not a threat to the health and welfare of the Tenant and the Tenant's employees.

11.2. The Tenant shall not create, collect, or store, except in reasonable quantities directly related to Tenant's operations and in compliance with all laws and regulations for said storage, treat, dispose of or cause to be released or otherwise discharged any hazardous materials on the Property except in such minute quantities as are found in everyday cleaning supplies in compliance with environmental laws (capitalized terms are defined in Section 12.5 below) and shall notify the Landlord within forty eight (48) hours after discovering or being informed of the presence of any hazardous materials on the Property either in violation of environmental laws.

- 11.3.** Except to the extent caused by the Landlord, Previous Owners or Tenants, or environmental conditions in the building or at the site existing prior to the occupancy by the Tenant, before vacating the Property, the Tenant shall clean up any releases of hazardous materials or environmental contamination by hazardous materials caused by the Tenant occurring on or migrating from the Property during the Term of this Lease and located on, under, or adjacent to the Property, wherever located, in accordance with the requirements of all environmental laws and to the Landlord's satisfaction and the Property shall remain in its cleaned-up condition through the time the Tenant vacates the Property. Should the Tenant not fulfill its obligations under this Section 13.2, the Tenant shall reimburse the Landlord for all such clean-up costs and shall indemnify the Landlord for all such costs and all other Indemnified Losses under Section 13.3 of this Lease. Should any activities on the Property during the Term by the Tenant or any of its agent, representative, successors, assigns or subtenants exacerbate or disrupt the Landlord's ongoing environmental investigation, monitoring, and remediation activities at the Property, the Tenant shall reimburse the Landlord for any and all additional costs created by the activities of the Tenant, any subtenant, or any of their respective agents, contractors, employees, invitees, successors and/or assigns and shall indemnify the Landlord for all such costs and all other Indemnified Losses under Section 13.3 of this Lease.
- 11.4.** Notwithstanding any other provision of this Lease, the Tenant agrees to and does hereby defend, indemnify and hold harmless the Landlord, its directors, officers, shareholders, employees, representatives, agents, successors and assigns (each, an "Indemnified Party") from and against any and all Indemnified losses (as defined in Section 13.5) below) (including strict liability), which may now or in the future (whether during or after the Term) be paid, incurred or suffered by or asserted against the Landlord by any person or entity or agencies for, with respect to, or as a direct or indirect result of, (a) acts or omissions of the Tenant or any subtenant of the Tenant, and their respective agents, employees, directors, officers, shareholders, contractors, representatives, and/or invitees, on or in connection with the Property, (b) the spill, disposal or release of hazardous materials on, under, in or from the Property during the Term and not caused by the Landlord or any of its employees, agents or contractors and (c) any and all breaches of the covenants, representations and warranties set forth in this Section 13. The covenants and indemnifications contained in this Section 13 shall survive the expiration or other termination of this Lease.
- 11.5.** In the event of any permitted sublease of the Property, or any part thereof, the Tenant shall include the Tenant obligations set forth in this Section 13 in all permitted subleases.
- 11.6. Definitions.**
"Agencies" means any federal, state, or local governmental authorities, agencies, or other administrative bodies with jurisdiction over Landlord or the Property.

"Corrective Work" shall mean the cleanup, removal, relocation, elimination, remediation, encapsulation, disposal at a licensed facility or any other treatment of Hazardous Materials of or from all or any portion of (i) the Property or any other property owned and/or leased by Landlord (necessary to maintain or bring the

Property into compliance with Environmental Laws) and (ii) surrounding areas of the Property and/or any other property owned and/or leased by Landlord (necessary to maintain or bring the Property into compliance with Environmental Laws) and, to the extent thereby required, the reconstruction and rehabilitation of the Property or any other property owned and/or leased by Landlord performed by any person or entity, including, without limitation, Landlord, Tenant, any Indemnified Party, or any of their respective agents, contractors, subcontractors, employees and any governmental entity for any reason, including, without limitation, pursuant to any Environmental Laws. Corrective Work also includes all fees of consultants to investigate, identify, characterize, monitor and develop corrective action plans with respect to hazardous materials or any Corrective Work.

"Environmental Laws" means any federal, state, or local environmental, health, or safety-related laws, regulations, standards, court decisions, ordinances, rules, codes, orders, decrees, directives, guidelines, permits, or permit conditions, currently existing and as amended, enacted, issued, or adopted in the future that are or become applicable to the Landlord or the Property.

"Hazardous Material" means any chemical, substance, material, controlled substance, object, condition, waste, living organism, or combination that is or may be hazardous to human health or to the safety of the environment due to its radioactivity, flammability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness, or other harmful or potentially harmful properties or effects, including, without limitation, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms, or combinations that are now or become in the future listed, defined, or regulated in any manner by any Environmental Laws based upon, directly or indirectly, their properties or effects.

"Indemnified Losses" shall mean incurred and potential claims, damages, losses, liabilities, costs and expenses of Corrective Work, any other clean-up or response costs (which, without limitation, shall include costs to cause the Property to come into compliance with Environmental Laws), investigation costs (including fees of consultants, legal counsel and other experts in connection with any environmental investigation, testing, audits or studies), and any other incurred or potential obligations, penalties, fines, impositions, fees, levies, lien removal or bonding costs, claims, litigation, demands, causes of action (including, without limitation, any common law cause of action), liabilities, losses (including, without limitation, any reduction in the value of the Property), damages (expressly excluding any indirect or consequential damages), defenses, judgments, suits, proceedings, costs, disbursements or expenses of any kind and nature whatsoever (including, without limitation, attorneys' and experts' or other consultants' fees), including interest thereon.

12. Utilities.

12.1. Tenant Responsibility for Utilities. The Tenant shall pay directly to the relevant utility

all charges for electricity, waste collection, telephone and other communication services, utility deposits, and tap or connection charges for services requested. The Tenant shall pay to the Landlord water fees and charges, in the amount of \$48.14 per month, sewer service charges, in the amount of \$99.27 per month: tap or connection charges for services requested, metering fees or other charges paid by City for the Tenant. If any additional services requested by the Tenant result in sewer service charges, tap or connection charges for services requested, metering fees or other charges, the Tenant shall be responsible for paying such charges. The Landlord shall have no responsibility for any interruption in utility services. The Tenant agrees to promptly pay all charges and related expenses for such utilities as they become due, and all payments shall be made directly to the entity entitled to such payment. No interruption of utility service shall be construed as either a constructive or an actual eviction of the Tenant, nor work by the Tenant an abatement of Rent, nor relieve the Tenant from fulfilling any covenant or condition of this Lease.

12.2. Landlord Responsibility for Utilities. The Landlord will provide water and wastewater service to the site and building. The Tenant will pay their fair share as set forth above.

13. Maintenance Expenses and Responsibilities. The Landlord will maintain the building shell and roof, and the parking lot and storage yard area, except those areas of the parking lot and storage yard area specifically leased to the Tenant. The Tenant shall maintain all interior areas of the leased premises, all Tenant improvements installed by the Tenant, and the fenced yard area.

14. Taxes. The Tenant shall pay personal property taxes assessed against FF&E, and shall pay when due all taxes which may become due attributable to the Premises and this Lease. The Tenant shall pay all taxes prior to delinquency; in the event that taxes become delinquent, the Tenant shall pay all interest and penalties due and owing. The Landlord shall pay all real estate taxes and other taxes associated with the Property.

15. Fire or Other Casualty.

15.1. Notice and Election to Repair. In the event of a fire or other casualty at the Premises (including any casualty for which insurance coverage was not obtained or obtainable), the Tenant shall immediately notify the Landlord in writing. If, as a result of such fire or casualty, the Premises is damaged or destroyed, in whole or in part, so that the Tenant is not able to use the Premises to substantially the same extent and for substantially the same purposes as the Tenant used the Premises prior thereto, the Landlord will notify the Tenant in writing of the Landlord's intent to either (i) terminate this Lease, or (ii) restore or replace the damaged or destroyed portion of the Premises to substantially the same condition that existed immediately prior to such damage or destruction. In the event that the Landlord elects to repair the Premises and such repairs will take in excess of six months to complete, the Tenant shall, within fifteen (15) calendar days after receipt of Landlord's election to repair, give the Landlord written notice of either (i) the Tenant's acceptance of the Landlord's proposal or (ii) the Tenant's election to terminate this Lease. In the event that the Tenant fails to give notice of acceptance or rejection of the Landlord's proposal within said 15-day period, the Tenant shall be deemed to have accepted the proposal. The Landlord's repair and restoration obligation shall be limited to insurance proceeds made available for

such purpose and to returning the damaged portion of the Premises to the condition existing immediately prior to such damage.

- 15.2. **Rental Abatement During Construction.** If the Premises is to be repaired pursuant to Section 16.1, then, during such time as the Premises, or any portion thereof are being repaired, the Rent shall be proportionately abated as follows: the Rent for the period during which the Premises is being repaired shall be equal to the Rent multiplied by the ratio of (i) the net rentable area of the Premises that the Tenant is able to use to substantially the same extent and for substantially the same purposes as the Tenant used such space in the Premises prior to such damage or destruction to (ii) the total net rentable area of the Premises prior to such damage or destruction. If the decision is made to restore or replace the damaged or destroyed portions of the Premises, this Lease shall continue in full force and effect in accordance with the terms hereof, except for the Rent abatement referred to above (if applicable), and except that all other obligations of the Tenant hereunder shall likewise be abated and that the Term shall be extended by a length of time equal to the period beginning on the date of such damage or destruction and ending upon completion of such restoration or replacement.
- 15.3. **Repair of the Premises.** If the Premises is to be repaired pursuant to Section 17.1, such restoration or replacement shall be made within a reasonable time, subject to delays arising from *force majeure*. A *force majeure* event shall be any event that prevents or delays the Landlord or its agent, representative or contractor from punctually performing such repair due to any strike, lockout, labor dispute, inability to obtain labor, materials or reasonable substitutes thereof, Acts of God, present or future governmental restrictions, regulations or control, fire or other casualty, insurrection, war, terrorism, or sabotage. The Tenant shall turn over to the Landlord any and all insurance received by the Tenant and relating to the Premises (other than any proceeds relating to any leasehold improvements installed by the Tenant that are not to be replaced by the Landlord and any proceeds for interruption of the Tenant's business). The Landlord shall carry out or cause to be carried out the repair of the Premises with the Tenant to coordinate the installation, at the Tenant's expense, of any leasehold improvements desired by the Tenant and acceptable to the Landlord.
- 15.4. **Termination Following Casualty.** If the Landlord terminates this Lease pursuant to Section 17.1, this Lease shall terminate on the last day of the month next following the date the notice of termination is delivered under Section 17.1. If the Tenant elects to terminate this Lease by rejecting the Landlord's proposal to repair the Premises this Lease shall terminate upon the Landlord's receipt of such notice. In the event that this Lease is terminated pursuant to Section 17.1, by either the Landlord or Tenant, the Tenant shall surrender the Premises to the Landlord in the then current condition thereof, the Landlord shall be entitled to any and all insurance proceeds covering the Premises, and each of the Landlord and the Tenant agrees, upon the request of the other to execute a full release of this Lease effective as of the date of termination of the Lease under this Section 17.4, except as to provisions which are expressly or otherwise intended to survive termination. All Rent hereunder shall cease as of the date of termination of this Lease.

16. Default by Tenant. Each of the following shall be deemed an "Event of Default" by the Tenant hereunder and a material breach of this Lease:

- 16.1. The Tenant shall fail to pay any installment of Rent or any other sums owed to the Landlord when due;
- 16.2. The Tenant shall fail to materially keep, perform, or observe any of the covenants, agreements, terms, or provisions contained in this Lease that are to be kept or performed by the Tenant other than with respect to payment of Rent, and The Tenant shall fail to commence and take such steps as are necessary to remedy the same within thirty (30) calendar days after Tenant shall have been given a written notice specifying the same, or having so commenced, shall thereafter fail to proceed diligently and with continuity to remedy the same;
- 16.3. The Tenant shall vacate or abandon the Premises; or
- 16.4. The Tenant or any other party shall file a petition naming the Tenant as debtor in any bankruptcy or other insolvency proceeding or shall file for the appointment of a liquidator or receiver for all or substantially all of the Tenant's Premises or for the Tenant's interest in this Lease or the Tenant shall admit in writing its inability to meet its obligations as they become due or make an assignment for the benefit of its creditors.

17. Landlord's Remedies.

- 17.1. If an Event of Default occurs under this Lease, the Landlord shall be entitled to any and all remedies permitted by California Civil Code Sections 1951.2 and 1951.4, as those sections may be amended or renumbered from time to time. Those remedies are specifically set forth in subsections 19.2 and 19.3 below, and the parties agree that such remedies are not exclusive and are cumulative in addition to any remedies now or later allowed by law.
- 17.2. If the Tenant breaches this Lease and abandons the Premises before the end of the Term, or if the Landlord terminates the Tenant's right to possession due to an Event of Default, this Lease shall terminate, and the Landlord shall be entitled to recover from the Tenant:
 - (i) the worth at the time of the award of the unpaid rent which had been earned at the time of termination.
 - (ii) the worth at the time of the award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Tenant proves could have been reasonably avoided.
 - (iii) the worth at the time of the award of the amount by which the unpaid rent which would have been earned after termination after the time of award exceeds the amount of such rental loss that the Tenant proves could have been reasonably avoided; and
 - (iv) any other amount necessary to compensate the Landlord for all the detriment proximately caused by the Tenant's failure to perform its obligations under this Lease or

which in the ordinary course of events would be likely to result therefrom.

For purposes of this Lease, "worth at the time of the award" shall have the meaning specified in California Civil Code Section 1951.2(b). Landlord shall be under no obligation to attempt to mitigate damages caused by any breach by the Tenant of the Lease, however any efforts by the Landlord to mitigate the damages caused by the Tenant's breach of this Lease do not waive the Landlord's right to recover damages as set forth herein. Termination of this Lease pursuant to this section shall not affect the Landlord's rights to indemnification as specified in this Lease.

- 17.3. Notwithstanding any Event of Default by the Tenant or abandonment of the Premises, the Landlord may elect to continue this Lease in effect and enforce all of Landlord's rights and remedies hereunder, including without limitation the right to collect rent as it becomes due, unless and until Landlord elects to terminate this Lease. During the period that the Tenant is in default, the Landlord may enter the Premises and relet them, or any part of them, to third parties for the Tenant's account. The Tenant shall be liable immediately to the Landlord for all costs the Landlord incurs in reletting the Premises, including without limitation brokers' commissions, expenses of remodeling the Premises required by the reletting and like costs. Reletting may be for a period shorter or longer than the remainder of the Term. The Tenant shall pay to Landlord the rent due under this Lease on the dates the rent is due, less the rent Landlord receives from reletting after deduction of the costs specified above that remain due and unpaid to the Landlord by the Tenant. No act by the Landlord allowed by this subsection shall terminate this Lease unless the Landlord notifies the Tenant that the Landlord elects to terminate this Lease. After the Tenant's default, and for as long as Landlord does not terminate the Tenant's right to possession of the Premises, if Tenant obtains Landlord's consent, Tenant shall have the right to assign or sublet its interest in this Lease subject to the provisions of this Lease, but the Tenant shall not be released from liability.
- 17.4. The Tenant acknowledges that late payment by the Tenant of Rent or any other amount hereunder may cause the Landlord to incur damages not contemplated by this Lease and in an amount that is difficult to determine. Accordingly, in the event any installment of Rent is not received on the date the same is due hereunder, the Tenant agrees to pay to the Landlord a late fee consistent with Section 7 above.
- 17.5. All agreements and provisions to be performed by the Tenant under any of the terms of this Lease shall be at the Tenant's sole cost and expense and without any abatement of rent. If the Tenant shall fail to pay any sum of money, other than Rent, required to be paid by it hereunder or shall fail to cure any default and such failure shall continue for thirty (30) days after notice thereof by the Landlord, then the Landlord may, but shall not be obligated so to do, and without waiving or releasing the Tenant from any obligations, make any such payment or perform any such act on Tenant's part. All sums so paid by the Landlord and all costs incurred by the Landlord in taking such action shall be deemed additional Rent hereunder and shall be paid to the Landlord on demand, and the Landlord shall have (in addition to all other rights and remedies of the Landlord) the same rights and remedies in the event of the non-payment thereof by the Tenant as in the case of default by the Tenant in the payment

of Rent.

18. Termination.

18.1. This Lease may be terminated without further liability on thirty (30) days prior written notice by either party upon a default of any covenant, condition, or term hereof by the other party, whose default is not cured within sixty (60) days of receipt of written notice of default.

18.2. The Tenant shall have the option to request early termination of this Lease should there be a statewide or nationwide economic downturn event(s) that materially and substantially alters Tenant's ability to continue in business. Upon presentation of substantial evidence of such economic impairment presented to the City Manager, the City Manager will consider the evidence and make the decision to grant early termination of the Lease. The decision by the City Manager to grant early termination of the Lease for economic hardship shall not be unreasonably denied.

18.3. Other than as stated herein, the Landlord and the Tenant shall not have the right to terminate, revoke or cancel this Lease. If termination of the Lease occurs pursuant to subsection 20.1 of this Lease, the Tenant shall immediately discontinue use of the Premises by the Tenant and all subtenants.

19. Force Majeure If and to the extent that a party's performance of any of its obligations pursuant to this agreement is prevented, hindered or delayed directly or indirectly by fire, flood, earthquake, elements of nature or Acts of God, pandemic or epidemic, acts of war, terrorism, riots, civil disorders, rebellions or revolutions, restrictive governmental laws or regulations, change in economic conditions, or any other similar cause beyond the reasonable control of such party (each a 'Force Majeure Event'), the the non-performing, hindered or delayed party shall be excused for such non-performance, hinderance or delay, as applicable, of those obligations affected by the Force Majeure Event for as long as the Force Majeure Event continues. The party whose performance is prevented, hindered or delayed by a Force Majeure Event shall promptly notify the other Party of the occurrence of the Force Majeure Event and describe in reasonable detail the nature of the Force Majeure Event. During the Force Majeure Event, the non-performing party shall not be in default of any provisions of this Agreement and this Agreement does not exclude rental abatement during such Force Majeure Event.

20. Destruction of Property. If the Property is destroyed by natural disaster or by any party other than the Tenant, the Tenant may elect to terminate this Lease pursuant to section 16.1 of this Lease, except that no early termination payment shall be paid by the Tenant to the Landlord.

21. Condemnation. If a condemning authority takes all of the Property, or a portion which in the Tenant's sole discretion is sufficient to render the Premises unsuitable for the Tenant's ongoing operation, then this Lease shall terminate without further liability of Tenant as of the date when possession is delivered to the condemning authority. In any condemnation proceeding each party shall be entitled to make a claim against the condemning authority for just compensation recoverable under applicable condemnation law. Sale of all or part of the Property to a purchaser with the power of eminent domain in the face of the exercise of its

power of eminent domain shall be treated as a taking by a condemning authority.

22. Insurance.

- 22.1. At all times during the term of this Lease, the Tenant shall purchase and maintain, at its sole expense, insurance as described below:
- 22.1.1.1. Commercial General Liability Insurance of not less than Two Million Dollars (\$2,000,000.00) per occurrence. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against Landlord.
- 22.1.1.2. Commercial Automobile Liability Insurance to cover all owned, hired and non-owned automobiles owned or operated by Tenant providing a minimum combined single limit of One Million Dollars (\$1,000,000.00) per accident.
- 22.1.1.3. Workers Compensation Insurance as required by the Labor Code of the state of California. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against Landlord.
- 22.1.1.4. Employer's Liability Insurance in an amount of at least One Million Dollars (\$1,000,000.00) per occurrence.
- 22.2. Evidence of required insurance shall be submitted prior to the execution of this Lease. If the Tenant fails to maintain insurance which is required pursuant to this Lease, it shall be deemed a material breach. The Landlord may give notice to the Tenant to reinstate or acquire the affected insurance. Should the Tenant fail to reinstate or acquire the affected insurance within five (5) days of Landlord's notice to reinstate or acquire such insurance, the Landlord may either terminate this Lease, reinstate or acquire the affected insurance, and the Tenant shall reimburse the Landlord for the necessary cost at the Landlord's option,
- 22.3. If the Tenant maintains broader coverage and/or higher limits than the minimums shown above for all policies, the Landlord requires and shall be entitled to the broader coverage and/or higher limits maintained by the Tenant or their contractors, sub-contractors, or agents. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Landlord.
- 22.4. The Landlord, at the Landlord's sole cost and expense, shall procure and maintain on the Landlord's Property, bodily injury and property damage insurance with a combined single limit of at least One Million Dollars (\$1,000,000.00) per occurrence. Such insurance shall insure, on an occurrence basis, against liability of Landlord, its employees and agents arising out of or in connection with Landlord's use, occupancy and maintenance of Landlord's Property.
- 22.5. The Landlord, officers, employees, and agents shall be named as an additional insured on the Tenant's Commercial General Liability and Automobile Liability policies. Each party shall provide the other a certificate of insurance evidencing the coverage required by this paragraph within thirty (30) days of the Commencement Date. Each party waives any rights of recovery against the other for injury or loss due to hazards covered by their property insurance, and each party shall require such insurance policies to contain a waiver of recovery against the other.

22.6. During the Term of the Lease, the Landlord shall keep the Premises (to the extent improved as of the date of this Lease) insured against loss or damage by fire and all risks of direct physical loss except the normal exclusions contained in an "all risks" policy for not less than one hundred percent (100%) of the replacement cost thereof. The Tenant shall maintain insurance on the FF&E and any leasehold improvements constructed by or under the Tenant during the Term of the Lease against loss or damage by fire and all risks of direct physical loss except the normal exclusions contained in an "all risks" policy in amounts not less than one hundred percent (100%) of the replacement cost thereof.

22.7. Any insurance required to be maintained by the Landlord under this Lease may contain such deductibles and self-insured retentions as Landlord and its affiliates customarily maintain under their enterprise-wide insurance and risk management programs. Further, such insurance may be maintained in the form of blanket policies covering multiple locations.

23. Assignments or Transfers. The Tenant intends to use the Premises for industrial, research and storage purposes and is expressly prohibited from subleasing the Premises for any use without obtaining the Landlord's consent as to individual tenants, which consent may be withheld in the Landlord's sole discretion, subject to the use restrictions of the Premises enumerated above and to the limitations set forth in Section 8 above. Tenant shall not assign or transfer this Lease to any other person or entity without the express written consent of the Landlord, whose consent may be withheld in the Landlord's sole discretion. Notwithstanding anything to the contrary contained in this Lease, Tenant may (with Landlord's consent, not to be unreasonably withheld) assign, mortgage, pledge, hypothecate or otherwise transfer without consent its interest in this Lease to any financing entity, or agent on behalf of any financing entity to whom the Tenant (i) has obligations for borrowed money or in respect of guaranties thereof, (ii) has obligations evidenced by loans, bonds, debentures, notes or similar instruments, or (iii) has obligations under or with respect to grant funds, letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof.

24. Nondisturbance and Quiet Enjoyment; Subordination; Estoppel Certificates.

24.1. So long as the Tenant is not in default under this Lease, the Tenant shall be entitled to quiet enjoyment of the Premises during the term of this Lease or any renewal term, and the Tenant shall not be unduly disturbed in its occupancy and use of the Premises or the exercise of its rights and privileges as granted herein, subject to the rights of the Landlord to access the Premises stated herein.

24.2. This Lease and each and every deed of trust, mortgage or other security instrument which may now or hereafter affect the Property and to any renewals, extensions, supplements, amendments, modifications or replacements thereof. In confirmation of such lease, the Tenant shall execute and deliver promptly any commercially reasonable certificate of Landlord may reasonably request, provided that such certificate acknowledges that this Lease remains in full force and effect, recognizes the Tenant's right to non-disturbance and quiet enjoyment of the Premises so long as the Tenant is not in default under this Lease, only contains true and accurate statements and the Tenant's liability shall be capped at the remaining Rent under this Lease. If any mortgagee or lender succeeds to the Landlord's interest in the Property

through a foreclosure proceeding or by a deed in lieu of foreclosure, the Tenant shall attorn to and recognize such successor as the Landlord under this Lease provided such party similarly agrees not to disturb the Tenant's occupancy and use of the Premises or the exercise of its rights and privileges as granted herein.

24.3. At any time upon not less than ten (10) days' prior written notice by the Tenant, the Landlord shall execute, acknowledge and deliver to the Tenant or any other party specified by the Tenant, a statement in writing certifying that this Lease is in full force and effect, if true, and the status of any continuing defaults under this Lease.

25. Indemnification.

25.1. Tenant's Indemnity. The Tenant hereby agrees to defend, indemnify and hold the Landlord and the Landlord's directors, partners, shareholders, officials, officers, and employees free and harmless from and against any and all losses, claims, liabilities, damages, actions, causes of action, costs and expenses including attorney's fees and costs of court, and injuries, including personal injuries or death to the extent caused by the Tenant's, or of the Tenant's tenants, negligent occupation, use, operation, maintenance or repair of the Premises and FF&E at the Premises, except to the extent caused by the negligence or willful misconduct of the Landlord or the Landlord's Indemnities.

25.2. As stated in section 3 above, the Tenant accepts the condition of the Property and Premises as is, and accordingly the Tenant agrees to defend, indemnify and hold the Landlord and the Landlord's officials, officers, and employees free and harmless from and against any and all losses, claims, liabilities, damages, actions, causes of action, costs and expenses including attorney's fees and costs of court, and injuries, related to claims based on the Americans with Disabilities Act or lack of accessible features in and on the Landlord's Property.

