



ORLAND CITY COUNCIL REGULAR MEETING AGENDA

Tuesday, June 04, 2024 at 6:30 PM
Carnegie Center, 912 Third Street and via Zoom

P: (530) 865-1600 | www.cityoforland.com

City Council: Chris Dobbs, Mayor | Mathew Romano, Vice-Mayor

Bruce T. Roundy | Jeffrey A. Tolley | John McDermott

City Manager: Peter R. Carr **City Clerk:** Jennifer Schmitke

Virtual Meeting Information:

<https://us02web.zoom.us/j/84549762149>

Webinar ID: 845 4976 2149 | Zoom Telephone: 1 (669) 900-9128

Public comments are welcomed and encouraged in advance of the meeting by emailing the City Clerk at jtschmitke@cityoforland.com or by phone at (530) 865-1610 by 4:00 p.m. on the day of the meeting

1. CALL TO ORDER - 6:00 PM

2. ROLL CALL

Comments from the public are welcomed. The Mayor will announce the opportunity for comments related to each action item on the agenda. Please limit your comments to three minutes per topic, and one comment per person per topic. Once the