25.3. Landlord's Indemnity. Except as expressly stated in subsection (b) above, the Landlord hereby agrees to defend, indemnify and hold the Tenant and the Tenant's elected and appointed officials, officers, employees, agents, contractors or subcontractors free and harmless from and against any and all losses, claims, liabilities, damages, actions, causes of action, reasonable out-of-pocket costs and expenses (including reasonable external attorney's fees and costs of court) and injuries (including personal injuries or death) to the extent caused by Landlord's negligent use, operation, maintenance or repair of improvements on Landlord's Property, the use of the Landlord's Property by other tenants, contractors or lessees of the Landlord, any violation of governmental regulations relating to the Property, except to the extent caused by the negligence or willful misconduct of the Tenant or the Tenant's officials, officers, employees, agents, contractors or subcontractors.

25.4. Special Damages. Notwithstanding any other provision of this Lease, neither party shall be liable to the other for consequential damages, damages for lost income and profits, exemplary or punitive damages or other special damages, whether in tort, contract or equity.

25.5. Survival of Indemnity Provisions. The indemnity provisions of Section 25 shall

survive the expiration, cancellation or expiration of this Lease for the length of the applicable statute of limitations term during which a claim may be filed plus 30 days, and any claims for indemnification under this Section 25 shall be brought within that period.

- 26 Rules and Regulations.** The Tenant must comply with the rules, and any reasonable amendments or additions to those rules, promulgated by the Landlord from time to time for the safety, care, and cleanliness of the Premises, Building, and Real Property or for the preservation of good order (Rules and Regulations) as long as:

- 26.1 The Rules and Regulations do not require the Tenant to pay additional Rent.
- 26.2 No amendment or addition to the Rules and Regulations is binding on the Tenant until the tenth (10th) business day after the Tenant receives written notice of the change, and no amendment or addition applies retroactively; and
- 26.3 The Rules and Regulations do not take precedence over the specific terms and conditions of this Lease.

The Landlord agrees not to enforce the Rules and Regulations in a manner that discriminates against the Tenant. If the Landlord acts reasonably, in good faith, and in a nondiscriminatory manner in enforcing the Rules and Regulations, the Landlord will not be responsible to the Tenant for the failure of any other tenants or occupants of the Property to comply with the Rules and Regulations.

- 27 Notices and Deliveries.** Any notice or demand required to be given herein shall be made by certified or registered mail, return receipt requested, or by reliable overnight delivery service with a copy delivered by facsimile to the address of the respective parties listed below:

Landlord:

City of Colusa
 Attention: City Manager
 425 Webster Street
 Colusa, California

With a copy to:

Ryan R. Jones, City Attorney
 6349 Auburn Blvd.
 Citrus Heights, CA 95621
 Telephone: (916) 771-0635

Tenant:

Front Row Builders Inc_DBA SF Metalworks
 Ronald Joe Moore, CEO
 1167 Parker St.
 Colusa, CA 95932

The Landlord or the Tenant may from time to time designate any other addressees and addresses for notices or deliveries by written notice to the other party.

28. Bankruptcy.

28.1 The Landlord and the Tenant hereby expressly agree and acknowledge that it is the intention of both parties that in the event during the term of this Lease, either party shall become a debtor in any voluntary or involuntary bankruptcy proceeding (a Proceeding) under the United States Bankruptcy Code, 11 U.S.C. §101, *et seq.*, ("Code"), this Lease is and shall be treated as an unexpired lease of nonresidential real property for purposes of §365 of the Code, 11 U.S.C. §365 (as may be amended), and, accordingly, shall be subject to the provisions of subsections (d)(3) and (d)(4) of said §365 (as may be amended).

28.2 Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code, 11 USC §§ 101, *et seq.*, shall be deemed without further act to have assumed all of the obligations of the Tenant arising under this Lease both before and after the date of such an assignment. Any such assignee shall upon demand execute and deliver to the Landlord an instrument confirming such assumption. Any monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid to the Landlord, shall be the exclusive property of the Landlord, and shall not constitute property of the Tenant or of the estate of the Tenant within the meaning of the Code. Any monies or other considerations constituting the Landlord's property under the preceding sentence not paid or delivered to the Landlord shall be held in trust for the benefit of the Landlord and be promptly paid to the Landlord.

29 Miscellaneous.

29.1 CASp Inspection. The Premises have not undergone inspection by a Certified Access Specialist (CASp) (as defined in California Civil Code §1938).

29.1.1 A CASp can inspect the Premises and determine whether the Premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Premises, the Landlord may not prohibit Tenant from obtaining a CASp inspection of the Premises for the occupancy or potential occupancy of the Tenant, if requested by the Tenant. The parties will mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related

accessibility standards within the Premises.

29.1.2 Nothing herein will relieve the Tenant's compliance obligations as to the Premises as set forth in Section 8 above.

29.2 Severability. If any provision of this Lease is held to be invalid or unenforceable by a court of competent jurisdiction with respect to any party, the remainder of this Lease or the application of such provision to persons other than those as to whom it is held invalid or unenforceable shall not be affected, each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law, and the parties shall negotiate in good faith to amend this Lease to retain the economic effect of the invalid or unenforceable provisions.

29.3 Binding Effect. Each party represents and warrants that said party has full power and authority, and the person(s) executing this Lease have full power and authority, to execute and deliver this Lease, and that this Lease constitutes a valid and binding obligation of each party, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditor's rights generally and by general equitable principles (whether enforcement is sought in proceedings in equity or at law). This Lease shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties.

29.4 Waivers. No provision of this Lease shall be deemed to have been waived by a party unless the waiver is in writing and signed by the party against whom enforcement of the waiver is attempted. No custom or practice which may develop between the parties in the implementation or administration of the terms of this Lease shall be construed to waive or lessen any right to insist upon strict performance of the terms of this Lease.

29.5 Governing Law, Courts. This Lease shall be governed by and construed in accordance with the laws of the State of California. Sole venue for any legal claim arising hereunder shall be in the Superior Court of the State of California in Colusa County at the courthouse or in the court district closest to the Property.

29.6 Attorneys' Fees and Costs. The prevailing party in any legal claim arising hereunder shall be entitled to its reasonable attorneys' fees and costs and court costs as may be awarded by the court. The prevailing party is a party who recovers at least 50% of its total claims in such action or who is required to pay no more than 25% of the other party's total claims in such action

29.7 Survival. Terms, conditions, obligations, and indemnifications of this Lease which by their sense and context survive the termination, cancellation or expiration of this Lease will so survive.

29.8 Memorandum of Lease. The Landlord acknowledges that a Memorandum of Lease substantially in the form attached hereto as Exhibit B will be recorded by the Landlord in the Official Records of the County of Colusa, California.

29.9 Entire Agreement; Amendments. This Lease constitutes the entire agreement and understanding between the parties regarding the Tenant's lease of the Premises and supersedes all prior and contemporaneous offers, negotiations and other agreements concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments to this Lease must be in writing and executed by duly authorized representatives of both parties.

29.10 No Presumptions Regarding Preparation of Lease. The parties acknowledge and agree that each of the parties has been represented by counsel or has had full opportunity to consult with counsel and that each of the parties has participated in the negotiation and drafting of this Lease. Accordingly, it is the intention and agreement of the parties that the language, terms and conditions of this Lease are not to be construed in any way against or in favor of any party hereto by reason of the roles and responsibilities of the parties or their counsel in connection with the preparation of this Lease.

29.11 Interpretation.

29.11.1 Unless the context of this Lease clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limited.

29.11.2 The headings in this Lease are for reference only and are not incorporated in any term herein.

29.12 No Personal Liability of Officials and Employees of either party. No elected official, officers, employees, agents, stockholders, directors or volunteers of either Party shall be personally liable for any default or liability whatsoever under this Lease, except in instances of criminal negligence.

29.13 Public Document. The City of Colusa is a municipal corporation under the laws of the State of California. The Landlord and the Tenant acknowledge that this Lease is subject to public disclosure as specified by California Government Code § 6250 *et seq.*, and is a "public record" within the meaning of California Government Code § 6252(e).

IN WITNESS WHEREOF, the parties have caused this Lease to be executed by their duly authorized representatives on the dates set forth below and acknowledge that this Lease is effective as of the date first written above.

CITY OF COLUSA,
a political subdivision of the State of California

Jesse Cain, City Manager City of Colusa

Approved as to Form:

Ryan R. Jones, City Attorney

Attest:

Shelly Kittle, City Clerk, City of Colusa

TENANT:
Front Row Builders Inc

By: _____

Name: Ronald Joe Moore, CEO

EXHIBIT A DEPICTION OF LEASED BUILDING AREA

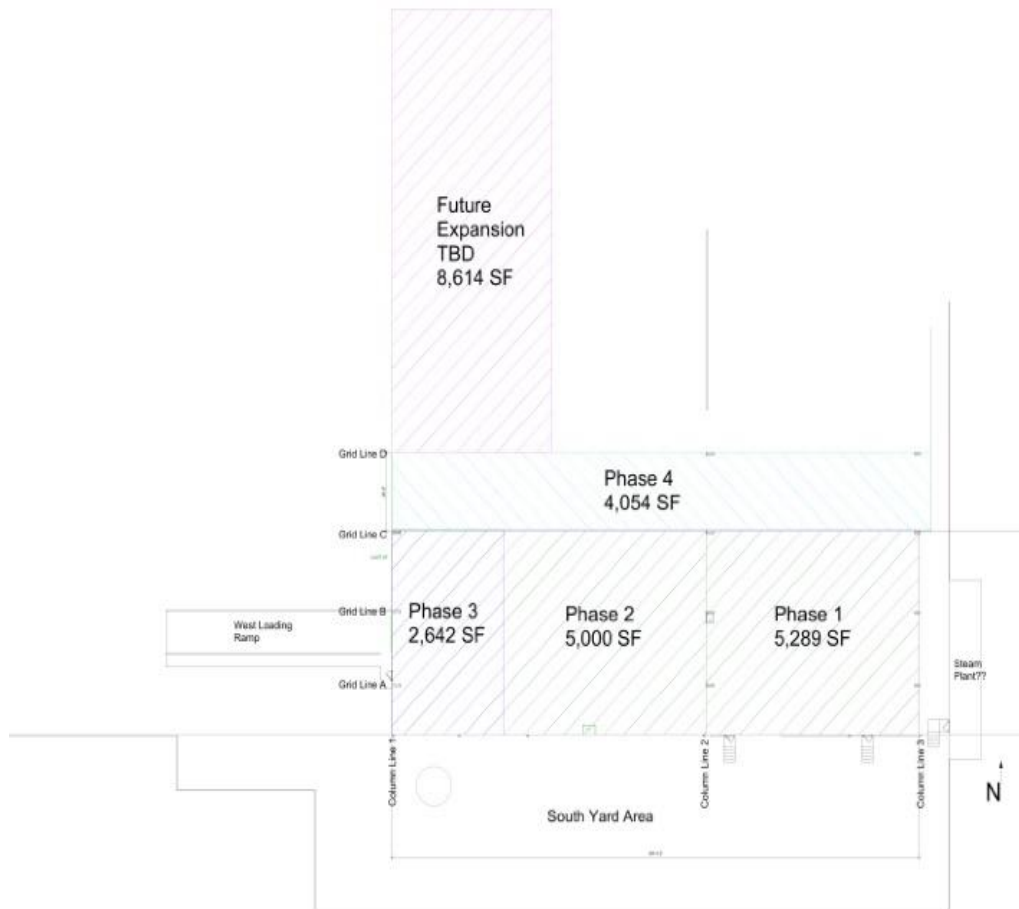


EXHIBIT B
MEMORANDUM OF LEASE

This is a Memorandum of Lease ("**Memorandum**") made and entered into as of this _____ day of _____, 2025, by and between the CITY OF COLUSA, a political subdivision of the State of California ("**Landlord**"), and Front Row Builders, Inc/ DBA: SF Metalworks, a California Profit Corporation ("**Tenant**"), upon the following terms:

1. **Lease.** The provisions set forth in a written lease between the parties hereto dated _____ ("**Lease**"), are hereby incorporated by reference into this Memorandum.
2. **Subject Property.** The Property which is the subject of the Lease is more particularly described and depicted as on Exhibit A, attached hereto.
3. **Subject Premises.** The Premises which is the subject of the Lease is more particularly described and depicted as on Exhibit B, attached hereto.
4. **Commencement Date of Lease.** The Lease shall be deemed to have commenced _____, 2025 as set forth within the terms of the Lease.
5. **Term.** The Term of the Lease shall be five years with three five-year extensions from the Commencement Date as stated in the written Lease. The initial term shall commence on the date hereof and terminate on December 31, 2029
6. Duplicate copies of the originals of the Lease are in the possession of the Landlord and Tenant and reference should be made thereto for a more detailed description thereof and for resolution of any questions pertaining thereto. The addresses for Landlord and Tenant are as follows:

 LANDLORD: 425 Webster Street, Colusa, CA 95932

 TENANT: Front Row Builders Inc/ DBA SF Metalworks
6. **Purpose.** It is expressly understood and agreed by all parties that the sole purpose of this Memorandum of Lease is to give record notice of the Lease; it being distinctly understood and agreed that said Lease constitutes the entire lease and agreement between the Landlord and the Tenant with respect to the Property and is hereby incorporated by reference. The Lease contains and sets forth additional rights, terms, conditions, duties, and obligations not enumerated within this instrument which governs the Lease. This Memorandum is for information purposes only and nothing contained herein may be deemed in any way to modify or vary any of the terms or conditions of the Lease. In the event of any inconsistency between the terms of the Lease and this instrument, the terms of the Lease shall be controlled. The rights and obligations set forth herein shall be binding upon and insure to the benefit of the parties hereto and their respective heirs, representatives, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum pursuant to due authorization on the dates herein acknowledged.

CITY OF COLUSA:

By: _____

Name: Jesse Cain

Title: City Manager

TENANT:

Front Row Builders Inc/ DBA Sf Metalworks

By: _____

Name: Ronald Joe Moore

Title: _____

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City of Colusa California

STAFF REPORT

DATE: February 4, 2025
TO: City of Colusa Mayor and Council Members
FROM: Jesse Cain, City Manager

AGENDA ITEM:

Consideration of a Resolution for City Sponsorship of Levitt AMP Colusa Free Music Series 2025

Recommendation: Council to approve a Resolution 25-

BACKGROUND ANALYSIS:

In February of 2023, the City of Colusa Council passed a resolution to commit to the Presenting Sponsor of the Levitt AMP Colusa Free Music Concert Series, organized by the Colusa County Arts Council.

The commit came with the three-year funding received by the Levitt Foundation of \$90,000 to host 10 free concerts in the City of Colusa for three years. The 2025 Season is the third and final season of this funding. Colusa County Arts Council anticipates information about re-applying for this funding in the Fall of 2025, and will share with the City Staff and Council.

BUDGET IMPACT: \$15,000 split between Economic Development and Recreation, unless otherwise directed by Council.

STAFF RECOMMENDATION: Council to approve Resolution 25-

ATTACHMENT:

Resolution 22-34
 Resolution 25-
 Levitt AMP Colusa Sponsorship Brochure

RESOLUTION NO. 25-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLUSA AUTHORIZING
PRESENTING SPONSORSHIP OF THE LEVITT AMP COLUSA FREE MUSIC SERIES
2025**

WHEREAS, on February 4, 2025, the City of Colusa City Council approved the allocation of \$15,000 to the Levitt AMP Colusa Free Music Series as the presenting sponsor, and;

WHEREAS, on February 4, 2025, the City of Colusa Council approves the funding to be issued to Colusa County Arts Council for the Levitt AMP Colusa Free Music Series, 2025 season.

WHEREAS, on February 4, 2025, the City of Colusa Council recognizes that our local non-profits and community-based organizations are and important and interregal part of the the community and supports efforts by these groups that enhances the quality of life for all residents.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COLUSA DOES
HEREBY RESOLVE:**

1. Recitals. The foregoing recitals are true and correct and made part of this Resolution.
2. Effective Date. This Resolution shall be effective immediately.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

Passed and adopted this 4^h day of February 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RYAN CODORNIZ, MAYOR

ATTEST:

SHELLY KITTLE, CITY CLERK

RESOLUTION NO. 22-34

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLUSA APPROVING THE CITY TO PARTNER AND SUPPORT THE ARTS COUNCIL FOR THE APPLICATION OF THE LEVITT AMP COLUSA GRANT PROGRAM

WHEREAS, on June 14, 2022, the City of Colusa City Council approves the writing of a grant application the Levitt Amp Colusa Grant Awards through the Levitt Foundation. The foundation requires the main applicant to be a nonprofit organization with 501(c)(3) tax-exempt status. Therefore, the City of Colusa will partner with the Colusa Arts Council and provide them with staff support and matching in-kind funds in the amount already designated for its Concert in the Park Series.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COLUSA DOES HEREBY RESOLVE:

- 1. Recitals. The foregoing recitals are true and correct and made part of this Resolution.
- 2. Effective Date. This Resolution shall be effective immediately.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

Passed and adopted this 21st day of June 2022 by the following vote:

AYES: Hill, Ponciano, Conrado and Vaca.

NOES: None.

ABSENT: Reische.

ABSTAIN: None.



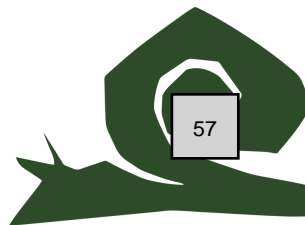
 DANIEL VACA, MAYOR PRO-TEM



 Shelly Kittle, City Clerk



Partner with Us!
Amplify Community
Through Music at
Levitt AMP Colusa
2025



Levitt AMP Colusa Finds Its Roots

Levitt AMP Colusa is part of the Levitt AMP Music Series, a program that brings free, high-quality live music to small and mid-sized towns across the United States. This series was created by the Levitt Foundation, a national nonprofit organization dedicated to supporting music and community-building in public spaces.

The Levitt AMP Colusa Music Series is supported in part by the Mortimer & Mimi Levitt Foundation, which partners with changemakers and nonprofits across the country to activate underused outdoor spaces through the power of free, live music-bringing people together, fostering belonging, and invigorating community life. Presenting high-caliber talent and a broad array of music genres and cultural programming, Levitt concerts are welcoming and inclusive destinations where people of all ages and backgrounds come together.

In 2025, the national Levitt network of music venues and concert sites is presenting 650+ free concerts in 45 towns and cities, with audiences over 750,000. In addition to supporting free concerts, the Levitt Foundation is dedicated to advancing equitable music ecosystems through research and partnerships.

Recognizing the potential to use music as a catalyst for community revitalization, local leaders applied for the Levitt AMP grant in 2022 and chose Veterans Memorial Park as the ideal venue. With its central location in downtown Colusa and ample space for families to gather and enjoy live music, Levitt AMP Colusa would bring new life to the park and bolster Colusa's sense of community by drawing residents of all ages and backgrounds together.

Levitt AMP Colusa launched in June 2023, embodying the Levitt Foundation's mission to bring free music to the public while creating a welcoming, vibrant space for all. The series has not only contributed to Colusa's cultural life but also created a sustainable model for community collaboration, fostering partnerships with local organizations, businesses, and city leaders. With every season, Levitt AMP Colusa deepens its roots in the community, making it more than just a concert series—it's a celebration of Colusa's unique spirit and commitment to coming together through the joy of music.

Levitt AMP Colusa 2025 Steering Committee

Item 7.

Sadie Boggs Ash, LK James, Millison Lee, Daniel LoPilato, &
Fernanda Vanetta

Colusa County Arts Council Board of Directors & Staff

Denise Conrado, *President*
JB Brayfindley, *Vice President*
Fernanda Vanetta, *Treasurer*
Sierra Reading, *Secretary*

Sharon Reische
Sara Niles
Millison Lee
Sadie Ash

Daniel LoPilato,
Executive Director
LK James,
*Curator & Director of
Programing*



A Growing Legacy of Community Connection

The Levitt AMP Colusa Music Series has become an anchor for community engagement and joy, with attendance skyrocketing over the past two years. Thanks to the unwavering enthusiasm of our audience and support from sponsors like you, we have grown from hosting 100 attendees to welcoming over 400 people per concert! Each event is filled with music, laughter, and fellowship, proving that our community truly cherishes opportunities to come together.





A Powerful Boost for Local Nonprofits and Organizations

One of the greatest impacts of Levitt AMP Colusa is the revenue it generates for local nonprofits and community groups. By partnering with these organizations to serve dinners during each concert, we've helped raise an additional \$25,000 over the past two seasons for these valued groups. This effort not only funds their important work but also strengthens the fabric of our community, making each event a win for all.



The Benefits of Sponsorship

As we prepare for our 2025 season, we're seeking partners who recognize the value of investing in Colusa County's unique spirit and energy. Your sponsorship will place your business at the heart of this beloved event series, spotlighting you as a dedicated supporter of community arts, family-friendly events, and economic development.

Your support will allow us to continue creating these memorable experiences, and in return, your business will be prominently featured on all promotional materials, in social media outreach, and throughout the concert season. Beyond visibility, you'll be celebrated by our attendees as a partner who believes in the power of community and shared experiences.



**To learn more and support our 2025
Season, visit us at:**



www.levittampcolusa.info



levittamp@colusa-arts.org



[levittampcolusa](https://www.instagram.com/levittampcolusa)



Levitt AMP Colusa Music Series

COLUSA COUNTY **ARTS COUNCIL**



www.colusa-arts.org



hello@colusa-arts.org



[colusacountyarts](https://www.instagram.com/colusacountyarts)



Colusa County Arts Council



**LEVITT
FOUNDATION**



www.levitt.org



info@levitt.org



[levittfoundation](https://www.instagram.com/levittfoundation)



Levitt Foundation

***Thank you for partnering with us
to amplify community!***



City of Colusa California

STAFF REPORT

DATE: February 4, 2025
TO: City of Colusa Mayor and Council Members
FROM: Jesse Cain, City Manager

AGENDA ITEM:

Consideration of a Resolution authorizing the City Manager to enter into a Contract with West Coast Arborist, Inc.

Recommendation: Council to approve a Resolution 25-

BACKGROUND ANALYSIS:

With the passing of Measure B, the City committed to utilizing funds for Tree Work and Care. At the September 2024 Meeting of the PRT, City Staff worked with Commissioners on the first tree project of addressing specific trees throughout the City that needed attention to prevent further issues or emergency work.

A list of 42 trees were identified by Commissioners, and the details of each tree and work needed were sent to bid in January 2025.

The City received two bid proposals, both within the allocated budget of \$70,000. The unused budget allocation will roll into the next tree project(s), which is TBD by staff and PRT.

Staff recommends entering into a contract West Coast Arborists to do this tree work. West Coast Arborists were the low bidder.

BUDGET IMPACT: \$20,000 of Measure B Funds

STAFF RECOMMENDATION: Council to approve Resolution 25-

ATTACHMENTS:

West Coast Arborist, Inc Bid Proposal
Tree List provided in RFP

RESOLUTION NO. 25-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLUSA AUTHORIZING THE CITY MANAGER TO SIGN A CONTRACT FOR TREE WORK AND CARE WITH WEST COAST ARBORISTS, INC.

WHEREAS, on February 4, 2025, the City of Colusa City Council authorizes the City Manager to enter into a contract with West Coast Arborists, Inc, and;

WHEREAS, on February 4, 2025, the City of Colusa Council to using up to \$20,000 of Measure B funds for the completion of this project.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COLUSA DOES HEREBY RESOLVE:

1. Recitals. The foregoing recitals are true and correct and made part of this Resolution.
2. Effective Date. This Resolution shall be effective immediately.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

Passed and adopted this 4^h day of February 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RYAN CODORNIZ, MAYOR

ATTEST:

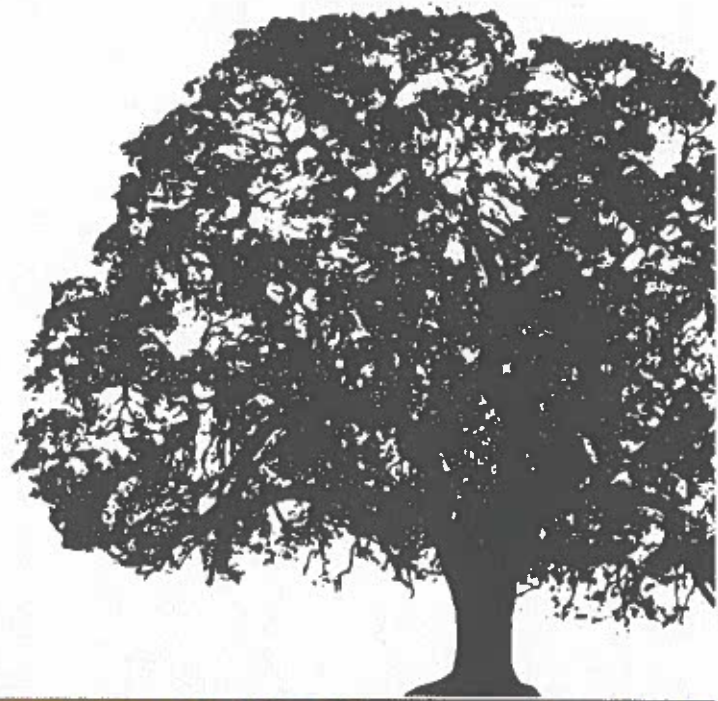
SHELLY KITTLE, CITY CLERK



Setting the Gold Standard
by partnering with over 300 communities

City of Colusa

Tree Care Services



GROWING:
Greenspace
Communities
Environment

ROOTED IN:
Safety
Experience
Technology



West Coast Arborists, Inc.
WCAINC.COM • (800) 521-3
LIC #366764 • DIR #1000000

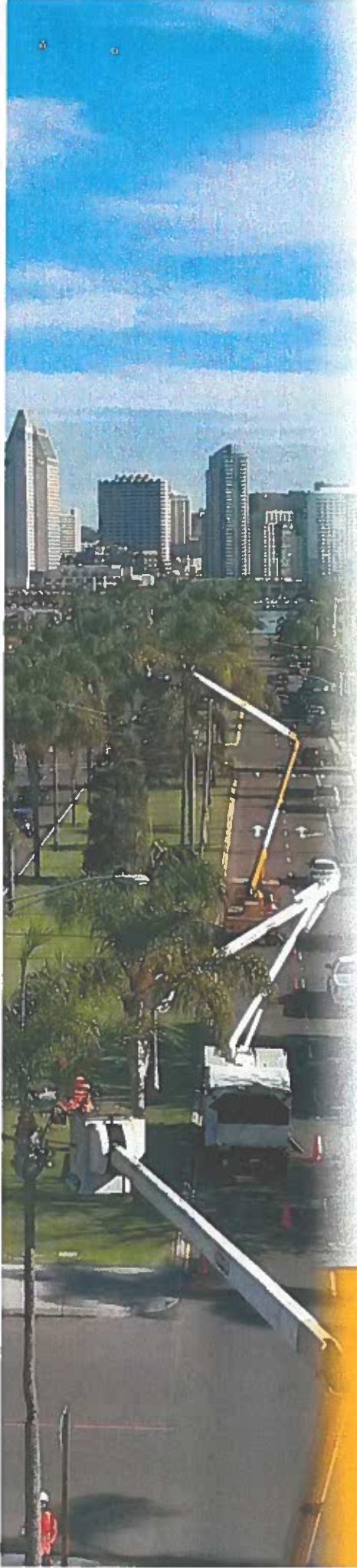


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1. COVER LETTER

To Whom It May Concern,

Thank you for allowing West Coast Arborists, Inc. the opportunity to submit a proposal to provide Tree Care Services for the city of Colusa. West Coast Arborists, Inc. (WCA) is a family-owned and operated company employing over 1,200 full-time employees providing various tasks to achieve one goal: serving communities who care about trees.

WCA's corporate values include listening to customers and employees that will help to improve the services offered. By establishing clear goals and expectations for the organization, supporting its diverse teams, and exchanging frequent feedback from customers and employees, we are able to provide 'gold-standard' tree care services. WCA's top management team has created a culture where employees become accountable for their actions and results. Our Tree Care Industry Association (TCIA) company-wide accreditation is evidence of the commitment WCA has to our safety and training programs, customer satisfaction and our ability to maintain industry standards.

WCA has a 53-year track record of working for more than 350 California and Arizona municipalities as well as other various agencies. Our company has been in business since 1972 and is licensed by the California State Contractors License Board under license #366764. We have held this license in good standing since 1978. The license specializes in Class C61 (Tree Service), Class C27 (Landscaping), and C49 (Tree and Palm). We currently employ over 100 Certified Arborists and over 155 Certified Tree workers, as recognized by the International Society of Arboriculture. WCA is also registered with the Department of Industrial Relations (DIR) for Public Works projects. Our registration number is 1000000956. All work will be performed in-house; no subcontractors will be used.

Our employees will operate from our Sacramento office located at 401 Slobe Ave, Sacramento CA 95815. For questions related to this proposal please contact Victor Gonzalez, V.P. of Business Development, at (714) 991-1900 or at vgonzalez@wcainc.com. James Speck, Area Manager, will be assigned to this project should WCA be awarded the contract. He can be reached at (714) 809-7257.

Sincerely,



Victor M. Gonzalez
Vice-President

2. DESCRIPTION OF FIRM

COMPANY INFORMATION

President: Patrick Mahoney
 Organization Type: Corporation
 Established: 1972
 Federal Tax ID: 95-3250682
 DIR Registration: 1000000956
 Members of Laborers' Union: LiUNA1
CORPORATE OFFICE
 2200 E. Via Burton St.
 Anaheim, CA 92806

REGIONAL OFFICES

Escondido, CA
 Fresno, CA
 Indio, CA
 Ontario, CA
 Phoenix, AZ
 Riverside, CA
 Sacramento, CA
 San Diego, CA
 San Jose, CA
 San Francisco, CA
 Santa Clarita, CA
 Stockton, CA
 Ventura, CA

CONTRACT ADMINISTRATION

Victor Gonzalez, Vice President
 Corporate Office
 Phone (714) 991-1900
 Fax (714) 956-3745
 Email: vgonzalez@wcainc.com

FIELD MANAGEMENT

James Speck, Area Manager
 401 Slobe Ave
 Sacramento, CA 95815
 Phone (714) 809-7257
 Email: jspeck@wcainc.com

EMERGENCY RESPONSE 24/7
1-800-LIMB-DOWN

Company Introduction

WEST COAST ARBORISTS, INC. (WCA)

is a family-owned and operated union company employing over 1,200 full-time employees providing tree maintenance and management services. We are proudly serving over 350 municipalities and public agencies. We provide superior and safe tree care operations seven days a week, 24 hours a day throughout California and Arizona.

OUR VISION

As a corporate citizen, WCA's responsibility and accountability are to the communities where we do business. We hold ourselves to the highest standards of ethical conduct and environmental responsibility, communicating openly with our customers and the communities in which we work. It is our goal and vision to lead the industry in state-of-the-art urban tree care and management services.

100% CUSTOMER SATISFACTION

Customer satisfaction is our top priority. We guarantee your complete satisfaction with every facet of our services. Our dedication to customer service has earned WCA a reputation unrivaled in the industry for dependability, integrity, quality, and courtesy. We authorize our employees to do whatever is necessary to achieve the highest quality results. We know that high quality work saves our customers' valuable time and is far more cost effective if we do our work properly the first time. We are committed to courteous and prompt customer service to fully resolve any issue.

 <p>90+ ISA Certified Arborists</p>	 <p>50 Years Experience (Similar Size & Scope)</p>	 <p>1000+ Qualified Employees</p>
 <p>Accredited by TCIA</p>	 <p>Local Office (Sacramento)</p>	 <p>1500+ Pieces of Equipment (Owned)</p>

Corporate Capabilities

West Coast Arborists, Inc., is committed to successfully completing each project in accordance with the specifications, budget, schedule and with the highest quality of service. Our customers' satisfaction is a direct result of our means to carry out each project. Listed below are some of our corporate capabilities, which not only provide a sense of comfort and confidence to our customers but also assure them of our continuous ability to carry out the duties of managing their urban forest.

- In business continuously and actively since 1972
- Contractor's License #366764 C61/D49, C27, C31, C21, A & B
- Over \$8,500,000 line of credit available
- Annual financial audits available upon request
- Bonded by ARCH, an A+ rated company
- 1,000+ employees
- 330+ contracts with public agencies
- 90+ Certified Arborists
- 150+ Certified Tree Workers
- Drug-free workplace
- 14,000 sq. ft. company-owned Headquarters (Anaheim)
- Department of Agriculture Nursery license
- Avg. 675,000 trees **pruned** annually over past 3 years
- Avg. 46,000 trees **removed** annually over past 3 years
- Avg. 18,500 trees **planted** annually over past 3 years
- Avg. 300,000 trees **inventoried** annually over past 3 years
- Fully insured with insurance up to \$10 million
- Federal Tax ID #95-3250682, current on all taxes and filings with state and federal government
- Sales volume over \$140 million annually
- Fleet of approximately 1,500 pieces of equipment
- No history of disqualification

Active Memberships:

- Tree Care Industry Association (TCIA)
- International Society of Arboriculture (ISA)
- League of California Cities (LCC)
- California Parks & Recreation Society (CPRS)
- Association of California Cities | -Orange County (ACCOC)
- Maintenance Superintendents Association (MSA)
- California Landscape Contractors Association (CLCA)
- Street Tree Seminar (STS)
- California Urban Forest Council (CaUFC)
- American Public Works Association (APWA)



CONTRACTORS STATE LICENSE BOARD ACTIVE LICENSE



License Number **366764** Entity **CORP**

Business Name **WEST COAST ARBORISTS INC**

Classification(s) **C61/D49 C27 A C21 B C31 C49**



Expiration Date **12/31/2026** www.cslib.ca.gov

Contractor Information		Registration History	
Legal Entity Name	WEST COAST ARBORISTS INC	Effective Date	06/30/19
Legal Entity Type	Corporation	Expiration Date	06/30/19
Status	Active	Effective Date	06/30/17
Registration Number	100000996	Expiration Date	06/30/16
Registration effective date	07/01/19	Effective Date	08/13/14
Registration expiration date	06/30/22	Expiration Date	06/30/15
Headquarters	2200 E VIA BURTON ANAHEIM 92806 CA United States of America	Effective Date	07/01/19
Physical Address	2200 E VIA BURTON ANAHEIM 92806 CA United States of America	Expiration Date	06/30/22
Email Address	wca@wca-arbor.com		
Telephone Number	714 952-7000		
License Number (s)	CSLB366764		

3. EXPERIENCE & QUALIFICATIONS

Introduction

West Coast Arborist's (WCA) is a company comprised of a management team and a safety committee. Staff members have diverse educational backgrounds including accounting, business administration, engineering, and forestry.



Staff members have diverse educational backgrounds including accounting, business administration, engineering, and forestry.

Work Force

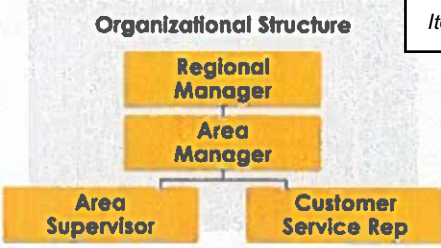
WCA actively maintains ongoing processes to ensure that only qualified and competent staff provides safe and quality tree maintenance services. These skilled employees can only be achieved through both training and work experience. We believe that essential experience should always be obtained through qualified supervision; this includes both basic and extended skills. WCA makes every attempt to ensure that this is undertaken before performing work, leading a crew, or career advancement. The work performed on this contract is routine, recurring, and usual. The work includes watering, trimming, pruning, planting, removal and replacement of trees and plants, and servicing of irrigation. The rates included in the Cost Proposal are based on the current prevailing wage determination for "Tree Maintenance (Laborer)."

Certification

WCA encourages its employees to get certified through the International Society of Arboriculture, to raise the standard of professional tree care companies. This standard exemplifies our company's commitment to providing customers with competent, knowledgeable certified workers. WCA employs many ISA Certified Arborists and ISA Certified Tree Workers.

Crew Evaluation

WCA employees are evaluated through an internal mechanism supervised by our Management Team. Each employee performs their duties according to a criteria-based job description that reflects safety, quality workmanship, productivity, appropriateness of care, problem solving and customer service. A performance appraisal is conducted for each employee upon completion of the probationary period and at least annually thereafter. Each worker is also required to complete a competency assessment and orientation upon hire and annually thereafter in selected areas to assure that ongoing requirements are met and opportunities for improvement are identified.



Meet the Team: Project Team



JASON PINEGAR

Regional Manager/V.P.

Mr. Pinegar has been with West Coast Arborists, Inc. since December 1993. He started with WCA as a climber and within 6 years was continuously promoted reaching the position of Area Manager. As an Area Manager, he excelled in both customer service, crew management and streamlined operations. In 2018, Jason Pinegar was promoted to Regional Manager for Northern California. As a Regional Manager, he is responsible for field operations and oversees Area Managers in Northern California.

- ISA Certified Arborist #WE-2039AU
- TCIA Certified Treecare Safety Professional #259
- ATSSA Certified Traffic Control Designer #00236727



JAMES SPECK

Area Manager

James has been with WCA for over 10 years and has over 11 years of experience in arboriculture. His experience includes working with the City of Sacramento, City of Roseville, City of Woodland, City of Davis, and the County of Sacramento to name a few. James will be the Agency's main point of contact as he is responsible for providing customer service, estimating work, while managing field operations and crews throughout the Sacramento region. He currently oversees contracts throughout Sacramento, Yolo, Placer and Nevada counties.

- ISA Certified Arborist & Tree Worker Climber Specialist # WE-10858ATM
- ISA Tree Risk Assessment Qualified
- ISA Municipal Arborist
- NCCCO Certified Crane Operator #1411107809
- TCIA Certified Treecare Safety Professional #2909
- ATSSA Traffic Control Technician

Meet the Team: Support Staff



STEPHEN DAVIS

Safety & Training Supervisor

Stephen has 10 years of experience in the tree care industry starting as a groundman and working his way up to Supervisor. He oversees safety procedures and training in the Northern CA region which includes the development, implementation and review of the company's in-house training programs, crew safety audits, and the company's Injury & Illness Prevention Program. Stephen is also an ISA Skill Test Evaluator for Treeworker Climbers.

- ISA Certified Municipal Utility Arborist/Treeworker Climber #WE-10894AUTM
- TCIA Certified Treecare Safety Professional #2918
- NCCCO Crane Operator #1705140998
- TCIA EHAP & Chainsaw Specialist
- ISA Tree Risk Assessment Qualified



KIMBERLIE TRIPLETT

Customer Service Rep. (CSR)

As the CSR (Customer Service Representative), Kimberlie is responsible for providing support to the Area Manager, Site Supervisors, and crew. She is to act as a liaison between the company and its clients as well as the general public. Kimberlie is responsible for responding to customer service inquiries and facilitating contracting functions, such as: mapping, underground service alert, data entry, field book preparation, list preparation, etc.

Executive Staff

From marketing, contract administration, field and fleet management, to information technology, our Executive Staff is involved in the day-to-day operations supporting each Project Team and customer to ensure the highest quality of tree care is being achieved in the industry.



Patrick Mahoney
President



Richard Mahoney
Secretary



Rose Epperson
Treasurer



Andrew Trotter
V.P. Operations



Chris Crippen
V.P. — I.T.



Victor Gonzalez
V.P. — Business
Development



Debbie DePasquale
Vice President



Michael Palat
Vice President



Nick Alago
Vice President



Jason Pinegar
Vice President

1,300+
Employees

WCA & LiUNA!

WCA has forged a successful partnership with the Laborer's International Union of North America.

HIGHER STANDARDS + **EXEMPLARY TRAINING** = **SUPERIOR EMPLOYEES**

14 offices with prestigious Tree Care Industry Association (TCIA) accreditation

ISA CERTIFIED		
CERTIFIED TREE WORKER	CERTIFIED ARBORIST	ISA BOARD CERTIFIED MASTER ARBORIST
170	114	9
ISA Board Certified Master Arborists Michael Palat #WE-6541 BUM Kelley Gilleran #WE-7061 BUM Tim Crothers #WE-7655 BUM Joseph Bartolo #WE-2034 BU Eugene Bordson #WE-10777 BT Rebecca Mejia #WE-2355 B Jeffrey Crain #WE-6658 B Erik Diaz #WE-12143 BM Kris Burbidge #WE-9566 BUM		

- 59**

ISA Tree Risk Assessment Qualified
- 163**

WCA Certified Utility Line Clearance Workers
- 19**

ISA Certified Utility Specialists
- 63**

TCIA Certified Treecare Safety Professionals
- 12**

ISA Municipal Specialists
- 1**

Nursery In Placentia & Dedicated
- 8**

Information Technology Specialists
- 80**

Fleet Mechanics
- 18**

NCCCO Certified Crane Operator

asca | RCA

4 ASCA Consulting Arborists

- Tim Crothers RCA #721
- Leo Tuchman RCA #771
- Kelley Gilleran RCA #668
- Eugene Bordson #834

Wildlife Protection

WCA's VP of Field Operations is a key contributor in identifying and developing the first ever Best Management Practices guidelines for *Tree Care for Birds and Other Wildlife*.

BMP Training

95

Wildlife Aware Trained/Certified by WII

1

On-Staff Biologist

Unique Capabilities

Plant Health Care

WCA has developed an exemplary Plant Health Care Program that goes beyond standard chemical applications. We maintain **in-house** State Certified Pesticide Advisors and Applicators.

Wildlife Protection

WCA's VP of Field Operations is a key contributor in identifying and developing the first ever Best Management Practices guidelines for *Tree Care for Birds and Other Wildlife*.

4. RELEVANT EXPERIENCE

WCA, Inc. currently works for nearly 350+ municipalities and public agencies throughout California and Arizona with employees operating from one of thirteen California offices: Anaheim, Escondido, Fresno, Indio, Ontario, Riverside, Sacramento, San Diego, San Jose, San Francisco, Santa Clarita, Stockton, and Ventura. In today's economy, WCA understands the challenge that many agencies face while trying to reduce the cost of services and at the same time increasing the level of performance. Utilizing our service as a valuable, cost-effective resource, agencies can provide a better service to their community. Our services range from providing emergency response to maintaining the agency's entire urban forest. Listed below are descriptions of pertinent project experience with other public municipalities that include a summary of the work performed, total project cost, percentage of work WCA was responsible for, the period over which the work was completed and the contact information of the client.

**All work described below has been completed in compliance with client specifications and within the parameters of the allocated budget.*

Client	Contact Information	Annual Budget	Annual Tree Count	Annual Trim	Annual Stump Removal	Annual Plant & Water	Annual % Completed by WCA
City of Anaheim - Since 2007							
WCA provides complete urban forestry management for more than 100,000 trees, including tree pruning, line clearance, removals, planting, and emergency services. In an effort to maintain a sustainable urban forest, we also provide inventory updates to the City's own inventory database.							
Dan Debassio Public Works Superintendent	400 E. Vermont Ave., Anaheim, CA 92805 (714) 765-6860 ddebassio@anaheim.net	\$3.3M	100K	8K	700	400	100%
City of Sacramento - Since 2015							
WCA provides complete urban forestry management for more than 80,000 trees citywide, including PWs, CCS, Parks and Facilities. Work performed includes tree pruning, removals, and emergency services.							
Kevin Wasson Operations Supervisor	5730 24th St., Bldg. 12A, Sacramento, CA 95822 (916) 808-6336 kwasson@cityofsacramento.org	\$5.3M	80K	8K	700	N/A	100%
City of Santa Clarita - Since 2008							
WCA provides complete urban forestry management for more than 75,000 trees citywide including annual grid tree pruning, service request pruning as-needed, removals, planting, and emergency services.							
Valerie Ferchaw Urban Forestry Administrator	23920 Valencia Blvd., Santa Clarita, CA 91355 (661) 294-2569 vferchaw@santa-clarita.com	\$3M	75K	13K	2K	300	100%
County of Los Angeles - Since 2015							
WCA trims nearly 25,000 trees of the county's 500,000 tree population annually. We also perform tree removals and tree planting on an as-needed basis. Part of our work requirements include palm tree inspection and bird nesting inspections as work is performed.							
Nathan Birdwell Tree Superintendent	900 S. Fremont Ave., Alhambra, CA 91802 (661) 947-7173 nbirdwell@dpw.lacounty.gov	\$15M	500K	25K	500	1000	100%

Client	Contact Information	Annual Tree Budget	Annual Tree Count	Annual Stump Trim	Annual Stump Removal	Annual Plant & Water	Annual % Completed by WCA
City of Manhattan Beach - Since 2013							
WCA provides tree trimming, pruning, tree removal, stump grinding, new tree planting, watering of young trees, and maintaining the City's 10,000+ GIS tree inventory in our WCA's proprietary software, ArborAccess. . There are special projects and areas downtown that require increased maintenance and attention. Special hours work is often arranged to avoid interference with traffic.							
Ernest Area Urban Forester	3621 Bell Ave., Manhattan Beach, CA 90266 (310) 802-5305 earea@citymb.info	\$300K	10K	1K	600	100	100%
City of Culver City - Since 1997							
WCA provides complete urban forestry management for the City, including tree pruning, removals, planting, daily watering and emergency services. WCA's crews are tasked with maintaining the street trees, park trees and trees in popular destinations around the City.							
David Talavera Urban Forester	9505 W. Jefferson Blvd., Culver City, CA 90232 (310) 993-4954 david.talavera@culvercity.org	\$1.1M	15K	2K	2K	70	100%
City of El Segundo - Since 2014							
WCA provides complete urban forestry management for the City including block pruning, removals, planting, and emergency services.							
Santos Haro Parks Supervisor	150 Illinois St., El Segundo, CA 90245 (310) 524-2879 sharo@elsegundo.org	\$200K	6K	1K	600	N/A	100%
City of West Hollywood - Since 2008							
WCA provides complete urban forestry management for trees citywide including annual zone tree pruning, citywide palm pruning, block and species pruning, service request pruning as-needed, removals, planting, and emergency services.							
Sam Estrada Urban Forest and Landscape Supervisor	8300 Santa Monica Blvd., West Hollywood, CA 90069 (323) 848-6867 sestada@weho.org	\$1.1M	8K	5K	2K	300	100%

5. REFERENCES

West Coast Arborists understands the challenge that many cities face to reduce the cost of tree maintenance services, while increasing the level of performance. Utilizing our services as a valuable, cost-effective resource, cities can provide better services to their community. These contracts cover a range of services from providing emergency response to maintaining the Agency's entire urban forest.

CITY OF WOODLAND

SINCE 2010



WCA provides the City with Tree Pruning and Maintenance services including demand pruning, programmed pruning, palm pruning, tree removal, stump grinding, crane services and emergency response. The City is currently divided into grids for routine maintenance pruning. WCA has performed over 70 tree removals for the City in the last year.

Contact: Westley Schroeder
 300 First Street, Woodland, CA 95695 ~ (530) 661-5962 ~ westley.schroeder@cityofwoodland.org

ANNUAL BUDGET: \$680,000

CITY OF ROSEVILLE

SINCE 2016



The City of Roseville is an active user of the ArborAccess inventory management system and regularly uses the system to forecast budget amounts and to schedule maintenance as needed. WCA provides complete urban forest management for both the City's right-of-ways, parks and facilities in addition to providing the utility division with line clearance pruning.

Contact: Michael-Gerold Neumann, Urban Forester
 2005 Hilltop Circle, Roseville, CA 95747 ~ (916) 774-5579 ~ mneumann@roseville.ca.us

ANNUAL BUDGET: \$2,810,000

CITY OF SACRAMENTO

SINCE 2012



We currently perform tree pruning, tree removals and tree planting as part of the City's tree maintenance program. This project is an annual contract. Together, we are able to maintain trees more efficiently while guaranteeing the residents and businesses top quality tree care for the City's urban forest.

Contact: Kevin Wasson, Operations Supervisor
 5730 24th St., Bldg. 12A, Sacramento, CA 95822 ~ (916) 808-6336 ~ kwasson@cityofsacramento.org

ANNUAL BUDGET: \$5,000,000

CITY OF Folsom

SINCE 2017



WCA has provided the City with On-Call Tree Trimming and Removal Services.

Contact: Josh Johnsrud, Street Operations Supervisor
 50 Natoma Street ~ (916) 486-3563 ~ jjohnsrud@folsom.ca.us

ANNUAL BUDGET: \$204,000

COUNTY OF MONTEREY

SINCE 2001



In addition to providing tree maintenance citywide, WCA entered into an agreement for Citywide Fuel Reduction services. Work includes ground level pruning or removal of trees, mechanical or chemical control of invasive species, chipping or mastication of excessive woody debris, and other misc. services as-needed. Add

Contact: Louie Marcuzzo, Park Operations Manager
580 Pacific Street, Monterey, CA 93940 ~ (831) 596-8957 ~ marcuzzo@monterey.org

ANNUAL BUDGET: \$1,700,000

CITY OF DAVIS

SINCE 2006



WCA provides complete urban forest management services to the City of Davis. The City maintains trees on a grid prune cycle as well as service request pruning. Plant health care services such as pest control spraying and consulting arborist services are utilized as needed. We also provide the City with emergency response 24/7.

Contact: Charles Murphey
1717 5th Street, Davis, CA 95616 ~ (530) 757-5686 ~ cmurphy@cityofdavis.org

ANNUAL BUDGET: \$1,010,000

TOWN OF LOS GATOS

SINCE 2011



In addition to tree pruning and maintenance, WCA provided the Town with Roadway Maintenance Management Services during the 2020—2021 FY. This work includes fuel load reduction along the roadways within the town.

Contact: Robert Moulden, Town Arborist
41 Miles Ave., Los Gatos, CA 95030 ~ (408) 827-3543 ~ rmoulden@losgatosca.gov

ANNUAL BUDGET: \$500,000

6. WORK PLAN

Scheduled Tree Pruning

Tree pruning will consist of pruning the pre-determined trees. Together with city staff, we will communicate to come up with a planned start date. Pruning will include structural pruning, crown raising, and dead wooding in accordance with the standards set forth by the International Society of Arboriculture Pruning Standards (Best Management Practices) and shall ultimately conform to the City's standards. It is our standard practice to check each tree's health as we prune. Any issue found is immediately communicated to City staff.

Tree and Stump Removal Operations

With a minimum of 48 hours advanced notice, WCA will inform Underground Service Alert (USA) of the location of work for the purpose of identifying all utility lines. The removal process consists of lowering limbs delicately onto the ground to prevent any hardscape damage. Immediately following the removal, the stump will be ground down. Our standard stump grinder is the Vermeer SC802. This stump grinder is ideal for any size job and can be used to grade large stumps. We also use the Dosko SC69 stump grinders for areas that our larger Vermeer grinders cannot access.

7. COST ESTIMATE

The Cost to complete this job is a lump sum of \$19,909.

Additional services offered:

Consulting Arborist Services \$185/hr
Specialty Equipment \$225/hr
Tree pruning services \$145/per man hour
Tree Removal Service \$145/per man hour

8. TIMELINE

The timeline to prune and remove all 42 trees is one week from the determined start date provided by the City. The work will be prioritized based on the City's needs. For example, if removals are a higher priority and needed first, then the work will be planned and executed accordingly. We will remain flexible and are capable of adjusting our crew size and amount of equipment dedicated to this job to meet the City's timeline. We are capable of meeting any deadline provided given that it is communicated ahead of time.

9. INSURANCE

ACORD **CERTIFICATE OF LIABILITY INSURANCE** DATE MM/DD/YYYY
06/01/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Insurance Services West, Inc. Los Angeles CA Office 707 Wilshire Boulevard Suite 2600 Los Angeles CA 90017-0460 USA	CONTACT PHONE (866) 283-7122 FAX (800) 363-0101 E-MAIL ADDRESS														
INSURED West Coast Arborists, Inc. 2200 E Via Burton Anaheim CA 92806 USA	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A: Hartford Fire Insurance Co.</td> <td>19682</td> </tr> <tr> <td>INSURER B: Navigators Specialty Insurance Company</td> <td>36056</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Hartford Fire Insurance Co.	19682	INSURER B: Navigators Specialty Insurance Company	36056	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER B: Navigators Specialty Insurance Company	36056														
INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES REVISION NUMBER:

CERTIFICATE NUMBER: 570106216168

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CLASS	TYPE OF INSURANCE	ADDITIONAL POLY INFO	POLICY NUMBER	POLICY EFF. DATE	POLICY EXP. DATE	LIMITS	
						AS REQUESTED	AS REQUESTED
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		72CCS19301 SIR applies per policy terms & conditions	07/01/2024	07/01/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (EA occurrence) MED EXP (Per one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	\$2,000,000 \$1,000,000 \$2,000,000 \$4,000,000 \$4,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		72 CSE 589302	07/01/2024	07/01/2025	COMBINED SINGLE LIMIT (EA occurrence) BODILY INJURY (Per person) BODILY INJURY (Per occurrence) PROPERTY DAMAGE (Per occurrence)	\$2,000,000
B	<input type="checkbox"/> UMBRELLA LMB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LMB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> RETENTION		5624EXC2019K1C	07/01/2024	07/01/2025	EACH OCCURRENCE AGGREGATE	\$5,000,000 \$5,000,000
A	WORKERS COMPENSATION AND EMPLOYERS LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER MANAGER EXCLUDED? (Mandatory in WA) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N N/A	72KHS19300 Workers Corp AZ CA	07/01/2024	07/01/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT	\$1,000,000 \$1,000,000 \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER West Coast Arborists, Inc. 2200 E Via Burton Anaheim CA 92806 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Insurance Services West, Inc.</i>
--	---

MAP of this tree list can be found here: <https://bit.ly/3ZZ6kqR>

<u>Submission</u>	<u>Address</u>	<u>Location</u>	<u>Tree Type</u>	<u>Issue</u>	<u>Image</u>
PRT Comissoner	658 Clay Street, Colusa, CA 95932	NW Corner of Clay & 7th	Pecan Tree	Pruned by City Staff, now has branches dropped biweekly	#VALUE!
PRT Comissoner	653 Lafayette, Colusa, CA 95932	in Mowstrip		(2) Trees, one has been pruned but needs clean up. The second needs to be removed of big heavy branches	#VALUE!
PRT Comissoner	346 Sioc Street, Colusa, CA 95932	Western edge of mow strip	Elm	Needs clean up, one big horizontal branch.. block is lined with old Elms	#VALUE!
PRT Comissoner	631 8th Street, Colusa CA 95932	Across from address, in Will S. Green Park	Fir/Cedar?	Need heavy pruning. Over sidewalk in school area	#VALUE!
PRT Comissoner	411 Ninth Street, Colusa, CA 95932	Mowstrip on Oak Street Side	Chinesse Pistachio	Had been poorly pruned and making stumps that are causeing tree to become sick and drop branches	#VALUE!
PRT Comissoner	839 Oak Street, Colusa, CA 95932	Mowstrip		Large Dead limb, ready to drop any day now	#VALUE!
PRT Comissoner	803 Oak Street, Colusa, CA 95932	800 Oak Street and 400 4th Street block	Sycamores	Muiltple along blockthat need pruning	#VALUE!

PRT Comissoner	444 Ninth Street, Colusa, CA 95932	Mowstrip	Walnut	tree is healthy but is overgrown and needs pruning by arborist to preserve health	#VALUE!
PRT Comissoner	6 Jay Street Colusa, CA 95932			Low Limbs	
PRT Comissoner	40 Jay Street, Colusa, CA 95932			Dead Limbs and Low	
PRT Comissoner	320 4th Street, Colusa, CA 95932	Alley by Selovers		Deadtree	
PRT Comissoner	234 Jay Street, Colusa, CA 95932	between 234-350 Jay Street		Half dead Tree	
PRT Comissoner	842 Jay Street, Colusa, CA 95932			2 Trees to address	
PRT Comissoner	823 Jay Street, Colusa, CA 95932	Corner of 8th and Jay, Jay Street Side	Sunburst Locust	half dead tree	
PRT Comissoner	516 Jay Street, Colusa, CA 95932	in front of eye dr. office from alley to corner of 5th and Jay		Low Limbs	
PRT Comissoner	349 1st. Street, Colusa, CA 95932	corner of Oak and 1st, Oak St. Side		Dead Tree	
PRT Comissoner	157 Oak Street, Colusa CA 95932	2 Trees, one on Oak, second on 1st		Dead Tree	
PRT Comissoner	440 Oak Street, Colusa, CA 95932	2 trees.		low limbs	
PRT Comissoner	610 Oak Street, Colusa, CA 95932	2 trees		lots of dead wood	
PRT Comissoner	611 Oak Street, Colusa, CA 95932	2 trees		Prunning needed	
PRT Comissoner	924 Oak Street, Colusa CA 95932	2 Trees		Prunning needed	
PRT Comissoner	998 Oak Street, Colusa, CA 95932	Corner of 10th and Oak		one tree on Oak Street Side with low limbs	
PRT Comissoner	121 Clay Street, Colusa, CA 95932	2 Trees		lots of dead wood	
PRT Comissoner	212 Clay Street, Colusa, CA 95932	3 trees	Mulberry	Prunning needed	
PRT Comissoner	409 Clay Street, Colusa CA 95932			Prunning needed	
PRT Comissoner	422 Clay Street, Colusa, CA 95932			Prunning needed	
PRT Comissoner	501 Clay Street, Colusa, CA 95932	5th and Clay Street		Prunning needed	
PRT Comissoner	557 Clay Street, Colusa, CA 95932			Prunning needed	
PRT Comissoner	701 Clay Street, Colusa, CA 95932	Corner of 7th and Clay Street, Clay Street Side	Mulberry	Prunning needed	
PRT Comissoner	430 9th Street, Colusa, CA 95932	Clay Street Side, corner		Prunning needed	
PRT Comissoner	1017 Clay Street, Colusa, CA 95932	10th and Clay, Clay Street Side 3 trees		Prunning needed	
PRT Comissoner	15 Parkhill Street, Colusa, CA 95932	Parkhill Street, Bridge to fist		Prunning needed	
PRT Comissoner	239 Parkhill St. Colusa, CA 95932	2 trees		Prunning needed	
PRT Comissoner	330 Parkhill Street, Colusa, CA 95932	Parkhill Street, across from Tennis Courts		Dead Tree	
PRT Comissoner	421 Parkhill St. Colusa, CA 95932	2 Trees, lots of deadwood		Prunning needed	
PRT Comissoner	600 Parkhill Street, Colusa, CA 95932	6th and Parkhill, parkhill side corner	Mulberry	Prunning needed	
PRT Comissoner	641 Parkhill Street, Colusa, CA 95932			Dead Tree	
PRT Comissoner	656 Parkhill Street, Colusa, CA 959632		Sycamore Tree	lots of dead wood	
PRT Comissoner	239 Webster Street, Colusa CA 95932		Elm	nees prunning	
PRT Comissoner	499 Webster Street, Colusa, CA 95932	Corner of 5th and Webster	Elm	half dead elm	
PRT Comissoner	624 Webster Street, Colusa, CA 95932		Mulberry	half dead mulberry	
PRT Comissoner	901 Webster Street, Colusa, CA 95932	Webster, across from spash bad	Elm	next to school portable, dead elm tree	



City of Colusa California

STAFF REPORT

DATE: February 4th, 2025
TO: Mayor and Members of the City Council
FROM: Ishrat Aziz-Khan, through Jesse Cain, City Manager

AGENDA ITEM:

Consideration of Resolution approving the Fiscal Year 2023-2024 Annual audit and Single audit reports.

Recommendation: Council to approve the annual and single audit reports prepared by Smith & Newell, the City contracted audit firm.

BACKGROUND ANALYSIS:

The Financial statements, Annual Audit, and Single Audit reports were prepared by SMITH & NEWELL the audit firm, for the City of Colusa in accordance with auditing standards generally accepted accounting principles.

In the auditor's opinion, all requested information was presented fairly, without any material errors.

The Audit report concluded with a \$809,466 deficit in general funds, and a \$640,414 surplus in CDBG and other city funds, which resulted in a net deficit of \$169,052 in governmental funds. The retail tax revenue received was 163k less than the adopted budget, and 280k less than the prior year. The Transaction tax (Measure B) was also \$362k lower than the adopted budget. Overall, the assets for governmental funds increased by \$2.5 million due to the Purchase of Perilli building with grants/loans, and the equipment purchased utilizing special funds.

Enterprise funds, water fund had a \$318,818 surplus while the Sewer fund ended the year with a \$797,753 deficit due to the projects under construction. The enterprise funds ended with net assets of \$17.84 million.

The single Audit report is required to be prepared whenever the city meets the threshold of \$750,000 from federally awarded funds. It is one of the requirements to apply for CDBG loans, and other federal grants.

The grants included in the 2023-24 Single Audit Report were CDBG for Perilli Building, CDBG Home Rehabilitation and First Time Home Buyers, Safe Street for All (SS4), and SLFRF.

BUDGET IMPACT:

None

STAFF RECOMMENDATION:

Approve Resolution 25-

ATTACHMENT:

- Financial Statements together with Independent Auditor's Report for the Year Ended June 2024, and
- Single Audit Act Reports and Schedules for the Year Ended June 30th, 2024.

RESOLUTION NO. 25 -

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLUSA
ADOPTING THE ANNUAL AUDIT AND SINGLE AUDIT REPORTS
FOR FISCAL YEAR 2023-2024**

WHEREAS the Financial statements and Annual Audit report were prepared by SMITH & NEWELL the audit firm, for the City of Colusa in accordance with auditing standards generally accepted principals (GAP); and

WHEREAS the Single Audit Act Reports and Schedules were tested and prepared by SMITH & NEWELL for the City of Colusa according to the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General; and

THEREFORE, this resolution is requested to adopt both reports for the fiscal year 2023-2024.

PASSED AND ADOPTED as a Resolution of the City Council of the City of Colusa, at its regular meeting duly held on the 4th day of February 2025, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

RYAN CODORNIZ, MAYOR

Attest:

Shelly Kittle, City Clerk

CITY OF COLUSA, CALIFORNIA



**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2024**

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CITY OF COLUSA
Annual Financial Report
For the Year Ended June 30, 2024

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INTRODUCTORY SECTION

- **List of Officials**

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CITY OF COLUSA
List of Officials
For the Year Ended June 30, 2024

City Officials

Daniel Vaca	Mayor
John Ryan Codorniz	Mayor Pro-Tem
Denise Conrado	Member
Julie Garofalo	Member
Greg Ponciano	Member

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FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining Nonmajor Fund Financial Statements**

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Colusa, California (City), as of and for the year ended June 30, 2024, 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 respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2024, 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.

Responsibilities of Management for the Financial Statements

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

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

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

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.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, City Pension Plan, City OPEB Plan, and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 obtain 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 nonmajor fund financial statements are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

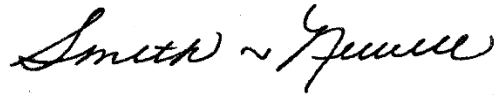
Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, 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.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 7, 2025, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City’s internal control over financial reporting and compliance.



Smith & Newell CPAs
Yuba City, California
January 7, 2025

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

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CITY OF COLUSA
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

This discussion and analysis of the City of Colusa’s (City) financial performance provide an overview of the City’s financial activities for the fiscal year ending June 30, 2024. Please read it in conjunction with the accompanying basic financial statements and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

The City’s government-wide total assets exceeded liabilities (net position) at the close of the fiscal year by \$29.74 million. Of this amount, \$4.3 million is in unrestricted net position, which is generally available to meet the City’s ongoing commitments to citizens and creditors. Net position continues to include recognition of \$9.2 million in net pension liability consistent with the implementation of accounting standards prescribed by Governmental Accounting Standards Board Statement No. 68 (GASB 68). The net position also includes recognition of \$1.28 million in net Other Post-Employment Benefits (OPEB) consistent with the FY 2018-19 implementation of GASB 75.

The City’s governmental activities ended the year with a total net position of \$11.9 million. Of this balance, (\$3.4) million (deficit) is unrestricted and available and includes recognition of net pension liability of \$8.58 million; and \$900,000 in net OPEB liability consistent with GASB 68 and GASB 75.

The City’s General Fund ended the year with a fund balance of \$3.4 million, of which \$3.2 million is unassigned.

The City’s business-type activities ended the year with a total net position of \$17.8 million. Of this balance, \$7.7 million is unrestricted and available for spending in each of the component business-type activities \$4.3 million in Water Operations, \$3.3 million in Sewer Operations, and \$160,271 in other enterprise funds. The City has \$5.2 million in capital improvement reserve funds which are not assigned to any specific project.

Completed major capital projects and acquisitions including new technology and equipment for the police and fire departments; an acquisition of Perilli Building, a network upgrade for the police department, two police vehicles, two Dodge Ram 1500 trucks for the public works department, Ford F150 truck for the code enforcement officer, new phone system for all departments, rescue equipment for fire engines 551 and 556, notebooks and tablets for police and fire department, dump trailer for the street department, the splash pad was completed. Funds were applied towards city-wide roadway and overlay projects, rehabilitation of two wells, and the Scada program for water management. The Water Recycling project was completed, and the next phase of the water recycling project was started. The Walnut Ranch Water and Sewer Connection project was started in the year 2023-24. Additionally, ongoing construction-in-progress expenditures were incurred in the state park, water, and sewer departments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. These statements include all activities of the City of Colusa using the integrated approach as prescribed by GASB Statement No. 34. The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City’s finances. Fund financial statements tell how these services are financed in the short term as well as what remains for future spending. Fund financial statements also report the City’s operations in more detail than the government-wide statements by providing information about the City’s most significant funds.

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances. These statements include all assets and liabilities of the City, using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. As previously discussed, the City continues to recognize throughout the government-wide financial statements the City's net pension liability consistent with GASB 68. Beginning with Fiscal Year 2018-19, the City also recognizes throughout the government-wide financial statements the City's net OPEB liability consistent with the implementation of GASB 75. All of the current year's revenues and expenses are taken into account regardless of when cash is received.

The Statement of Net Position presents information on all the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as one indicator of whether the City's financial position is improving or deteriorating.

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

The government-wide financial statements of the City are divided as follows:

Governmental Activities: Most of the City's basic services are included here such as public safety, public works (streets and roads), community development, culture and recreation, and general government. These services are financed by property taxes, sales taxes, federal and state grants, and fees and charges for services.

Business-Type Activities: The City charges fees to customers to cover the costs of services provided. The City's sewer operations, water operations, and solid waste/corporation yard remodel are included in business-type activities.

The government-wide financial statements can be found on pages 13-15 of this report.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State Law or by financial covenants. Management established other funds to control and manage money for particular purposes or to show the City is meeting legal responsibilities for using certain taxes, grants, and other money. All the funds of the City can be classified into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information is useful in evaluating a government's near-term financing requirements.

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Governmental Funds Balance Sheet and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances provide reconciliations between governmental funds and governmental activities. These reconciliations explain the relationship (or differences) between the fund statements and the government-wide statements. The basic governmental fund financial statements can be found on pages 16-19 of this report.

Proprietary Funds. The City utilizes enterprise funds (one type of proprietary fund) to account for those activities that are supported primarily by user charges to external users, specifically sewer operations, water operations and the former solid waste/corporation yard remodel activities. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer, water, and former solid waste/corporation yard remodel activities. The basic proprietary fund financial statements can be found on pages 20-24 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund statements. The notes to the financial statements can be found on pages 25-54 of this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Below is a table showing the City's net position for the fiscal year ended June 30, 2024.

	City of Colusa Net Position						Total Percentage Change
	Governmental Activities		Business-Type Activities		Total Activities		
	2023	2024	2023	2024	2023	2024	
Current and other assets	\$ 12,852,346	\$ 12,181,847	\$ 11,078,094	\$ 10,078,904	\$ 23,930,440	\$ 22,260,751	-7.0%
Capital assets	6,852,383	9,887,365	27,459,233	27,212,793	34,311,616	37,100,158	8.1%
Total Assets	<u>19,704,729</u>	<u>22,069,212</u>	<u>38,537,327</u>	<u>37,291,697</u>	<u>58,242,056</u>	<u>59,360,909</u>	1.9%
Deferred pension adjustments	3,085,842	3,104,772	532,850	473,385	3,618,692	3,578,157	-1.1%
Deferred OPEB adjustments	378,487	527,367	146,548	195,965	525,035	723,332	37.8%
Total Deferred Outflows of Resources	<u>3,464,329</u>	<u>3,632,139</u>	<u>679,398</u>	<u>669,350</u>	<u>4,143,727</u>	<u>4,301,489</u>	3.8%
Current liabilities	1,384,817	866,485	638,998	532,056	2,023,815	1,398,541	-30.9%
Long-term liabilities	8,916,612	9,770,409	20,118,429	19,433,897	29,035,041	29,204,306	0.6%
Total Liabilities	<u>5,723,975</u>	<u>10,636,894</u>	<u>20,757,427</u>	<u>19,965,953</u>	<u>31,058,856</u>	<u>30,602,847</u>	-1.5%
Deferred pension adjustments	692,065	451,477	119,503	68,836	811,568	520,313	-35.9%
Deferred OPEB adjustments	271,633	193,029	113,335	87,243	384,968	280,272	-27.2%
Deferred housing loan payments	2,510,448	2,523,273	-	-	2,510,448	2,523,273	0.5%
Total Deferred Inflows of Resources	<u>3,474,146</u>	<u>3,167,779</u>	<u>232,838</u>	<u>156,079</u>	<u>3,706,984</u>	<u>3,323,858</u>	-10.3%
Net position							
Net investment in capital asset	6,852,383	9,789,148	8,384,853	8,867,585	15,237,236	18,656,733	22.4%
Restricted	4,804,945	5,517,874	1,132,101	1,215,930	5,937,046	6,733,804	13.4%
Unrestricted	(2,263,845)	(3,410,344)	8,709,506	7,755,500	6,445,661	4,345,156	-32.6%
Total Net Position	<u>\$ 9,393,483</u>	<u>\$ 11,896,678</u>	<u>\$ 18,226,460</u>	<u>\$ 17,839,015</u>	<u>\$ 27,619,943</u>	<u>\$ 29,735,693</u>	7.7%

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

As of June 30, 2024, the City's government-wide total assets exceeded liabilities (net position) by \$29.7 million. Governmental activities finished the year with a positive net position balance of \$11.9 million.

Business-type activities finished the year with a positive balance of \$17.8 million. Again, as previously discussed, net position continues to include recognition of \$9.2 million in net pension liability (\$8.6 million in Government Activities and \$0.64 million in Business-Type Activities) consistent with the implementation of accounting standards prescribed by Governmental Accounting Standards Board Statement No. 68 (GASB 68). Also, net position includes recognition of \$1.28 million in net OPEB liability (\$908,896 in Governmental Activities and \$368,363 in Business-Type Activities) consistent with the implementation of GASB 75. As noted earlier, net position may serve over time as a useful indicator the City's financial position.

Of the total net position, \$18.7 million is the City's investment in capital assets (i.e. land, buildings and improvements, machinery and equipment, and the road infrastructure) less any related debt used to acquire those assets still outstanding. In fiscal year 2023-24, the City acquired new technology and equipment for the police and fire departments; an acquisition of Perilli Building, a network upgrade for the police department, two police vehicles, two Dodge Ram 1500 trucks for the public works department, Ford F150 truck for the code enforcement officer, new phone system for all departments, rescue equipment for fire engines 551 and 556, notebooks and tablets for police and fire department, trailer for the street department, splash pad funds were applied towards city-wide roadway and overlay projects, and an ultraviolet rebuild and infrastructure was completed for the sewer department. Additionally, ongoing construction-in-progress expenditures were incurred towards CalTrans COOP and Bridge Street Improvement Projects in the water department, and Wastewater Treatment Plant and Collection System Upgrade Project in the sewer department.

The City's long-term liabilities include debt incurred to finance certain improvements to the City's wastewater treatment system and pump station and the expansion of the wastewater treatment plant. Long-term liabilities also include outstanding capital lease payments to be made towards a mower, compensated absences payable, net Other Postemployment Benefits (OPEB), and CalPERS Pension obligations. Descriptions of these long-term liabilities can be found in notes 7, 8, 11 and 12 of the notes to the basic financial statements.

The restricted net position amounts to \$6.7 million, or 22.7 percent of total net position. Restricted net position includes those resources that are subject to external restrictions on how they may be used. These restrictions are established by financial covenants or restrictions on the use of funds by state or federal regulations.

Unrestricted net position represents those resources which may be used to meet the City's ongoing commitments to citizens and creditors. Total unrestricted net position is \$4.3 million or 14.5 percent of total net position. Governmental activities account for a deficit position of (\$3.4) million of total unrestricted net position. Business-type activities account for \$7.8 million of the total unrestricted net position. The City can use unrestricted net position of the sewer operations, water operations, and former solid waste/corporation yard remodel funds to finance their continuing operations. Unrestricted net position in governmental activities decreased by \$1.2 million primarily because of an increase in salaries and benefits and an increase in pension liabilities and deferred inflows of resources including certain payables and deferred payments on HOME/CDBG loans.

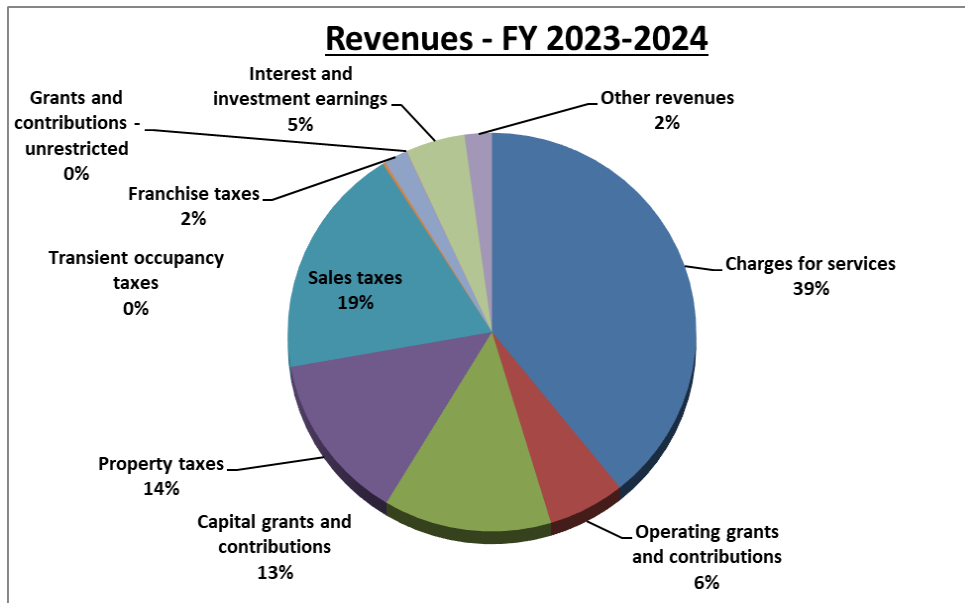
**CITY OF COLUSA
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024**

NET POSITION

Governmental activities account for \$11.9 million or 40 percent of the total government-wide net position. Business-type activities account for \$17.8 million or 60 percent of total government-wide net position. The following tables and graphs list key components (revenues and expenditures) of net position and highlight the changes between fiscal year 2022-23 and fiscal year 2023-24 for both governmental activities and business-type activities:

City of Colusa
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Activities		Total Percentage Change
	2023	2024	2023	2024	2023	2024	
Revenues							
<i>Program Revenues</i>							
Charges for services	\$ 1,453,016	\$ 1,001,813	\$ 4,642,026	\$ 4,950,549	\$ 6,095,042	\$ 5,952,362	-2.3%
Operating grants and contributions	792,464	924,972	-	-	792,464	924,972	16.7%
Capital grants and contributions	115,554	2,018,806	1,052,497	-	1,168,051	2,018,806	72.8%
<i>General Revenues</i>							
Property taxes	1,870,067	2,057,261	-	-	1,870,067	2,057,261	10.0%
Sales taxes	2,249,001	2,854,046	-	-	2,249,001	2,854,046	26.9%
Transient occupancy taxes	32,093	31,339	-	-	32,093	31,339	-2.3%
Franchise taxes	302,349	284,971	-	-	302,349	284,971	-5.7%
Grants and contributions - unrestricted	27,132	7,940	-	-	27,132	7,940	-70.7%
Interest and investment earnings	152,482	277,262	287,923	433,779	440,405	711,041	61.5%
Other revenues	194,544	304,663	68,028	23,146	262,572	327,809	24.8%
Transfers	545,915	563,167	(545,915)	(563,167)	-	-	0.0%
Total Revenues and Transfers	\$ 7,734,617	\$ 10,326,240	\$ 5,504,559	\$ 4,844,307	\$ 13,239,176	\$ 15,170,547	14.6%



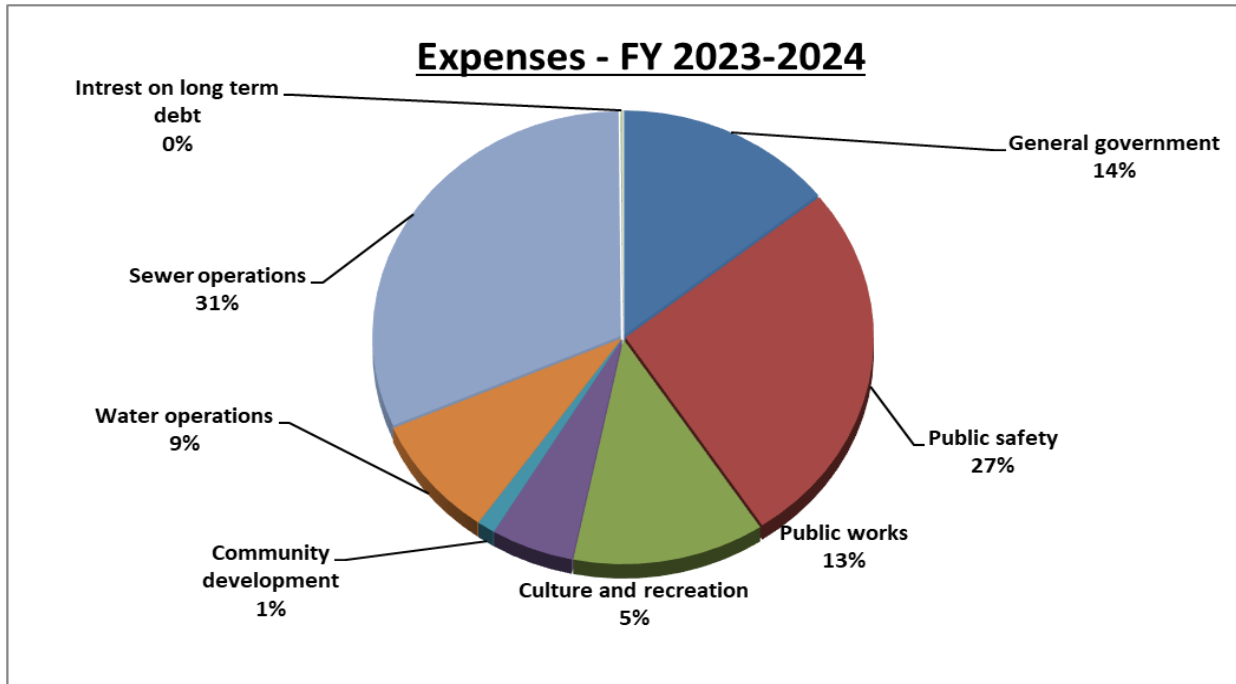
Total governmental activities revenues for fiscal year 2023-24 were \$9.8 million, an increase of \$2.6 million or 33.51 percent when compared to fiscal year 2022-23. The net increase in governmental revenues can be attributed to an increase in sales tax that includes Measure B revenue, an increase in interest income, and a slight increase in property tax revenue.

Total business-type revenues for fiscal year 2023-24 were \$5.4 million, a decrease of \$1.2 million when compared to fiscal year 2022-23. The net investment can be primarily attributed to capital grants and contributions for water and sewer projects received in FY 2022-23, and nothing in 2023-24. The salary transfer of \$640,667 to the General Fund was subtracted from the revenue.

**CITY OF COLUSA
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024**

City of Colusa
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Activities		Total Percentage Change
	2023	2024	2023	2024	2023	2024	
Expenses							
General government	\$ 1,227,276	\$ 1,860,038	\$ -	\$ -	\$ 1,227,276	\$ 1,860,038	51.6%
Public safety	2,315,985	3,456,695	-	-	2,315,985	3,456,695	49.3%
Public works	1,180,568	1,634,075	-	-	1,180,568	1,634,075	38.4%
Culture and recreation	410,063	702,396	-	-	410,063	702,396	71.3%
Community development	98,976	150,390	-	-	98,976	150,390	51.9%
Water operations	-	-	889,893	1,135,891	889,893	1,135,891	27.6%
Sewer operations	-	-	3,173,419	4,095,861	3,173,419	4,095,861	29.1%
Solid waste operations	-	-	-	-	-	-	0.0%
Interest on long term debt	508	19,451	-	-	508	19,451	3728.9%
Total Expenses	<u>5,233,376</u>	<u>7,823,045</u>	<u>4,063,312</u>	<u>5,231,752</u>	<u>9,296,688</u>	<u>13,054,797</u>	40.4%
Change in net position	2,501,241	2,503,195	1,441,247	(387,445)	3,942,488	2,115,750	-46.3%
Net Position - Beginning of year	6,892,242	9,393,483	16,785,213	18,226,460	23,677,455	27,619,943	16.7%
Net Position - End of year	<u>\$ 9,393,483</u>	<u>\$ 11,896,678</u>	<u>\$ 18,226,460</u>	<u>\$ 17,839,015</u>	<u>\$ 27,619,943</u>	<u>\$ 29,735,693</u>	7.7%



Total governmental expenses for the fiscal year 2023-24 were \$7.8 million, an increase of \$ 2.57 million, or 49.18 percent when compared to the fiscal year 2022-23. Several elements contributed to the increase in expenses such as inflation, new recreational activities, an increase in unfunded liability, liability insurance, and health insurance expenditures. The City also purchased the Perili building and incurred other related expenses.

Total business-type activity expenses for fiscal year 2023-24 were \$5.2 million, an increase of \$1.2 million, or 28.76 percent when compared to fiscal year 2022-23. The increase in expenses is due to salaries and benefits, inflation, application cost of water recycle grant and an increase in pension liabilities.

Total government-wide net position increased by \$2.1 million from fiscal year 2022-23 to fiscal year 2023-24. Of this amount, governmental activities net position increased by \$2.5 million while business-type net position decreased by \$387,445.

CITY OF COLUSA
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

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

Governmental Funds. All of the City’s governmental funds, with the exception of certain grant-related funds for which reimbursement is ultimately anticipated (Traffic Safety and State Park Fund) ended the year with positive fund balances. The ending fund balance for all governmental funds is \$8.8 million. Of the total fund balance, \$3.01 million is unassigned, which is available for spending at the City’s discretion. See the notes to the financial statements, note 10, for a more in depth discussion of fund balance designations.

The General fund is the chief operating fund of the City. As of June 30, 2024, the total fund balance of the General fund was \$3.4 million, of which \$239,196 is nonspendable for prepaid insurance and the remaining balance is unassigned.

Total governmental expenditures exceeded total revenue, excluding other financing sources/uses, by \$836,932.

Proprietary Funds. The City’s sewer operations, water operations, and former solid waste/corporation yard remodel funds ended the year with positive unrestricted net position. The vast majority of the unrestricted net position in the City’s proprietary funds is available for ongoing operations and capital activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund Budgetary Comparison Schedule is shown on page 61 of this report. Significant changes to the original budgeted revenues included higher budgeted collections of taxes and assessments, and licenses and permits. Significant changes to originally budgeted expenditures included increased staffing and services costs primarily in the general government and public works and decreases to public safety and community development budgets. The budgeted deficit of \$1,419,447 in fund balance during fiscal year 2023-24 was primarily due to an increase in intergovernmental revenues received.

CAPITAL ASSETS AND DEBT ADMINISTRATION

City of Colusa
Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total Activities	
	2023	2024	2023	2024	2023	2024
Land	\$ 168,613	\$ 171,520	\$ 5,860,839	\$ 5,860,839	\$ 6,029,452	\$ 6,032,359
Construction in progress	192,733	-	582,032	1,947,003	774,765	1,947,003
Infrastructure	1,058,868	1,133,174	101,248	95,872	1,160,116	1,229,046
Structures and improvements	4,290,624	7,134,628	20,306,370	18,377,792	24,596,994	25,512,420
Equipment and vehicles	1,141,543	1,400,933	608,744	931,287	1,750,287	2,332,220
Software	2	47,110	-	-	2	47,110
Totals	<u>\$ 6,852,383</u>	<u>\$ 9,887,365</u>	<u>\$ 27,459,233</u>	<u>\$ 27,212,793</u>	<u>\$ 34,311,616</u>	<u>\$ 37,100,158</u>

Completed major capital projects and acquisitions include new technology and equipment for the police and fire departments; a new rescue pumper for the fire department; funds applied towards city-wide roadway and overlay projects; rebuild and infrastructure for the sewer department, the acquisition of Perilli

CITY OF COLUSA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

Building, a network upgrade for the police department, two police vehicles, two Dodge Ram 1500 trucks for the public works department, Ford F150 truck for the code enforcement officer, new phone system for all departments, rescue equipment for fire engines 551 and 556, notebooks and tablets for police and fire department. Additionally, ongoing construction-in-progress expenditures were incurred towards CalTrans COOP and Bridge Street Improvement Projects in the water department, and the Wastewater Treatment Plant and Collection System Upgrade project in the sewer department.

Additional information on the City's capital assets can be found in note 4 of the Notes to Basic Financial Statements on page 37 and 38 of this report.

Long-Term Debt. The City's long-term debt as of June 30, 2024, was \$22.09 million and includes \$18.35 million in loans related to improvements made to the City's wastewater treatment facility, \$9.2 million in the net pension liability, and \$1.3 million in net OPEB liability. Additional information on the City's long-term debt can be found in Note 7 of the Notes to Basic Financial Statements on pages 40 and 41 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City anticipates no significant increase in revenue from property tax, \$1.1 million from Measure B sales tax and an increase of \$500,000 in General fund revenues and expenditures, respectively, in fiscal year 2024-25 (adopted budget) when compared to the revised budgeted amounts for the fiscal year 2023-24 as a result of salary increases and new hires. Another \$300,000 will be funded through the Prop. 64 Grant. The City purchased the Perli building for \$3.3 million in August 2024 which \$1.5 million was paid through the HCD grant and \$1.7 million borrowed from the enterprise funds (water and sewer). The building has utility expenses and requires maintenance in FY 2024-25. The General fund budget anticipates activity levels similar to those experienced in fiscal year 2023-24 with particular attention being placed on expected continued increases in personnel costs due to salary increases, primarily due to rising CalPERS retirement costs and increase in health insurance. The City started Walnut Ranch Water and Sewer Projects in fiscal year 2024-25. The next phase of the Water Recycle project is also underway. The City continues to maintain a watchful eye on future impacts of cost drivers associated with increasing CalPERS retirement premiums and other costs related to implementing future memorandums of understanding and contracts related to the City's labor force. The City will work on controlling the personnel and operational cost strategically to balance the fiscal year 2024-25 budget.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Colusa's finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Department, City of Colusa, 425 Webster Street, Colusa, CA, 95932.

Basic Financial Statements

- **Government-Wide Financial Statements**

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CITY OF COLUSA
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and investments	\$ 9,884,566	\$ 8,228,042	\$ 18,112,608
Receivables:			
Accounts	353,957	117,349	471,306
Interest	67,536	59,591	127,127
Taxes	648,754	-	648,754
Prepaid insurance	239,196	-	239,196
Internal balances	(1,673,922)	1,673,922	-
Loans receivable	2,661,760	-	2,661,760
Capital assets:			
Non-depreciable	171,520	7,807,842	7,979,362
Depreciable, net	9,715,845	19,404,951	29,120,796
Total capital assets	9,887,365	27,212,793	37,100,158
Total Assets	22,069,212	37,291,697	59,360,909
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	3,104,772	473,385	3,578,157
Deferred OPEB adjustments	527,367	195,965	723,332
Total Deferred Outflows of Resources	3,632,139	669,350	4,301,489
LIABILITIES			
Accounts payable	341,566	427,232	768,798
Salaries and benefits payable	30,747	-	30,747
Deposits payable	2,000	-	2,000
Unearned revenue	492,172	-	492,172
Interest payable	-	104,824	104,824
Long-term liabilities:			
Due within one year	119,538	834,415	953,953
Due in more than one year	163,539	17,589,819	17,753,358
Net pension liability	8,578,436	641,300	9,219,736
Net OPEB liability	908,896	368,363	1,277,259
Total Liabilities	10,636,894	19,965,953	30,602,847
DEFERRED INFLOWS OF RESOURCES			
Deferred housing loan payments	2,523,273	-	2,523,273
Deferred pension adjustments	451,477	68,836	520,313
Deferred OPEB adjustments	193,029	87,243	280,272
Total Deferred Inflows of Resources	3,167,779	156,079	3,323,858

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

Continued (Page 1 of 2)

CITY OF COLUSA
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Totals
NET POSITION			
Net investment in capital assets	9,789,148	8,867,585	18,656,733
Restricted for:			
General government	239,704	-	239,704
Public safety	2,611,426	-	2,611,426
Public works	1,854,983	-	1,854,983
Culture and recreation	163,934	-	163,934
Community development	647,827	-	647,827
Debt service	-	1,215,930	1,215,930
Unrestricted	(3,410,344)	7,755,500	4,345,156
Total Net Position	\$ 11,896,678	\$ 17,839,015	\$ 29,735,693

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

Continued (Page 2 of 2)

CITY OF COLUSA
Statement of Activities
For the Year Ended June 30, 2024

<u>Functions/Programs:</u>	Program Revenues			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 1,860,038	\$ 227,644	\$ 5,000	\$ -
Public safety	3,456,695	481,467	280,587	-
Public works	1,634,075	21,997	631,734	2,018,806
Culture and recreation	702,396	201,427	-	-
Community development	150,390	69,278	7,651	-
Interest on long-term debt	19,451	-	-	-
Total Governmental Activities	7,823,045	1,001,813	924,972	2,018,806
Business-type activities:				
Water operations	1,135,891	1,611,453	-	-
Sewer operations	4,095,861	3,339,096	-	-
Total Business-Type Activities	5,231,752	4,950,549	-	-
Total	\$ 13,054,797	\$ 5,952,362	\$ 924,972	\$ 2,018,806

General Revenues and Transfers:

Taxes:

- Property taxes
- Sales and use taxes
- Transient occupancy taxes
- Franchise taxes
- Grants and contributions - unrestricted
- Interest and investment earnings
- Miscellaneous
- Loss on disposal of capital asset

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business- Type Activities	Totals
\$ (1,627,394)	\$ -	\$ (1,627,394)
(2,694,641)	-	(2,694,641)
1,038,462	-	1,038,462
(500,969)	-	(500,969)
(73,461)	-	(73,461)
(19,451)	-	(19,451)
<u>(3,877,454)</u>	<u>-</u>	<u>(3,877,454)</u>
-	475,562	475,562
-	(756,765)	(756,765)
<u>-</u>	<u>(281,203)</u>	<u>(281,203)</u>
<u>(3,877,454)</u>	<u>(281,203)</u>	<u>(4,158,657)</u>
2,057,261	-	2,057,261
2,854,046	-	2,854,046
31,339	-	31,339
284,971	-	284,971
7,940	-	7,940
277,262	433,779	711,041
307,530	23,146	330,676
(2,867)	-	(2,867)
563,167	(563,167)	-
<u>6,380,649</u>	<u>(106,242)</u>	<u>6,274,407</u>
2,503,195	(387,445)	2,115,750
<u>9,393,483</u>	<u>18,226,460</u>	<u>27,619,943</u>
<u>\$ 11,896,678</u>	<u>\$ 17,839,015</u>	<u>\$ 29,735,693</u>

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Basic Financial Statements

- **Fund Financial Statements**

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CITY OF COLUSA
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	CDBG Program Income	Other Governmental Funds	Totals
ASSETS				
Cash and investments	\$ 4,523,393	\$ 268,551	\$ 5,092,622	\$ 9,884,566
Receivables:				
Accounts	224,562	-	129,395	353,957
Interest	30,977	1,892	34,667	67,536
Taxes	648,754	-	-	648,754
Due from other funds	153,102	-	-	153,102
Prepaid insurance	239,196	-	-	239,196
Loans receivable	-	1,637,643	1,024,117	2,661,760
	<u>5,819,984</u>	<u>1,908,086</u>	<u>6,280,801</u>	<u>14,008,871</u>
Total Assets	\$ 5,819,984	\$ 1,908,086	\$ 6,280,801	\$ 14,008,871
LIABILITIES				
Accounts payable	\$ 211,820	\$ -	\$ 129,746	\$ 341,566
Salaries and benefits payable	30,747	-	-	30,747
Advances from other funds	1,673,922	-	-	1,673,922
Deposits payable	2,000	-	-	2,000
Due to other funds	-	-	153,102	153,102
Unearned revenue	492,172	-	-	492,172
	<u>2,410,661</u>	<u>-</u>	<u>282,848</u>	<u>2,693,509</u>
Total Liabilities	2,410,661	-	282,848	2,693,509
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	4,060	4,060
Deferred housing loan payments	-	1,637,643	885,630	2,523,273
	<u>-</u>	<u>1,637,643</u>	<u>889,690</u>	<u>2,527,333</u>
Total Deferred Inflows of Resources	-	1,637,643	889,690	2,527,333
FUND BALANCES				
Nonspendable	239,196	-	-	239,196
Restricted	-	270,443	5,243,371	5,513,814
Unassigned	3,170,127	-	(135,108)	3,035,019
	<u>3,409,323</u>	<u>270,443</u>	<u>5,108,263</u>	<u>8,788,029</u>
Total Fund Balances	3,409,323	270,443	5,108,263	8,788,029
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,819,984	\$ 1,908,086	\$ 6,280,801	\$ 14,008,871

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

CITY OF COLUSA
Reconciliation of the Governmental Funds Balance
Sheet to the Government-Wide Statement of
Net Position - Governmental Activities
June 30, 2024

Total Fund Balances - Total Governmental Funds	\$ 8,788,029
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet.	9,887,365
Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenues in the governmental funds.	4,060
Deferred outflows of resources related to pension and OPEB are not reported in the governmental funds.	3,632,139
Deferred inflows of resources related to pension and OPEB are not reported in the governmental funds.	(644,506)
Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Compensated absences	(184,860)
Financed purchases	(98,217)
Net pension liability	(8,578,436)
Net OPEB liability	(908,896)
Net Position of Governmental Activities	<u><u>\$ 11,896,678</u></u>

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

CITY OF COLUSA
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	General Fund	CDBG Program Income	Other Governmental Funds	Totals
REVENUES				
Taxes and assessments	\$ 5,238,855	\$ -	\$ 256,164	\$ 5,495,019
Licenses and permits	209,270	-	187,658	396,928
Fines and forfeitures	16,479	-	2,484	18,963
Use of money	148,190	6,823	122,249	277,262
Intergovernmental	2,083,474	7,651	889,864	2,980,989
Charges for services	136,662	-	148,527	285,189
Other revenues	88,685	-	218,845	307,530
Total Revenues	7,921,615	14,474	1,825,791	9,761,880
EXPENDITURES				
Current:				
General government	1,644,887	-	71,884	1,716,771
Public safety	2,734,792	-	405,287	3,140,079
Public works	867,810	-	327,046	1,194,856
Culture and recreation	436,836	-	114,442	551,278
Community development	148,452	-	(4,150)	144,302
Debt service:				
Principal	2,923	-	3,573	6,496
Interest and other charges	18,526	-	925	19,451
Capital outlay	3,642,609	-	182,970	3,825,579
Total Expenditures	9,496,835	-	1,101,977	10,598,812
Excess of Revenues Over (Under) Expenditures	(1,575,220)	14,474	723,814	(836,932)
OTHER FINANCING SOURCES (USES)				
Debt proceeds	104,713	-	-	104,713
Transfers in	661,041	-	-	661,041
Transfers out	-	(1,833)	(96,041)	(97,874)
Total Other Financing Sources (Uses)	765,754	(1,833)	(96,041)	667,880
Net Change in Fund Balances	(809,466)	12,641	627,773	(169,052)
Fund Balances - Beginning	4,218,789	257,802	4,480,490	8,957,081
Fund Balances - Ending	\$ 3,409,323	\$ 270,443	\$ 5,108,263	\$ 8,788,029

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

CITY OF COLUSA
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ (169,052)

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

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

Expenditures for capital outlay	3,825,579
Less current year depreciation	(781,667)
Various adjustments	(6,063)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale.

In the Statement of Activities, a gain or loss is reported for each disposal. This is the net cost of capital assets disposed. Proceeds from the sale of capital assets was \$0. (2,867)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal retirements	6,496
Proceeds related to financed purchase	(104,713)

Some revenues reported in the Statement of Activities will not be collected for several months after the City's year end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds.

Change in unavailable revenues	4,060
--------------------------------	-------

Certain changes in deferred outflows and deferred inflows of resources reported in the Statement of Activities relate to long-term liabilities and are not reported in the governmental funds.

Changes in deferred outflows of resources related to pension	18,930
Changes in deferred outflows of resources related to OPEB	148,880
Changes in deferred inflows of resources related to pension	240,588
Changes in deferred inflows of resources related to OPEB	78,604

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

Change in compensated absences	(17,491)
Change in net pension liability	(517,600)
Change in net OPEB liability	(220,489)

Change in Net Position of Governmental Activities \$ 2,503,195

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

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CITY OF COLUSA
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
ASSETS					
Current Assets:					
Cash and investments	\$ 3,726,421	\$ 3,129,218	\$ 1,215,930	\$ 156,473	\$ 8,228,042
Receivables:					
Accounts	37,718	76,930	-	2,701	117,349
Interest	26,625	31,869	-	1,097	59,591
Total Current Assets	3,790,764	3,238,017	1,215,930	160,271	8,404,982
Noncurrent Assets:					
Advances to other funds	836,961	836,961	-	-	1,673,922
Capital assets:					
Non-depreciable	356,358	7,451,484	-	-	7,807,842
Depreciable, net	2,192,939	17,212,012	-	-	19,404,951
Total capital assets	2,549,297	24,663,496	-	-	27,212,793
Total Noncurrent Assets	3,386,258	25,500,457	-	-	28,886,715
Total Assets	7,177,022	28,738,474	1,215,930	160,271	37,291,697
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension adjustments	203,607	269,778	-	-	473,385
Deferred OPEB adjustments	84,836	111,129	-	-	195,965
Total Deferred Outflows of Resources	288,443	380,907	-	-	669,350
LIABILITIES					
Current Liabilities:					
Accounts payable	77,333	349,899	-	-	427,232
Interest payable	-	104,824	-	-	104,824
Compensated absences	16,661	21,606	-	-	38,267
Loans payable	-	796,148	-	-	796,148
Total Current Liabilities	93,994	1,272,477	-	-	1,366,471

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

Continued (Page 1 of 2)

CITY OF COLUSA
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
Noncurrent Liabilities:					
Compensated absences	19,517	21,242	-	-	40,759
Loans payable	-	17,549,060	-	-	17,549,060
Net pension liability	275,829	365,471	-	-	641,300
Net OPEB liability	155,685	212,678	-	-	368,363
Total Noncurrent Liabilities	451,031	18,148,451	-	-	18,599,482
Total Liabilities	545,025	19,420,928	-	-	19,965,953
DEFERRED INFLOWS OF RESOURCES					
Deferred pension adjustments	29,607	39,229	-	-	68,836
Deferred OPEB adjustments	35,319	51,924	-	-	87,243
Total Deferred Inflows of Resources	64,926	91,153	-	-	156,079
NET POSITION					
Net investment in capital assets	2,549,297	6,318,288	-	-	8,867,585
Restricted for debt service	-	-	1,215,930	-	1,215,930
Unrestricted	4,306,217	3,289,012	-	160,271	7,755,500
Total Net Position	<u>\$ 6,855,514</u>	<u>\$ 9,607,300</u>	<u>\$ 1,215,930</u>	<u>\$ 160,271</u>	<u>\$ 17,839,015</u>

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

Continued (Page 2 of 2)

CITY OF COLUSA
Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
OPERATING REVENUES					
Charges for services	\$ 1,611,453	\$ 3,339,096	\$ -	\$ -	\$ 4,950,549
Other revenue	15,199	4,276	-	3,671	23,146
Total Operating Revenues	<u>1,626,652</u>	<u>3,343,372</u>	<u>-</u>	<u>3,671</u>	<u>4,973,695</u>
OPERATING EXPENSES					
Salaries and benefits	275,759	469,380	-	-	745,139
Office expense	152,046	228,972	-	-	381,018
Insurance	130,549	130,549	-	-	261,098
Utilities	169,423	453,292	-	-	622,715
Supplies and tools	(28,290)	74,837	-	-	46,547
Maintenance and repair	92,383	161,209	-	-	253,592
Professional services	147,403	273,026	-	-	420,429
Depreciation	196,618	1,926,602	-	-	2,123,220
Total Operating Expenses	<u>1,135,891</u>	<u>3,717,867</u>	<u>-</u>	<u>-</u>	<u>4,853,758</u>
Operating Income (Loss)	<u>490,761</u>	<u>(374,495)</u>	<u>-</u>	<u>3,671</u>	<u>119,937</u>
NON-OPERATING REVENUE (EXPENSES)					
Interest income	105,079	318,381	6,329	3,990	433,779
Interest expense	-	(377,994)	-	-	(377,994)
Total Non-Operating Revenue (Expenses)	<u>105,079</u>	<u>(59,613)</u>	<u>6,329</u>	<u>3,990</u>	<u>55,785</u>
Income (Loss) Before Contributions and Transfers	<u>595,840</u>	<u>(434,108)</u>	<u>6,329</u>	<u>7,661</u>	<u>175,722</u>
Transfers in	-	-	77,500	-	77,500
Transfers out	(277,022)	(363,645)	-	-	(640,667)
Change in Net Position	<u>318,818</u>	<u>(797,753)</u>	<u>83,829</u>	<u>7,661</u>	<u>(387,445)</u>
Total Net Position - Beginning	<u>6,536,696</u>	<u>10,405,053</u>	<u>1,132,101</u>	<u>152,610</u>	<u>18,226,460</u>
Total Net Position - Ending	<u>\$ 6,855,514</u>	<u>\$ 9,607,300</u>	<u>\$ 1,215,930</u>	<u>\$ 160,271</u>	<u>\$ 17,839,015</u>

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

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CITY OF COLUSA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 1,636,676	\$ 3,339,145	\$ -	\$ 970	\$ 4,976,791
Payments to suppliers	(630,897)	(1,430,486)	-	-	(2,061,383)
Payments to employees	(288,624)	(478,586)	-	-	(767,210)
Net Cash Provided (Used) by Operating Activities	<u>717,155</u>	<u>1,430,073</u>	<u>-</u>	<u>970</u>	<u>2,148,198</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Advances to other funds	(836,961)	(836,961)	-	-	(1,673,922)
Transfers from other funds	-	-	77,500	-	77,500
Transfers to other funds	(277,022)	(363,645)	-	-	(640,667)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(1,113,983)</u>	<u>(1,200,606)</u>	<u>77,500</u>	<u>-</u>	<u>(2,237,089)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(434,632)	(1,442,174)	-	-	(1,876,806)
Adjustments to capital assets	-	25	-	-	25
Principal paid on debt	-	(781,357)	-	-	(781,357)
Interest paid on debt	-	(356,766)	-	-	(356,766)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(434,632)</u>	<u>(2,580,272)</u>	<u>-</u>	<u>-</u>	<u>(3,014,904)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	98,290	312,800	6,329	3,557	420,976
Net Cash Provided (Used) by Investing Activities	<u>98,290</u>	<u>312,800</u>	<u>6,329</u>	<u>3,557</u>	<u>420,976</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(733,170)	(2,038,005)	83,829	4,527	(2,682,819)
Balances - Beginning	4,459,591	5,167,223	1,132,101	151,946	10,910,861
Balances - Ending	<u>\$ 3,726,421</u>	<u>\$ 3,129,218</u>	<u>\$ 1,215,930</u>	<u>\$ 156,473</u>	<u>\$ 8,228,042</u>

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

Continued (Page 1 of 2)

CITY OF COLUSA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds				Totals
	Major Funds			Nonmajor	
	Water Operations	Sewer Operations	WWTP - Capital Res	Solid Waste Operations	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 490,761	\$ (374,495)	\$ -	\$ 3,671	\$ 119,937
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	196,618	1,926,602	-	-	2,123,220
Decrease (increase) in:					
Accounts receivable	10,024	(4,227)	-	(2,701)	3,096
Deferred outflows - pension adjustments	31,519	27,946	-	-	59,465
Deferred outflows - OPEB adjustments	(20,807)	(28,610)	-	-	(49,417)
Increase (decrease) in:					
Accounts payable	32,617	(108,601)	-	-	(75,984)
Compensated absences	5,089	7,652	-	-	12,741
Net pension liability	(25,382)	(15,933)	-	-	(41,315)
Net OPEB liability	30,827	42,387	-	-	73,214
Deferred inflows - pension adjustments	(23,125)	(27,542)	-	-	(50,667)
Deferred inflows - OPEB adjustments	(10,986)	(15,106)	-	-	(26,092)
Net Cash Provided (Used) by Operating Activities	\$ 717,155	\$ 1,430,073	\$ -	\$ 970	\$ 2,148,198

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

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Basic Financial Statements

- **Notes to Basic Financial Statements**

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CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Colusa was incorporated in 1868, under the laws and regulations of the State of California. The City operates under a Council-Manager form of government and provides the following services: public safety, highways and streets, culture and recreation, public improvements, planning and zoning, general administrative services, water, sewer and solid waste.

Component Units

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization’s governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Reporting for component units on the City’s financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the City’s operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the City’s basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the City Council. Separate financial statements for the City of Colusa Public Financing Authority are not issued.

Blended Component Units

City of Colusa Public Financing Authority - The Authority was established December 7, 2010, by the execution of a Joint Exercise of Powers Agreement between the City of Colusa and the former City of Colusa Redevelopment Agency. The Authority was created for the purpose of providing financing for public capital improvements owned and operated by the City. The Authority is the lessor for the City’s Certificates of Participation (Wastewater System Improvement Project) and makes debt service payments on behalf of the City. The City Council is the governing body of the Authority and because its financial and operational relationship with the City is closely integrated, the activity and debt of the Authority is reported in the Sewer Operations enterprise fund financial statements.

Discretely Presented Component Units

There are no component units of the City which meet the criteria for discrete presentation.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Joint Agencies

The City is a participant in Northern California Cities Self-Insurance Fund (NCCSIF), the purpose of which is for member Cities to share in the administrative costs of providing liability and workers' compensation insurance. The NCCSIF is governed by a board of directors appointed by the member cities. Complete financial information can be obtained from the Program Administrator at, 2180 Harvard Street, Suite 460, Sacramento, CA 95815. The City is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39 and 61 of the Governmental Accounting Standards Board.

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information on all of the nonfiduciary activities of the City, and its blended component units. These statements include the financial activities of the overall government, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the City's business-type activities and each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including blended component units. Funds are organized into two major categories: governmental and proprietary. The emphasis is placed on major funds within the governmental and proprietary categories; each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General fund includes such activities as public safety, planning and zoning, general administrative services and public works.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The City reports the following major governmental funds (Continued):

- The CDBG Program Income fund is a special revenue fund used to account for revenues and expenditures related to the Community Development Block Grant (CDBG) activity. Funding comes primarily from program income.

The City reports the following major proprietary funds:

- The Water Operations fund is an enterprise fund used to account for activity related to providing customers with water and billing for services provided by the City.
- The Sewer Operations fund is an enterprise fund used to account for activity related to providing customers with sewer and billing for services provided by the City.
- The WWTP Capital Reserve fund is an enterprise fund used to maintain required debt reserves.

C. Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are considered susceptible to accrual and are accrued when their receipt occurs within sixty days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

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

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Non-Current Governmental Assets/Liabilities

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide Statement of Net Position.

E. Cash and Cash Equivalents

For purposes of the accompanying Statement of Cash Flows, the City considers all highly liquid investments with a maturity of three months or less when purchased, including amounts held in the City's investment pool, to be cash and cash equivalents.

F. Investments

The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

Investment transactions are recorded on the trade date. The fair value of investments is determined annually. Investments in nonparticipating interest-earning investment contracts are reported at cost; short term investments are reported at amortized cost, investments in the State of California Local Agency Investment Fund, an external pool, are reported at amortized cost which approximates fair value, and the fair value of all other investments are obtained by using quotations obtained from independent published sources or by the safekeeping institution. The fair value represents the amount the City could reasonably expect to receive for an investment in a current sale between a willing buyer and seller.

Income from pooled investments is allocated to the individual funds based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Income from non-pooled investments is recorded based on the specific investments held by the fund.

G. Receivables

Receivables for governmental activities consist mainly of accounts, interest, taxes and amounts due from other governments. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

Receivables for business-type activities consist mainly of user fees and interest. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

H. Other Assets

Inventory

Governmental fund and proprietary fund inventories are recorded as expenditures/expenses at the time the inventory is purchased rather than when consumed. Records are not maintained of inventory and supplies on hand, although these amounts are not considered material.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Assets (Continued)

Prepaid Items

Payments made for services that will benefit periods beyond June 30, 2024, are recorded as prepaid costs under both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. The City records prepaid insurance for the net investment in a joint powers self-insurance agency.

I. Loans Receivable

A total of \$2,661,760 was recorded as loans receivable at June 30, 2024. These represent low interest notes and related accrued interest to finance multi-family and single-family construction and rehabilitation projects and homebuyer assistance for low-income families. Loan terms are 15 to 55 years with an interest rate at 0 to 5 percent. The primary source of funding for these loans comes from grants from the federal Community Development Block Grant (CDBG) program and Home Investment Partnerships (HOME) program. The CDBG and HOME grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements. Due to the terms of the loans, offsetting deferred inflows of resources of \$2,523,273 have been established in the Governmental Activities Statement of Net Position and the Governmental Funds Balance Sheet for the loan principal and interest payments.

J. Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, water, sewer, and similar items) are defined by the City as assets with a cost greater than \$500 for office equipment, \$1,000 for buildings and machinery and equipment, and \$3,000 for water system infrastructure and a useful life of at least two years. Capital assets are recorded at historical or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their fair value at the date of donation.

Capital assets used in operations are depreciated or amortized using the straight-line method over the assets' estimated useful lives in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	5 to 10 years
Structures and improvements	10 to 40 years
Infrastructure	20 to 75 years
Intangibles (computer software)	5 to 10 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is to be included in the results of operations.

K. Property Tax

Colusa County assesses properties, bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Property Tax (Continued)

Property taxes are levied on a fiscal year (July 1 - June 30). The secured property tax assessments are due on November 1 and February 1 and become delinquent after December 10 and April 10, respectively. The unsecured property tax assessments are due on August 1 and become delinquent after August 31. Property taxes become a lien on the property effective January 1 of the preceding year.

The City recognizes property taxes when the individual installments are due, provided they are collected within 60 days after year-end.

L. Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide Statement of Activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

M. Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation leave and an unlimited amount of sick leave. In the government-wide financial statements the accrued compensated absences is recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature. In the proprietary funds the accrued compensated absences is recorded as an expense and related liability in the year earned. The City includes its share of Social Security and Medicare taxes payable on behalf of the employees in the accrual for compensated absences.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Compensated Absences (Continued)

Unused vacation is paid to employees upon termination. The maximum accrual for employees in the police, middle management, department head and miscellaneous groups for vacation is one and a half times the employees' annual vacation leave credits, and for fire department employees the maximum accrual is two and a half times the employees' annual vacation leave credits. Annually, all employees may "sell back" a portion of their unused vacation. In addition to vacation, police, middle management, department heads, and miscellaneous employees also accrue sick leave credits. Fire department employees do not accrue sick leave credits. There is no limit as to the accrual of sick leave. After 10 years of service, the employee may be paid for up to 50 percent of the sick leave accrual to a maximum of 300 hours upon termination or retirement.

N. Pension

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	June 30, 2022 to June 30, 2023

O. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Measurement Period	June 30, 2022 to June 30, 2023

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. These items relate to the outflows from changes in the net pension liability and net OPEB liability and are reportable on the Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has four items which qualify for reporting in this category. The first item relates to the housing loan principal and interest receivable amount and is reportable on the Statement of Net Position as well as on the governmental funds balance sheet. The second item, unavailable revenue, is reported only on the governmental funds balance sheet. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The third and fourth items relate to the inflows from changes in the net pension liability and net OPEB liability and are reportable on the Statement of Net Position.

Q. Estimates

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

R. Implementation of Governmental Accounting Standards Board (GASB) Statements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented, if applicable, in the current financial statements.

Statement No. 99, Omnibus 2022. This statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

Statement No. 100, Accounting Changes and Error Corrections. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Future Accounting Pronouncements

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

Statement No. 101 “Compensated Absences” The requirements of this statement are effective for fiscal years beginning after December 15, 2023. (FY 24/25)

Statement No. 102 “Certain Risk Disclosures” The requirements of this statement are effective for fiscal years beginning after June 15, 2024. (FY 24/25)

Statement No. 103 “Financial Reporting Model Improvements” The requirements of this statement are effective for fiscal years beginning after June 15, 2025. (FY 25/26)

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balance

The following non-major governmental funds had deficit fund balances at June 30, 2024:

Traffic Safety	\$	2,258
State Park		66,543
Developer Deposits		24,463
Prop 64 Grant		41,844

Some of these deficits may be eliminated in the future through grant revenues. Certain amounts of these deficits will ultimately become the responsibility of the General fund.

NOTE 3: CASH AND INVESTMENTS

A. Financial Statement Presentation

As of June 30, 2024, the City’s cash and investments are reported in the financial statements as follows:

Governmental activities	\$	9,884,566
Business-type activities		<u>8,228,042</u>
Total Cash and Investments		<u>\$ 18,112,608</u>

As of June 30, 2024, the City’s cash and investments consisted of the following:

Cash:		
Cash on hand	\$	500
Deposits (less outstanding checks)		<u>6,844,933</u>
Total Cash		<u>6,845,433</u>
Investments:		
Local Agency Investment Fund (LAIF)		<u>11,267,175</u>
Total Investments		<u>11,267,175</u>
Total Cash and Investments		<u>\$ 18,112,608</u>

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

B. Cash

At year end, the carrying amount of the City's cash deposits (including amounts in a checking account) was \$8,228,042 and the bank balance was \$6,855,154. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. In addition, the City had cash on hand of \$500.

Custodial Credit Risk For Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The City's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of public funds. The first \$250,000 of the City's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits of more than the \$250,000 insured amount are collateralized.

C. Investments

The City has an investment policy, the purpose of which is to establish guidelines for the prudent investment of the City's funds, and outline the policies for maximizing the efficiency of the City's cash management program. The ultimate goal is to enhance the economic status of the City while protecting its pooled investments.

The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law.

Under the provisions of the City's investment policy the City may invest or deposit in the following:

- Securities of the U.S. Government, or its agencies
- Small Business Administration loans
- Certificates of Deposit or Time Deposits placed with commercial banks and/or savings and loan companies
- Negotiable Certificates of Deposit
- Bankers' Acceptances for a maximum of 180 days
- Commercial Paper for a maximum of 270 days
- Local Agency Investment Fund (LAIF)
- Demand Accounts – Insured/Collateralized

Fair Value of Investments - The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

The City's position in external investment pools is in itself regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate. Therefore, the City's investment in external investment pools is not recognized in the three-tiered fair value hierarchy described above.

At June 30, 2024, the City had the following recurring fair value measurements:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level				
None	\$ -	\$ -	\$ -	\$ -
Total Investments Measured at Fair Value	-	\$ -	\$ -	\$ -
Investments in External Investment Pool				
LAIF	11,267,175			
Total Investments	\$11,267,175			

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit the exposure to fair value losses resulting from increases in interest rates, the City's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the City to meet all projected obligations. Any investments that mature more than five years from the date of purchase cannot occur without prior approval of the City Council.

As of June 30, 2024, the City had the following investments, all of which had a maturity of 5 years or less:

<u>Investment Type</u>	<u>Interest Rates</u>	<u>Maturities</u>		<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
		<u>0-1 year</u>	<u>1-5 years</u>		
LAIF	Variable	\$ 11,267,175	\$ -	\$ 11,267,175	-
Total Investments		\$ 11,267,175	\$ -	\$ 11,267,175	-

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy sets specific parameters by type of investment to be met at the time of purchase. As of June 30, 2024, the City's investments were all pooled with LAIF which is not rated by a nationally recognized statistical rating organization.

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the City's investment policy requires that all securities owned by the City shall be held in safekeeping by a third-party bank trust department.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The City's investment policy contains limitations on the amount that can be invested in any one issuer. All investments of the City were pooled with LAIF which holds a diversified portfolio of high-quality investments.

D. Investment in External Investment Pool

The City of Colusa maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2024, the City's investment in LAIF valued at amortized cost was \$11,267,175 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$178 billion. Of that amount, 97.00 percent is invested in non-derivative financial products and 3.00 percent in structured notes and asset-backed securities.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2024, was as follows:

	Balance July 1, 2023	Additions	Retirements/ Transfers	Balance June 30, 2024
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 168,613	\$ 2,907	\$ -	\$ 171,520
Construction in progress	192,733	-	(192,733)	-
Total Capital Assets, Not Being Depreciated	361,346	2,907	(192,733)	171,520
Capital Assets, Being Depreciated				
Infrastructure	2,361,779	66,036	57,481	2,485,296
Improvements	6,477,560	-	-	6,477,560
Structures	2,464,363	3,156,308	50,000	5,670,671
Equipment	1,975,671	276,420	(3,583)	2,248,508
Vehicles	3,237,072	286,082	-	3,523,154
Software	53,959	37,826	16,115	107,900
Total Capital Assets, Being Depreciated	16,570,404	3,822,672	120,013	20,513,089
Less Accumulated Depreciation For:				
Infrastructure	(1,302,911)	(112,284)	63,073	(1,352,122)
Improvements	(2,186,936)	(295,316)	-	(2,482,252)
Structures	(2,464,363)	(66,988)	-	(2,531,351)
Equipment	(1,605,794)	(137,900)	717	(1,742,977)
Vehicles	(2,465,406)	(162,346)	-	(2,627,752)
Software	(53,957)	(6,833)	-	(60,790)
Total Accumulated Depreciation	(10,079,367)	(781,667)	63,790	(10,797,244)
Total Capital Assets, Being Depreciated, Net	6,491,037	3,041,005	183,803	9,715,845
Governmental Activities Capital Assets, Net	\$ 6,852,383	\$ 3,043,912	(\$ 8,930)	\$ 9,887,365

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 4: CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2023	Additions	Adjustments/ Retirements	Balance June 30, 2024
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 5,860,839	\$ -	\$ -	\$ 5,860,839
Construction in progress	582,032	1,364,971	-	1,947,003
Total Capital Assets, Not Being Depreciated	6,442,871	1,364,971	-	7,807,842
Capital Assets, Being Depreciated				
Infrastructure	4,276,182	-	-	4,276,182
Improvements	39,248,165	-	-	39,248,165
Structures	66,880	-	-	66,880
Equipment	1,720,462	27,606	(4,700)	1,743,368
Vehicles	941,270	484,229	(36,408)	1,389,091
Software	3,342	-	-	3,342
Total Capital Assets, Being Depreciated	46,256,301	511,835	(41,108)	46,727,028
Less Accumulated Depreciation For:				
Infrastructure	(4,174,934)	(5,376)	-	(4,180,310)
Improvements	(18,962,094)	(1,926,349)	-	(20,888,443)
Structures	(46,581)	(2,229)	-	(48,810)
Equipment	(1,117,284)	(151,312)	4,674	(1,263,922)
Vehicles	(935,704)	(37,954)	36,408	(937,250)
Software	(3,342)	-	-	(3,342)
Total Accumulated Depreciation	(25,239,939)	(2,123,220)	41,082	(27,322,077)
Total Capital Assets, Being Depreciated, Net	21,016,362	(1,611,385)	(26)	19,404,951
Business-Type Activities Capital Assets, Net	\$ 27,459,233	(\$ 246,414)	(\$ 26)	\$ 27,212,793

Depreciation

Depreciation expense was charged to governmental activities as follows:

General government	\$ 86,116
Public safety	166,217
Public works	403,246
Culture and recreation	126,088
Total Depreciation Expense – Governmental Activities	<u>\$ 781,667</u>

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

Water Operations	\$ 196,618
Sewer Operations	1,926,602
Total Depreciation Expense – Business-Type Activities	<u>\$ 2,123,220</u>

Construction in Progress

Construct in progress for business-type activities relates primarily to software upgrades, the wastewater recycling project and the Walnut Grant project.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 5: INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds.

The following are due to and due from balances as of June 30, 2024:

	Due From Other Funds	Due To Other Funds
General fund	\$ 153,102	\$ -
Nonmajor governmental funds	-	153,102
Total	\$ 153,102	\$ 153,102

Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans and are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not in spendable form. The following are advances to/from other funds as of June 30, 2024:

	Advances To Other Funds	Advances From Other Funds
General fund	\$ -	\$ 1,673,922
Water operations	836,961	-
Sewer operations	836,961	-
Total	\$ 1,673,922	\$ 1,673,922

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2023:

	Transfers In	Transfers Out
General fund	\$ 661,041	\$ -
CDBG Program Income	-	1,833
Nonmajor governmental funds	-	96,041
Water operations	-	277,022
Sewer operations	-	363,645
WWTP Capital Reserve	77,500	-
Total	\$ 738,541	\$ 738,541

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 6: UNEARNED REVENUES

At June 30, 2024, the components of unearned revenue were as follows:

	Unearned
General Fund	
Coronavirus State and Local Fiscal Relief Funds received in advance	\$ 492,172
Total	\$ 492,172

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2024:

Type of Indebtedness	Balance July 1, 2023	Adjustments/ Additions	Retirements	Balance June 30, 2024	Amounts Due Within One Year
Governmental Activities					
Compensated absences	\$ 167,369	\$ 107,899	(\$ 90,408)	\$ 184,860	\$ 100,972
Financed purchase	-	104,713	(6,496)	98,217	18,566
Total Governmental Activities	\$ 167,369	\$ 212,612	(\$ 96,904)	\$ 283,077	\$ 119,538
Business-Type Activities					
Compensated absences	\$ 66,285	\$ 33,992	(\$ 21,251)	\$ 79,026	\$ 38,267
Direct borrowing loans payable	19,074,380	52,183	(781,355)	18,345,208	796,148
Total Business-Type Activities	\$ 19,140,665	\$ 86,175	(\$ 802,606)	\$ 18,424,234	\$ 834,415

Compensated absences are generally liquidated by the fund where the accrued liability occurred. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment.

Individual issues of debt payable outstanding at June 30, 2024, are as follows:

Business-Type Activities

Loans from Direct Borrowings:

United States Department of Agriculture Loan, dated December 18, 2013, in the amount of \$1,367,000, payable in annual principal installments of \$20,000 to \$54,000, with an interest rate of 2.75%, and maturity on December 1, 2053. The loan proceeds were used to finance certain improvements to the City's wastewater treatment system.	\$ 1,147,000
State of California, State Water Resources Control Board Loan, dated November 16, 2007, in the amount of \$15,500,000, payable in annual installments of \$715,815 with an interest rate of 2.40%, and maturity on January 15, 2039. The loan proceeds were used to finance the expansion of the wastewater treatment plant.	8,928,330
State of California, State Water Resources Control Board Loan, dated August 24, 2016, in the amount of \$4,700,000, payable in annual installments of \$183,574, with an interest rate of 1.00%, and maturity of December 1, 2047. The loan proceeds were used to finance the Wastewater Treatment Plan Upgrade project.	3,899,735
State of California, State Water Resources Control Board Loan, dated October 15, 2020, in the amount of \$4,350,000, payable in annual installments of \$175,861 with an interest rate of 1.30%, and maturity of December 1, 2051. The loan was used to finance the Wastewater Treatment Plan Upgrade project.	4,370,143
Total Loans from Direct Borrowings	18,345,208
Total Business-Type Activities	\$ 18,345,208

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

The City has pledged sewer operations revenues, net of specified operating expenses, to repay loans from direct borrowings in the amount of \$19,627,020 issued in November 2007, December 2013 and August 2016.

Following is a schedule of debt payment requirements to maturity for long-term debt, excluding compensated absences that have indefinite maturities and capital leases which are reported in Note 8.

Business-Type Activities

<u>Year Ended June 30</u>	Loans from Direct Borrowings		
	Principal	Interest	Totals
2025	\$ 796,148	\$ 341,288	\$ 1,137,436
2026	812,256	325,479	1,137,735
2027	828,688	309,317	1,138,005
2028	844,453	292,810	1,137,263
2029	861,556	275,950	1,137,506
2030-2034	4,574,764	1,113,518	5,688,282
2035-2039	5,054,904	631,644	5,686,548
2040-2044	1,835,016	272,940	2,107,956
2045-2049	1,776,074	147,870	1,923,944
2050-2054	961,349	40,790	1,002,139
Total	\$ 18,345,208	\$ 3,751,606	\$ 22,096,814

NOTE 8: LEASES

Financed Purchase Agreements

In March 2024, the City entered into a financed purchase agreement for the purchase of mowers and related equipment with a cost of \$104,713 and accumulated depreciation of \$0 as of June 30, 2024. The financed purchase agreement is payable in 60 monthly installments of \$2,045, including interest at 6.65%. The installment repayment began in March 2024. Principal and interest paid in the current year were \$8,179. Total remaining payments under the agreement are \$114,510, including interest in the amount of \$16,293. The present value of the remaining payments is \$98,217.

The future minimum financed purchase agreement obligations and the net present value of these minimum lease payments as of June 30, 2024, were as follows:

<u>Year Ended June 30</u>	<u>Governmental Activities</u>
2025	\$ 24,538
2026	24,538
2027	24,538
2028	24,538
2029	16,358
Total Requirements	114,510
Less interest	(16,293)
Present Value of Remaining Payments	\$ 98,217

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 9: NET POSITION

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- **Unrestricted net position** - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Net Position Restricted by Enabling Legislation

The government-wide Statement of Net Position reports \$6,733,804 of restricted net position, of which \$3,080,347 is restricted by enabling legislation.

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

NOTE 10: FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances for governmental funds can be made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the City’s highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 10: FUND BALANCES (CONTINUED)

- **Assigned fund balance** - amounts that are constrained by the City's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the City's General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The fund balances for all major and nonmajor governmental funds as of June 30, 2024, were distributed as follows:

	General Fund	CDBG Program Income	Other Governmental Funds	Totals
Nonspendable:				
Prepaid costs	\$ 239,196	\$ -	\$ -	\$ 239,196
Subtotal	<u>239,196</u>	<u>-</u>	<u>-</u>	<u>239,196</u>
Restricted for:				
Community Development	-	270,443	377,384	647,827
SLESF	-	-	366,325	366,325
Strike Team	-	-	131,919	131,919
Gas Tax	-	-	425,256	425,256
County Transportation	-	-	752,725	752,725
Park Donations	-	-	672	672
Improvement District	-	-	3,096	3,096
Development Impact Fees	-	-	1,379,149	1,379,149
State Recycling Grant	-	-	14,131	14,131
Boat Launch	-	-	91,516	91,516
Historical Preservation	-	-	3,039	3,039
Lighting Districts	-	-	104,944	104,944
Cannabis Revenue	-	-	1,593,215	1,593,215
Subtotal	<u>-</u>	<u>270,443</u>	<u>5,243,371</u>	<u>5,513,814</u>
Unassigned	<u>3,170,127</u>	<u>-</u>	<u>(135,108)</u>	<u>3,035,019</u>
Total	<u>\$ 3,409,323</u>	<u>\$ 270,443</u>	<u>\$ 5,108,263</u>	<u>\$ 8,788,029</u>

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 10: FUND BALANCES (CONTINUED)

Fund Balance Policy

The City Council has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications. The policy also provides for a measure of financial protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54.

NOTE 11: PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City’s separate Safety police, Safety fire, and Miscellaneous (all other) Employee Pension Plan, a cost-sharing multiple employer-defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Effective January 1, 2013, the City added retirement tiers for the Miscellaneous and Safety Rate Tiers for new employees as required under the Public Employee Pension Reform Act (PEPRA). New employees hired on or after January 1, 2013 will be subject to new, lower pension formulas, caps on pensionable income levels and new definitions of pensionable income. In addition, new employees will be required to contribute half of the total normal cost of the pension benefit unless impaired by an existing Memorandum of Understanding. The cumulative effect of these PEPRA changes will ultimately reduce the City’s retirement costs.

Summary of Rate Tiers and Eligible Participants

Open for New Enrollment	
Miscellaneous PEPRA	Miscellaneous members hired on or after January 1, 2013
Safety Police PEPRA	Safety police members hired on or after January 1, 2013
Safety Fire PEPRA	Safety fire members hired on or after January 1, 2013
Closed to New Enrollment	
Miscellaneous First Tier	Miscellaneous members hired before January 1, 2010
Miscellaneous Second Tier	Miscellaneous hired after July 1, 2010 and before December 31, 2012
Safety Police	Safety police members hired before January 1, 2013
Safety Fire	Safety fire members hired before January 1, 2013

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (age 52 for Miscellaneous Plan members if membership date is on or after January 1, 2013) with statutorily reduced benefits. Retirement benefits are paid monthly for life. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 11: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

Each Rate Tier's specific provisions and benefits in effect at June 30, 2024, are summarized as follows:

	<u>Benefit Formula</u>	<u>Retirement Age</u>	<u>Monthly Benefits as a % of Eligible Compensation</u>
Miscellaneous First Tier	2.0% @ 55	50 - 63	1.426% to 2.418%
Miscellaneous Second Tier	2.0% @ 60	50 - 63	1.092% to 2.418%
Miscellaneous PEPRAs	2.0% @ 62	52 - 67	1.000% to 2.500%
Safety Police	2.0% @ 50	50-55	2.000% to 2.700%
Safety Police PEPRAs	2.7% @ 57	50 - 57	2.000% to 2.700%
Safety Fire	2.0% @ 50	50-55	2.000% to 2.700%
Safety Fire PEPRAs	2.7% @ 57	50 - 57	2.000% to 2.700%

Contributions

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

	<u>Employer Contribution Rates</u>	<u>Employee Contribution Rates</u>	<u>Employer Paid Member Contribution Rates</u>
Miscellaneous First Tier	10.880%	7.000%	0.000%
Miscellaneous Second Tier	8.650%	7.000%	0.000%
Miscellaneous PEPRAs	7.590%	6.750%	0.000%
Safety Police	19.250%	9.000%	0.000%
Safety Police PEPRAs	13.130%	13.000%	0.000%
Safety Fire	19.250%	9.000%	0.000%
Safety Fire PEPRAs	13.130%	13.000%	0.000%

For the year ended June 30, 2024, the contributions recognized as part of pension expense for the Plan was as follows:

	<u>Contributions-Employer</u>	<u>Contributions-Employee (Paid by Employer)</u>
Miscellaneous	\$ 449,655	\$ -
Safety	496,669	-

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 11: PENSION PLAN (CONTINUED)

B. Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2023 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, 2022 rolled forward to June 30, 2023 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability for the Plan as of June 30, 2023 and 2024 was as follows:

	<u>Proportion June 30, 2023</u>	<u>Proportion June 30, 2024</u>	<u>Change- Increase (Decrease)</u>
Miscellaneous	.09907%	.09694%	(.00213%)
Safety	.05978%	.05849%	(.00129%)

As of June 30, 2024, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ 4,847,370
Safety	<u>4,372,366</u>
Total Net Pension Liability	<u>\$ 9,219,736</u>

For the year ended June 30, 2024, the City recognized a pension expense of \$1,200,447. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 974,882	\$ -
Changes of assumptions	547,835	-
Difference between expected and actual experience	568,642	(65,895)
Difference between projected and actual earnings on pension plan investments	1,383,190	-
Differences between City contributions and proportionate share of contributions	103,608	(151,083)
Amortization due to differences in proportions	<u>-</u>	<u>(303,335)</u>
Total	<u>\$ 3,578,157</u>	<u>(\$ 520,313)</u>

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 11: PENSION PLAN (CONTINUED)

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

\$974,882 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended		
<u>June 30</u>		
2025	\$	556,593
2026		401,607
2027		1,085,541
2028		39,221
Thereafter		<u>-</u>
Total	\$	<u>2,082,962</u>

Actuarial Assumptions

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Investment Rate of Return	6.90%
Inflation	2.30%
Salary Increases	Varies by entry-age and service
Mortality Rate Table	Derived using CalPERS' membership data for all funds
Post-Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80 percent of Scale MP-2020 published by the Society of Actuaries. For more details, please refer to the CalPERS 2021 experience study 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 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 long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long-term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 11: PENSION PLAN (CONTINUED)

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

Long-Term Expected Rate of Return (Continued)

The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10 (1, 2)</u>
Global Equity – Cap-Weighted	30.0%	4.54%
Global Equity – Non-Cap-Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	(5.0%)	(0.59%)
Total	<u>100.0%</u>	

(1) An expected price inflation of 2.30% used for this period

(2) Figures are based on the 2021-22 Asset Liability Management Study

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease <u>5.90%</u>	Discount Rate <u>6.90%</u>	1% Increase <u>7.90%</u>
Miscellaneous	\$ 6,931,032	\$ 4,847,370	\$ 3,132,337
Safety	6,240,234	4,372,366	2,845,250

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 11: PENSION PLAN (CONTINUED)

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

Pension Plan Fiduciary Net Position

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

NOTE 12: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. General Information about the OPEB Plan

Plan Description

The City’s defined benefit OPEB plan (the Plan) provides OPEB for all permanent full-time general and public safety employees of the City. The Plan is an agent multiple-employer defined benefit plan administered by the California Public Employees’ Retirement System (CalPERS). The City Council reserves the authority to review and amend the funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the City.

Benefits Provided

The City reported that medical, dental and vision coverage is available to retirees.

If dental and/or vision coverage is selected, the retiree must pay 100 percent of the premiums. Since no OPEB liability is expected with respect to dental or vision coverage for retirees, neither is considered in the valuation of the net OPEB liability.

Medical coverage is currently provided through CalPERS as permitted under the Public Employees’ Medical and Hospital Care Act (PEMHCA). Access to this coverage requires the employee to satisfy the requirements for retirement under CalPERS, i.e., (a) attainment of age 50 (age 52 for miscellaneous PEPRAs employees) with 5 years of State or public agency service or (b) an approved disability retirement.

The employee must begin his or her retirement (pension) benefit within 120 days of terminating employment with the City to be eligible to continue medical coverage through the City and be entitled to the benefits described below. Once eligible, coverage may be continued at the retiree’s option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage. If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement, during any future open enrollment period or with a qualifying life event.

Under PEMHCA, the City is required to contribute toward retiree premiums for the retiree’s lifetime or until coverage is discontinued. In accordance with a resolution executed in 2010, the City contributes the PEMHCA minimum employer contribution (MEC) for any City retiree who satisfies the requirements for access to coverage. For certain retirees, the City provides a medical premium stipend, which in combination with the PEMHCA minimum (MEC), provides an additional subsidy toward retiree (single coverage) medical premiums.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 12: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

A. General Information about the OPEB Plan (Continued)

Benefits Provided (Continued)

The chart below summarizes the details about eligibility for and the amount of these benefits.

Date Hired	Date of Retirement	Group	Eligibility Requirements	Pre-Medicare Retiree Benefit	Medicare Retiree Benefit	Maximum Monthly Benefit for 2024
Any	Any	All Groups	At least age 50 with 5 years of PERS service	Required PEMHCA minimum Employer Contribution (MEC)		\$157
Before 7/1/2010	Before 1/1/2011	All Groups	At least age 50 with 5 years of City service	100% Employee (Retiree) Only Premium		Not Applicable
Before 7/1/2010	On or After 1/1/2011	Middle Mgmt. and Dept. Heads	At least age 50 with 10 years of City Service	100% Employee Only premium up to Blue Shield EPO Basic premium	100% Employee Only premium up to Blue Shield EPO Supplemental Medicare Premium	Pre-Medicare \$1,076.84 Post-Medicare \$392.68
		Misc. Police and Fire		100% Employee Only premium up to PORAC Basic Premium		Pre-Medicare \$931.00 Post-Medicare \$392.68
On or After 7/1/2010	Any	All Groups	No additional benefits payable; PEMHCA MEC only; see above.			

City Council members are eligible to continue coverage in retirement, but, if they opt to do so, must pay 100 percent of the monthly premiums. The City does not contribute towards the monthly premiums for retired Council members.

Employees Covered by Benefit Terms

At June 30, 2024, the following plan members were covered by the benefit terms:

Inactive plan members entitled to but not receiving benefits	10
Inactive plan members or beneficiaries currently receiving benefits	27
Active plan members	<u>31</u>
Total	<u>68</u>

B. Net OPEB Liability

The City's net OPEB liability of \$1,277,259, was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 12: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

B. Net OPEB Liability (Continued)

Actuarial Assumptions and Other Inputs

The net OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	Last day of the prior fiscal year (June 30, 2023)
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets
Long Term Return on Assets	6.1% as of June 30, 2023 and 6.1% as of June 30, 2022 net of plan investment expenses and including inflation
Discount Rate	6.1% as of June 30, 2023 and 6.1% as of June 30, 2022
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in the valuation.
Salary Increase	3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years
General Inflation Rate	2.5% per year
Healthcare cost trend rates	6.5% for 2025, to an ultimate rate of 3.9% for 2075 and later years
Mortality rates	MacLeod Watts Scale 2022

Demographic actuarial assumptions used in the June 30, 2023 valuation are based on the 2021 experience study of the California Public Employees Retirement System using data from 1997 to 2019, except for a different basis used to project future mortality improvements.

C. Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position (i.e. Fair value of the Plan assets), and the net OPEB liability during the measurement period ending on June 30, 2023 for the City's proportionate share.

	Increases (Decreases)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at fiscal year ending June 30, 2023	\$ 3,139,430	\$ 2,155,874	\$ 983,556
Changes during the period:			
Service cost	83,301	-	83,301
Interest cost	192,106	-	192,106
Contributions – employer	-	205,473	(205,473)
Net investment income	-	147,366	(147,366)
Changes of benefit terms	86,858	-	86,858
Differences between expected and actual experience	(31,373)	-	(31,373)
Changes of assumptions	314,985	-	314,985
Benefit payments	(146,920)	(146,920)	-
Administrative expenses	-	(665)	665
Net Changes	498,957	205,254	293,703
Balances at fiscal year ending June 30, 2024	\$ 3,638,387	\$ 2,361,128	\$ 1,277,259

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 12: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

C. Changes in the Net OPEB Liability (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (5.10%)	Discount Rate (6.10%)	1% Increase (7.10%)
Net OPEB liability	\$ 1,729,362	\$ 1,277,259	\$ 899,225

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	Current Trend -1%	Current Trend	Current Trend +1%
Net OPEB Liability	\$ 873,099	\$ 1,277,259	\$ 1,767,014

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

For the year ended June 30, 2024, the City recognized OPEB expense of \$190,802. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 384,204	\$ -
Differences between expected and actual experience	12,424	(280,272)
Net difference between projected and actual earnings on investments	126,696	-
Contributions made subsequent to the measurement date	200,008	-
Total	\$ 723,332	(\$ 280,272)

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 12: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The \$200,008 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended <u>June 30</u>	
2025	(\$ 28,544)
2026	(2,307)
2027	91,404
2028	44,941
2029	47,761
Thereafter	<u>89,797</u>
	<u>\$ 243,052</u>

NOTE 13: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

There is no claims liability to be reported based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

There are no significant reductions in insurance coverage from prior years and there have been no settlements exceeding the insurance coverages for each of the past three fiscal years.

The City is a member of Northern California Cities Self-Insurance Fund (NCCSIF), a joint powers agency which provides the City with a shared risk layer of coverage above the self-insured \$50,000 retention for liability and the self-insured \$100,000 retention for workers compensation. The NCCSIF is composed of 22 member cities and is governed by a board of directors appointed by the member cities. The governing board has authority over budgeting and financing. The City pays an annual premium to NCCSIF for its insurance coverage.

NCCSIF is a joint powers agency organized in accordance with Article 1, Chapter 5, Division 7, Title 1 of the California Government Fund Programs. The purpose is to create a common pool of funds to be used to meet obligations of the parties to provide workers' compensation benefits for their employees and to provide excess liability insurance. The Authority provides claims processing administrative services, risk management services, and actuarial studies. It is governed by a member from each city. The City of Colusa council members do not have significant oversight responsibility, since they evenly share all factors of responsibility with the other cities. However, ultimate liability for payment of claims and insurance premiums resides with member cities. The Authority is empowered to make supplemental assessments as needed to eliminate deficit positions of member cities. If the JPA becomes insolvent, the City is responsible only to the extent of any deficiency in its equity balance.

CITY OF COLUSA
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

NOTE 13: RISK MANAGEMENT (CONTINUED)

Upon termination of the JPA agreement, all property of the Authority will vest in the respective parties which theretofore transferred, conveyed or leased said property to the Authority. Any surplus of funds will be returned to the parties in proportion to actual balances of each equity.

The Authority establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims settlement expenses) that have been reported but not settled, plus estimates of claims that have been incurred but not reported. Because actual claims costs depend on various factors, the claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision of inflation is implicit in the calculation of estimated future claims costs. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The participants as of June 30, 2024 were as follows:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Anderson • Auburn • Colusa • Corning • Dixon • Elk Grove • Folsom • Galt • Gridley • Ione • Jackson | <ul style="list-style-type: none"> • Lincoln • Marysville • Nevada City • Oroville • Paradise • Placerville • Red Bluff • Rio Vista • Rocklin • Willows • Yuba City |
|---|--|

NOTE 14: OTHER INFORMATION

A. Commitments and Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the appreciable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

B. Subsequent Events

Management has evaluated events subsequent to June 30, 2024 through January 7, 2025, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

**Required Supplementary Information
(Unaudited)**

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CITY OF COLUSA
Required Supplementary Information
City Pension Plan
Schedule of Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2024
Last 10 Years

Measurement Date	2013/2014	2014/2015	2015/2016	2016/2017
Miscellaneous				
Proportion of the net pension liability	0.03535%	0.08470%	0.08663%	0.08805%
Proportionate share of the net pension liability	\$ 2,199,333	\$ 2,323,706	\$ 3,009,400	\$ 3,470,828
Covered payroll	830,647	857,971	905,553	944,509
Proportionate share of the net pension liability as a percentage of covered payroll	264.77%	270.84%	332.33%	367.47%
Plan fiduciary net position as a percentage of the total pension liability	81.65%	80.61%	74.53%	72.90%
Safety				
Proportion of the net pension liability	0.03574%	0.05668%	0.05477%	0.05335%
Proportionate share of the net pension liability	\$ 2,223,462	\$ 2,335,364	\$ 2,836,914	\$ 3,187,952
Covered payroll	796,973	785,947	801,110	818,934
Proportionate share of the net pension liability as a percentage of covered payroll	278.99%	297.14%	354.12%	389.28%
Plan fiduciary net position as a percentage of the total pension liability	73.46%	72.30%	68.61%	68.10%

<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>	<u>2022/2023</u>
0.09091%	0.09281%	0.09484%	0.13595%	0.09907%	0.09694%
\$ 3,426,135	\$ 3,716,710	\$ 4,000,471	\$ 2,581,414	\$ 4,635,784	\$ 4,847,370
1,084,340	1,125,429	1,045,094	1,247,936	1,296,101	1,253,113
315.97%	330.25%	382.79%	206.85%	357.67%	386.83%
73.79%	73.04%	71.65%	82.30%	69.59%	68.54%
0.05448%	0.05450%	0.05490%	0.07266%	0.05978%	0.00000%
\$ 3,196,476	\$ 3,402,053	\$ 3,657,910	\$ 2,549,964	\$ 4,107,667	\$ 4,372,366
850,207	845,600	771,122	976,385	986,427	1,004,214
375.96%	402.32%	474.36%	261.16%	416.42%	435.40%
69.90%	69.59%	68.72%	77.79%	68.33%	67.89%

CITY OF COLUSA
Required Supplementary Information
City Pension Plan
Schedule of Contributions
For the Year Ended June 30, 2024
Last 10 Years

Fiscal Year	<u>2014/2015</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
Miscellaneous				
Contractually required contributions (actuarially determined)	\$ 113,374	\$ 176,639	\$ 76,063	\$ 87,037
Contributions in relation to the actuarially determined contributions	<u>(113,374)</u>	<u>(282,591)</u>	<u>(201,241)</u>	<u>(233,858)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (105,952)</u>	<u>\$ (125,178)</u>	<u>\$ (146,821)</u>
Covered payroll	\$ 857,971	\$ 905,553	\$ 944,509	\$ 1,084,340
Contributions as a percentage of covered payroll	13.21%	31.21%	21.31%	21.57%
Safety				
Contractually required contributions (actuarially determined)	\$ 214,713	\$ 243,449	\$ 121,078	\$ 126,342
Contributions in relation to the actuarially determined contributions	<u>(214,713)</u>	<u>(377,175)</u>	<u>(271,279)</u>	<u>(292,800)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (133,726)</u>	<u>\$ (150,201)</u>	<u>\$ (166,458)</u>
Covered payroll	\$ 785,947	\$ 801,110	\$ 818,934	\$ 850,207
Contributions as a percentage of covered payroll	27.32%	47.08%	33.13%	34.44%

<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>	<u>2022/2023</u>	<u>2023/2024</u>
\$ 91,911	\$ 91,254	\$ 113,608	\$ 113,788	\$ 165,322	\$ 456,299
<u>(255,698)</u>	<u>(276,291)</u>	<u>(328,437)</u>	<u>(416,854)</u>	<u>(449,655)</u>	<u>(456,299)</u>
<u>\$ (163,787)</u>	<u>\$ (185,037)</u>	<u>\$ (214,829)</u>	<u>\$ (303,066)</u>	<u>\$ (284,333)</u>	<u>\$ -</u>
\$ 1,125,429 22.72%	\$ 1,045,094 26.44%	\$ 1,247,936 26.32%	\$ 1,296,101 32.16%	\$ 1,253,113 35.88%	\$ 1,425,275 32.01%
\$ 132,612	\$ 125,401	\$ 163,878	\$ 163,273	\$ 106,009	\$ 518,583
<u>(353,918)</u>	<u>(385,227)</u>	<u>(440,198)</u>	<u>(460,842)</u>	<u>(496,669)</u>	<u>(518,583)</u>
<u>\$ (221,306)</u>	<u>\$ (259,826)</u>	<u>\$ (276,320)</u>	<u>\$ (297,569)</u>	<u>\$ (390,660)</u>	<u>\$ -</u>
\$ 845,600 41.85%	\$ 771,122 49.96%	\$ 976,385 45.08%	\$ 986,427 46.72%	\$ 1,004,214 49.46%	\$ 1,091,899 47.49%

CITY OF COLUSA
Required Supplementary Information
City Pension Plan
Notes to City Pension Plan
For the Year Ended June 30, 2024

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

Summary of Changes of Benefits or Assumptions

Benefit Changes: None

Changes of Assumption: None

NOTE 2: SCHEDULE OF CONTRIBUTIONS

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

Valuation Date	June 30, 2021
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level Percentage of Payroll and Direct Rate Smoothing
Remaining Amortization Period	Differs by employer rate plan but no more than 30 years
Asset valuation method	Fair value
Discount Rate	6.80%
Inflation	2.30%
Salary increases	Varies based on entry age and service
Investment rate of return	6.80%

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CITY OF COLUSA
Required Supplementary Information
City OPEB Plan
Schedule of Changes in the Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2024
Last 10 Years*

Measurement Date	2016/2017	2017/2018	2018/2019	2019/2020
Total OPEB Liability				
Service Cost	\$ 95,414	\$ 86,611	\$ 89,424	\$ 69,867
Interest	239,103	217,975	225,075	183,599
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(445,430)	-	(584,005)	-
Changes of assumption	62,950	-	95,599	-
Benefit payments	(236,494)	(230,403)	(189,351)	(167,131)
Net Change in Total OPEB Liability	(284,457)	74,183	(363,258)	86,335
Total OPEB Liability - Beginning	3,307,213	3,022,756	3,096,939	2,733,681
Total OPEB Liability - Ending (a)	<u>\$ 3,022,756</u>	<u>\$ 3,096,939</u>	<u>\$ 2,733,681</u>	<u>\$ 2,820,016</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 277,549	\$ 287,818	\$ 265,353	\$ 249,964
Net investment income	135,032	114,256	99,930	69,432
Benefit payments	(236,494)	(230,403)	(189,351)	(167,131)
Administrative expenses	(702)	(776)	(359)	(906)
Other expenses	-	(1,819)	-	-
Net Change in Plan Fiduciary Net Position	175,385	169,076	175,573	151,359
Plan Fiduciary Net Position - Beginning	1,199,899	1,375,284	1,544,360	1,719,933
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,375,284</u>	<u>\$ 1,544,360</u>	<u>\$ 1,719,933</u>	<u>\$ 1,871,292</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 1,647,472</u>	<u>\$ 1,552,579</u>	<u>\$ 1,013,748</u>	<u>\$ 948,724</u>
Plan fiduciary net position as a percentage of the total OPEB liability	83.48%	99.47%	169.66%	197.24%
Covered-employee payroll	\$ 1,763,442	\$ 1,763,442	\$ 2,166,393	\$ 2,231,354
Net OPEB liability as a percentage of covered-employee payroll	93.42%	88.04%	46.79%	42.52%

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

<u>2020/2021</u>	<u>2021/2022</u>	<u>2022/2023</u>
\$ 71,965	\$ 80,875	\$ 83,301
189,582	185,155	192,106
-	-	86,858
19,057	-	(31,373)
101,606	-	314,985
<u>(166,711)</u>	<u>(162,115)</u>	<u>(146,920)</u>
215,499	103,915	498,957
<u>2,820,016</u>	<u>3,035,515</u>	<u>3,139,430</u>
<u>\$ 3,035,515</u>	<u>\$ 3,139,430</u>	<u>\$ 3,638,387</u>
\$ 207,309	\$ 205,047	\$ 205,473
540,010	(337,565)	147,366
(166,711)	(162,115)	(146,920)
(744)	(649)	(665)
<u>-</u>	<u>-</u>	<u>-</u>
579,864	(295,282)	205,254
<u>1,871,292</u>	<u>2,451,156</u>	<u>2,155,874</u>
<u>\$ 2,451,156</u>	<u>\$ 2,155,874</u>	<u>\$ 2,361,128</u>
<u>\$ 584,359</u>	<u>\$ 983,556</u>	<u>\$ 1,277,259</u>
419.46%	219.19%	184.86%
\$ 2,518,237	\$ 2,659,380	\$ 2,560,668
23.21%	36.98%	49.88%

CITY OF COLUSA
Required Supplementary Information
City OPEB Plan
Schedule of Contributions
For the Year Ended June 30, 2024
Last 10 Years*

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>
Actuarially determined contributions	\$ 246,173	\$ 206,622	\$ 212,271	\$ 141,579
Contributions in relation to the actuarially determined contribution	(287,817)	(265,353)	(249,964)	(210,166)
Contribution deficiency (excess)	<u>\$ (41,644)</u>	<u>\$ (58,731)</u>	<u>\$ (37,693)</u>	<u>\$ (68,587)</u>
Covered-employee payroll	\$ 1,763,442	\$ 2,166,363	\$ 2,231,354	\$ 2,518,237
Contributions as a percentage of covered-employee payroll	16.32%	12.25%	11.20%	8.35%

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

<u>2021/2022</u>	<u>2022/2023</u>	<u>2023/2024</u>
\$ 145,476 (205,047)	\$ 154,022 (205,473)	\$ 158,638 (200,008)
<u>\$ (59,571)</u>	<u>\$ (51,451)</u>	<u>\$ (41,370)</u>
\$ 2,659,380 7.71%	\$ 2,560,668 8.02%	\$ 3,108,350 6.43%

CITY OF COLUSA
Required Supplementary Information
City OPEB Plan
Notes to City OPEB Plan
For the Year Ended June 30, 2024

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

None.

NOTE 2: SCHEDULE OF CONTRIBUTIONS

The actuarially determined contribution (ADC) developed for the City’s fiscal year ending June 30, 2024 was determined and presented in the June 30, 2021 Actuarial Valuation report.

Methods and Assumptions Used to Determine Contributions:

Actuarial cost method	Entry Age Normal, Level Percent of Pay
Amortization method	Level percent of pay, closed 30 years
Amortization period	18 years remain
Asset valuation method	Market value
Inflation	2.50%
Healthcare cost trend rates	5.80% in 2023, fluctuating down to 3.90% by 2076
Salary increases	3.00%
Investment rate of return	6.10%
Retirement age	From 50 to 75
Mortality	2017 CalPERS’ Experience Study; improvement using MacLeod Watts Scale 2022

CITY OF COLUSA
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 5,607,426	\$ 5,647,306	\$ 5,238,855	\$ (408,451)
Licenses and permits	268,300	278,300	209,270	(69,030)
Fines and forfeitures	9,500	9,500	16,479	6,979
Use of money	57,000	70,000	148,190	78,190
Intergovernmental	68,500	68,500	2,083,474	2,014,974
Charges for services	218,800	213,800	136,662	(77,138)
Other revenues	34,285	38,085	88,685	50,600
Total Revenues	6,263,811	6,325,491	7,921,615	1,596,124
EXPENDITURES				
Current:				
General government	1,458,592	4,775,234	4,803,326	(28,092)
Public safety	3,119,379	3,031,676	3,034,476	(2,800)
Public works	660,902	892,425	1,073,745	(181,320)
Culture and recreation	406,397	419,643	436,836	(17,193)
Community development	633,293	481,156	148,452	332,704
Total Expenditures	6,278,563	9,600,134	9,496,835	103,299
Excess of Revenues Over (Under) Expenditures	(14,752)	(3,274,643)	(1,575,220)	1,699,423
OTHER FINANCING SOURCES (USES)				
Debt proceeds	-	1,708,585	104,713	(1,603,872)
Transfers in	991,705	2,176,039	661,041	(1,514,998)
Total Other Financing Sources (Uses)	991,705	3,884,624	765,754	(3,118,870)
Net Change in Fund Balances	976,953	609,981	(809,466)	(1,419,447)
Fund Balances - Beginning	4,218,789	4,218,789	4,218,789	-
Fund Balances - Ending	\$ 5,195,742	\$ 4,828,770	\$ 3,409,323	\$ (1,419,447)
Reconciliation of Net Changes in Fund Balances - Budgetary to GAAP Basis:				
Total Expenditures - Budgetary Basis				\$ 9,496,835
Debt service and capital outlay expenditures are included as functional expenditures for budgetary purposes, but are included as debt service principal and interest and capital outlay expenditures for financial reporting purposes.				
General government				(3,158,439)
Public safety				(299,684)
Public works				(205,935)
Debt service - principal expenditures				2,923
Debt service - interest and other charges expenditures				18,526
Capital outlay expenditures				3,642,609
Total Expenditures - Statement of Revenues, Expenditures and Changes in Fund Balances				\$ 9,496,835

CITY OF COLUSA
Required Supplementary Information
Budgetary Comparison Schedule
CDBG Program Income - Major Special Revenue Fund
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money	\$ 750	\$ 1,500	\$ 6,823	\$ 5,323
Intergovernmental	-	-	7,651	7,651
Other revenues	10,000	10,000	-	(10,000)
Total Revenues	<u>10,750</u>	<u>11,500</u>	<u>14,474</u>	<u>2,974</u>
EXPENDITURES				
Current:				
Community development	<u>9,600</u>	<u>9,600</u>	<u>-</u>	<u>9,600</u>
Total Expenditures	<u>9,600</u>	<u>9,600</u>	<u>-</u>	<u>9,600</u>
Excess of Revenues Over (Under) Expenditures	<u>1,150</u>	<u>1,900</u>	<u>14,474</u>	<u>12,574</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(167,482)</u>	<u>(167,482)</u>	<u>(1,833)</u>	<u>165,649</u>
Total Other Financing Sources (Uses)	<u>(167,482)</u>	<u>(167,482)</u>	<u>(1,833)</u>	<u>165,649</u>
Net Change in Fund Balances	<u>(166,332)</u>	<u>(165,582)</u>	<u>12,641</u>	<u>178,223</u>
Fund Balances - Beginning	<u>257,802</u>	<u>257,802</u>	<u>257,802</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 91,470</u>	<u>\$ 92,220</u>	<u>\$ 270,443</u>	<u>\$ 178,223</u>

CITY OF COLUSA
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Year Ended June 30, 2024

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

Formal budgetary integration is employed as a management control device during the year. The City presents a comparison of annual budget to actual results for the General fund and major special revenue funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

The City follows these procedures annually in establishing the budgetary data reflected in the financial statements:

- (1) The City Manager submits to the City Council a recommended draft budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.
- (2) The City Council reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Council also conducts a public hearing on the recommended budget to obtain comments from interested persons.
- (3) Prior to July 1, the budget is adopted through the passage of a resolution.
- (4) From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as recommended expenditures become appropriations to the various City departments. The City Council may amend the budget by motion during the fiscal year. The City Manager may authorize transfers from one object or purpose to another within the same department.

From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as recommended expenditures become appropriations to the various City departments. The City Council may amend the budget by motion during the fiscal year. The City Manager may authorize transfers from one object or purpose to another within the same department.

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Combining Nonmajor Fund Financial Statements

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Nonmajor Governmental Funds

- **Special Revenue Funds**

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CITY OF COLUSA
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2024

	Traffic Safety	Supplemental Law Enforcement (SLESF)	Strike Team	Gas Tax
ASSETS				
Cash and investments	\$ -	\$ 424,485	\$ 135,022	\$ 422,832
Receivables:				
Accounts	119	-	-	28,492
Interest	-	2,993	1,030	3,097
Loans receivable	-	-	-	-
Total Assets	\$ 119	\$ 427,478	\$ 136,052	\$ 454,421
LIABILITIES				
Accounts payable	\$ -	\$ 61,153	\$ 4,133	\$ 29,165
Due to other funds	2,377	-	-	-
Total Liabilities	2,377	61,153	4,133	29,165
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
Deferred housing loan payments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Restricted	-	366,325	131,919	425,256
Unassigned	(2,258)	-	-	-
Total Fund Balances	(2,258)	366,325	131,919	425,256
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 119	\$ 427,478	\$ 136,052	\$ 454,421

Park Donations	Improvement District	County Transportation	HOME Program	Street Development Impact Fees	Law Enforcement Development Impact Fees	Fire Development Impact Fees	Drainage Development Impact Fees
\$ 667	\$ 5,607	\$ 753,749	\$ 227,225	\$ 468,663	\$ 231,756	\$ 259,795	\$ 99,782
-	8,985	-	506	10,022	11,369	15,510	-
5	98	4,092	1,588	3,280	1,623	1,812	700
-	-	-	1,024,117	-	-	-	-
<u>\$ 672</u>	<u>\$ 14,690</u>	<u>\$ 757,841</u>	<u>\$ 1,253,436</u>	<u>\$ 481,965</u>	<u>\$ 244,748</u>	<u>\$ 277,117</u>	<u>\$ 100,482</u>
\$ -	\$ 7,534	\$ 5,116	\$ (11,513)	\$ -	\$ 1,898	\$ -	\$ -
-	-	-	1,935	-	-	-	-
-	7,534	5,116	(9,578)	-	1,898	-	-
-	4,060	-	-	-	-	-	-
-	-	-	885,630	-	-	-	-
-	4,060	-	885,630	-	-	-	-
672	3,096	752,725	377,384	481,965	242,850	277,117	100,482
-	-	-	-	-	-	-	-
672	3,096	752,725	377,384	481,965	242,850	277,117	100,482
<u>\$ 672</u>	<u>\$ 14,690</u>	<u>\$ 757,841</u>	<u>\$ 1,253,436</u>	<u>\$ 481,965</u>	<u>\$ 244,748</u>	<u>\$ 277,117</u>	<u>\$ 100,482</u>

CITY OF COLUSA
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2024

	Park/Rec Development Impact Fees	City Hall Development Impact Fees	Community Center Development Impact Fees	State Recycling Grant
ASSETS				
Cash and investments	\$ 101,513	\$ 115,815	\$ 50,468	\$ 14,035
Receivables:				
Accounts	2,097	4,002	965	-
Interest	710	812	353	96
Loans receivable	-	-	-	-
Total Assets	\$ 104,320	\$ 120,629	\$ 51,786	\$ 14,131
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
Deferred housing loan payments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Restricted	104,320	120,629	51,786	14,131
Unassigned	-	-	-	-
Total Fund Balances	104,320	120,629	51,786	14,131
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 104,320	\$ 120,629	\$ 51,786	\$ 14,131

Historical Preservation Committee	State Park	Boat Launch	C. Meadows West Lighting	Hoblit Lighting	Colusa FD2	Walnut Ranch	Cannabis Revenue
\$ 3,048	\$ -	\$ 90,901	\$ 4,970	\$ 248	\$ 57,127	\$ 33,972	\$ 1,564,073
-	-	-	886	651	19,602	(12,759)	38,948
21	-	615	59	19	414	259	10,991
-	-	-	-	-	-	-	-
<u>\$ 3,069</u>	<u>\$ -</u>	<u>\$ 91,516</u>	<u>\$ 5,915</u>	<u>\$ 918</u>	<u>\$ 77,143</u>	<u>\$ 21,472</u>	<u>\$ 1,614,012</u>
\$ 30	\$ 3,198	\$ -	\$ 80	\$ 40	\$ 384	\$ -	\$ 20,797
-	63,345	-	-	-	-	-	-
30	66,543	-	80	40	384	-	20,797
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3,039	-	91,516	5,835	878	76,759	21,472	1,593,215
-	(66,543)	-	-	-	-	-	-
3,039	(66,543)	91,516	5,835	878	76,759	21,472	1,593,215
<u>\$ 3,069</u>	<u>\$ -</u>	<u>\$ 91,516</u>	<u>\$ 5,915</u>	<u>\$ 918</u>	<u>\$ 77,143</u>	<u>\$ 21,472</u>	<u>\$ 1,614,012</u>

CITY OF COLUSA
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2024

	Developer Deposits	Prop 64 Grant	Totals
ASSETS			
Cash and investments	\$ 26,869	\$ -	\$ 5,092,622
Receivables:			
Accounts	-	-	129,395
Interest	-	-	34,667
Loans receivable	-	-	1,024,117
Total Assets	\$ 26,869	\$ -	\$ 6,280,801
LIABILITIES			
Accounts payable	\$ 7,111	\$ 620	\$ 129,746
Due to other funds	44,221	41,224	153,102
Total Liabilities	51,332	41,844	282,848
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	4,060
Deferred housing loan payments	-	-	885,630
Total Deferred Inflows of Resources	-	-	889,690
FUND BALANCES			
Restricted	-	-	5,243,371
Unassigned	(24,463)	(41,844)	(135,108)
Total Fund Balances	(24,463)	(41,844)	5,108,263
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 26,869	\$ -	\$ 6,280,801

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CITY OF COLUSA
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2024

	Traffic Safety	Supplemental Law Enforcement (SLESF)	Strike Team	Gas Tax
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	2,484	-	-	-
Use of money	-	10,282	4,020	9,944
Intergovernmental	-	186,159	-	338,502
Charges for services	-	-	91,024	-
Other revenues	-	-	-	-
Total Revenues	<u>2,484</u>	<u>196,441</u>	<u>95,044</u>	<u>348,446</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	846	111,498	191,848	-
Public works	-	-	-	172,423
Culture and recreation	-	-	-	-
Community development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	24,483	9,891	-
Total Expenditures	<u>846</u>	<u>135,981</u>	<u>201,739</u>	<u>172,423</u>
Excess of Revenues Over (Under Expenditures)	<u>1,638</u>	<u>60,460</u>	<u>(106,695)</u>	<u>176,023</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	(50,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
Net Change in Fund Balances	1,638	60,460	(106,695)	126,023
Fund Balances - Beginning	<u>(3,896)</u>	<u>305,865</u>	<u>238,614</u>	<u>299,233</u>
Fund Balances - Ending	<u>\$ (2,258)</u>	<u>\$ 366,325</u>	<u>\$ 131,919</u>	<u>\$ 425,256</u>

<u>Park Donations</u>	<u>Improvement District</u>	<u>County Transportation</u>	<u>HOME Program</u>	<u>Street Development Impact Fees</u>	<u>Law Enforcement Development Impact Fees</u>	<u>Fire Development Impact Fees</u>	<u>Drainage Development Impact Fees</u>
\$ -	\$ 87,732	\$ -	\$ -	\$ 21,997	\$ 21,442	\$ 29,276	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8	304	14,647	5,632	11,846	5,831	6,481	3,329
-	-	270,658	-	-	-	-	-
-	20,308	-	-	-	-	-	-
-	12,100	-	171,185	-	-	-	-
8	120,444	285,305	176,817	33,843	27,273	35,757	3,329
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	99,677	-	-	-	-	54,946
-	87,866	-	-	-	-	-	-
-	-	-	(4,150)	-	-	-	-
-	2,923	-	-	-	-	-	-
-	757	-	-	-	-	-	-
-	66,034	15,000	-	-	2,908	-	-
-	157,580	114,677	(4,150)	-	2,908	-	54,946
8	(37,136)	170,628	180,967	33,843	24,365	35,757	(51,617)
-	(5,000)	(5,000)	-	-	-	-	-
-	(5,000)	(5,000)	-	-	-	-	-
8	(42,136)	165,628	180,967	33,843	24,365	35,757	(51,617)
664	45,232	587,097	196,417	448,122	218,485	241,360	152,099
\$ 672	\$ 3,096	\$ 752,725	\$ 377,384	\$ 481,965	\$ 242,850	\$ 277,117	\$ 100,482

CITY OF COLUSA
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2024

	<u>Park/Rec Development Impact Fees</u>	<u>City Hall Development Impact Fees</u>	<u>Community Center Development Impact Fees</u>	<u>State Recycling Grant</u>
REVENUES				
Taxes and assessments	\$ 4,602	\$ 5,439	\$ 2,117	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money	2,567	2,945	1,278	311
Intergovernmental	-	-	-	5,000
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>7,169</u>	<u>8,384</u>	<u>3,395</u>	<u>5,311</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	515
Community development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>515</u>
Excess of Revenues Over (Under Expenditures)	<u>7,169</u>	<u>8,384</u>	<u>3,395</u>	<u>4,796</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	(2,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,000)</u>
Net Change in Fund Balances	7,169	8,384	3,395	2,796
Fund Balances - Beginning	<u>97,151</u>	<u>112,245</u>	<u>48,391</u>	<u>11,335</u>
Fund Balances - Ending	<u>\$ 104,320</u>	<u>\$ 120,629</u>	<u>\$ 51,786</u>	<u>\$ 14,131</u>

Historical Preservation Committee	State Park	Boat Launch	C. Meadows West Lighting	Hoblit Lighting	Colusa FD2	Walnut Ranch	Cannabis Revenue
\$ -	\$ -	\$ -	\$ 8,840	\$ 6,500	\$ 61,850	\$ 6,369	\$ -
-	-	-	-	-	-	-	187,658
-	-	-	-	-	-	-	-
69	-	1,851	165	31	1,092	804	38,543
-	-	-	-	-	-	-	-
-	-	27,195	-	-	-	-	-
880	21,930	-	-	-	-	-	-
949	21,930	29,046	9,005	6,531	62,942	7,173	226,201
30	-	-	693	228	2,526	3,106	-
-	-	-	-	-	-	-	34,360
-	-	-	-	-	-	-	-
-	25,323	738	-	-	-	-	-
-	-	-	-	-	-	-	-
-	650	-	-	-	-	-	-
-	168	-	-	-	-	-	-
-	-	-	-	-	-	-	-
30	26,141	738	693	228	2,526	3,106	34,360
919	(4,211)	28,308	8,312	6,303	60,416	4,067	191,841
-	-	-	(7,000)	(5,000)	(14,000)	(8,000)	-
-	-	-	(7,000)	(5,000)	(14,000)	(8,000)	-
919	(4,211)	28,308	1,312	1,303	46,416	(3,933)	191,841
2,120	(62,332)	63,208	4,523	(425)	30,343	25,405	1,401,374
\$ 3,039	\$ (66,543)	\$ 91,516	\$ 5,835	\$ 878	\$ 76,759	\$ 21,472	\$ 1,593,215

CITY OF COLUSA
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2024

	<u>Developer Deposits</u>	<u>Prop 64 Grant</u>	<u>Totals</u>
REVENUES			
Taxes and assessments	\$ -	\$ -	\$ 256,164
Licenses and permits	-	-	187,658
Fines and forfeitures	-	-	2,484
Use of money	269	-	122,249
Intergovernmental	-	89,545	889,864
Charges for services	10,000	-	148,527
Other revenues	12,750	-	218,845
Total Revenues	<u>23,019</u>	<u>89,545</u>	<u>1,825,791</u>
EXPENDITURES			
Current:			
General government	65,301	-	71,884
Public safety	-	66,735	405,287
Public works	-	-	327,046
Culture and recreation	-	-	114,442
Community development	-	-	(4,150)
Debt service:			
Principal	-	-	3,573
Interest and other charges	-	-	925
Capital outlay	-	64,654	182,970
Total Expenditures	<u>65,301</u>	<u>131,389</u>	<u>1,101,977</u>
Excess of Revenues Over (Under Expenditures)	<u>(42,282)</u>	<u>(41,844)</u>	<u>723,814</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(41)	-	(96,041)
Total Other Financing Sources (Uses)	<u>(41)</u>	<u>-</u>	<u>(96,041)</u>
Net Change in Fund Balances	(42,323)	(41,844)	627,773
Fund Balances - Beginning	<u>17,860</u>	<u>-</u>	<u>4,480,490</u>
Fund Balances - Ending	<u>\$ (24,463)</u>	<u>\$ (41,844)</u>	<u>\$ 5,108,263</u>

Continued (Page 3 of 3)

CITY OF COLUSA, CALIFORNIA



**SINGLE AUDIT ACT
REPORTS AND SCHEDULES
FOR THE YEAR ENDED
JUNE 30, 2024**

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CITY OF COLUSA
Single Audit Act
For the Year Ended June 30, 2024

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Colusa, California, (City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 7, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 that we consider to be significant deficiencies.

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

Report on Compliance and Other Matters

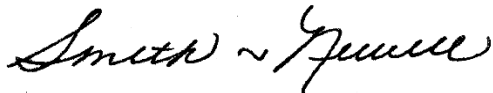
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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



Smith & Newell CPAs
Yuba City, California
January 7, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Colusa, California's (City) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City’s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures, include examining, on a test basis, evidence regarding the City’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

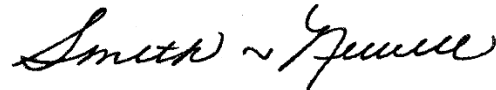
Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

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

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Colusa, California, (City) as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the City’s basic financial statements. We issued our report thereon dated January 7, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Smith & Newell CPAs
Yuba City, California
January 7, 2025

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CITY OF COLUSA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development				
State Department of Housing and Community Development: Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	-	-	1,500,000
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	-	-	1,657,969
Subtotal 14.228			-	3,157,969
Home Investment Partnerships Program	14.239	-	-	902,258
Subtotal 14.239			-	902,258
Total U.S. Department of Housing and Urban Development			-	4,060,227
U.S. Department of Transportation				
State Department of Transportation: Safe Streets and Roads for All	20.939	-	-	31,535
Total U.S. Department of Transportation			-	31,535
U.S. Department of the Treasury				
Direct Program: Coronavirus State and Local Fiscal Recovery Funds	21.027	-	-	533,391
Total U.S. Department of the Treasury			-	533,391
Total			\$ -	\$ 4,625,153

See the accompanying Notes to Schedule of Expenditures of Federal Awards

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CITY OF COLUSA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the City of Colusa, California (City). The City's reporting entity is defined in Note 1 to the City's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the Schedule of Expenditures of Federal Awards. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

2. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. The accompanying Schedule of Expenditures of Federal Awards, is presented using the modified accrual basis of accounting for grants accounted for in the governmental fund types and the accrual basis of accounting for grants accounted for in the proprietary fund types, as described in the notes to the City financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursements. In addition, the outstanding balance of prior years' loans that have significant continuing compliance requirements have been included in total federal expenditures.

3. INDIRECT COST RATE

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree or can be reconciled with amounts reported in the related federal financial assistance reports.

5. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree or can be reconciled with amounts reported in the City's basic financial statements.

6. PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

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

CITY OF COLUSA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

7. LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS

The City participates in certain federal award programs that sponsor revolving loan programs, which are administered by the City. These programs require servicing arrangements with the City. The funds are returned to the programs upon repayment of the principal and interest. In accordance with Section 200.510 of the Uniform Guidance, the City has reported the outstanding balance of loans from previous years that have significant continuing compliance requirements as of June 30, 2024, along with the value of total outstanding and new loans made during the current year.

The programs listed below had the following aggregate, federally funded loans outstanding at June 30, 2024:

Assistance Listing Number	Program Title	Amount Outstanding	
		July 1, 2023	June 30, 2024
14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	\$ 1,657,969	\$ 1,776,130
14.239	Home Investment Partnerships Program	902,258	885,630
	Total Loans Outstanding	<u>\$ 2,560,227</u>	<u>\$ 2,661,760</u>

CITY OF COLUSA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

SECTION I - SUMMARY OF AUDITOR’S RESULTS

Financial Statements	<u>Status</u>
1. Type of auditor’s report issued	Unmodified
2. Internal controls over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified and not considered to be material weaknesses?	Yes
3. Noncompliance material to financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified and not considered to be material weaknesses?	No
2. Type of auditor’s report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
4. Identification of major programs:	
14.228 Community Development Block Grant/State’s Program and Non-Entitlement Grants in Hawaii	
21.027 Coronavirus State and Local Fiscal Recovery Funds	
5. Dollar threshold used to distinguish between Type A and Type B programs?	\$750,000
6. Auditee qualified as a low-risk auditee under 2 CFR Section 200.520?	Yes

SECTION II - FINANCIAL STATEMENT FINDINGS

Schedule of Expenditures of Federal Awards	2024-001
Audit Adjustments	2024-002

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

CITY OF COLUSA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

2024-001 Schedule of Expenditures of Federal Awards (Significant Deficiency)

Criteria

Uniform Guidance Title 2 Section 200.510(b) requires that the City prepare a Schedule of Expenditures of Federal Awards (SEFA) for the period covered by the City’s financial statements. Section 200.502 states that the determination of when a federal award is expended should be based on when the activity related to the federal award occurs.

Condition

Expenditures reported on the Schedule of Expenditures of Federal Awards (SEFA) as presented at the beginning of audit fieldwork was overstated by \$35,787.

Cause

The City did not reconcile expenditures reported on its SEFA to reports and schedules.

Effect

Expenditures reported on the SEFA prepared by the City were incorrectly stated and required adjustment.

Questioned Cost

No questioned costs were identified as a result of our procedures.

Context

Not applicable.

Repeat Finding

This is not a repeat finding.

Recommendation

We recommend that the City review the requirements of the Uniform Guidance to ensure that the expenditures reported on the SEFA are correctly stated.

Views of Responsible Officials and Planned Corrective Action

Refer to separate Management’s Corrective Action Plan for views of responsible officials and management’s responses.

CITY OF COLUSA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

2024-002 Audit Adjustments (Significant Deficiency)

Criteria

Government auditing standards require independent auditors to evaluate all unadjusted misstatements of financial statements. Furthermore, producing timely audited financial statements is more difficult when adjustments are not recorded prior to the start of the annual audit.

Condition

At the time of our audit, we noted that the financial statements as presented to us for audit contained misstatements in various accounts that required adjustment.

Cause

The City had not reviewed and reconciled all accounts in the general ledger.

Effect

The financial statements as presented to us contained misstatements and required adjustments.

Questioned Cost

No questioned costs were identified as a result of our procedures.

Context

Not applicable.

Repeat Finding

This is not a repeat finding.

Recommendation

We recommend that the City review and reconcile all accounts so that required adjustments can be recorded prior to the start of the annual audit.

Views of Responsible Officials and Planned Corrective Action

Refer to separate Management's Corrective Action Plan for views of responsible officials and management's responses.

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CITY OF COLUSA

425 WEBSTER STREET * COLUSA, CA 95932 * (530) 458-4941 * FAX (530) 458-8674

CITY OF COLUSA, CALIFORNIA

Management's Corrective Action Plan

For the Year Ended June 30, 2024

Compiled by: Ishrat Aziz-Khan

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CITY OF COLUSA
Management's Corrective Action Plan
For the Year Ended June 30, 2024

Finding 2024-001 Schedule of Expenditures of Federal Awards (Significant Deficiency)

We recommend that the City review the requirements of the Uniform Guidance to ensure that the expenditures reported on the SEFA are correctly stated.

Management's Response: We acknowledge that the SLRF expenses were not reported correctly at the beginning of the audit fieldwork.

Responsible Individual: Ishrat Aziz-Khan, Finance Director

Corrective Action Plan: The SLRF fund must submit the SLRF P&E report by April 30th each year. The City's fiscal year closes on June 30th. The timing difference between the two reports caused a misstatement in reporting.

The City Auditor corrected the amount in the audit report. The Finance Director will reconcile the SLRF account before preparing the mid-year budget and have the City Manager review and sign off on it.

Anticipated Completion Date: February 20th, 2025

Finding 2024-002 Audit Adjustments (Significant Deficiency)

We recommend that the City review and reconcile all accounts so that required adjustments can be recorded prior to the start of the annual audit.

Management's Response: We agree that the City's software cannot produce the reports on time and in a usable manner. We have to wait sixty days after June 30th before we can work on closing the year. Most of the reconciliation work is done manually and leaves the possibility of errors.

Responsible Individual: Ishrat Aziz-Khan, Finance Director

Corrective Action Plan: The City is in the process of implementing the new software, Tyler Tech. This will improve the accounting functionality and expedite the reporting process. This will expedite the year-end closing process and the staff will have more time to review the account reconciliation.

Anticipated Completion Date: The software will be implemented by December 2025. Meanwhile, staff will be more vigilant about the accounts' reconciliations before the auditor's fieldwork.

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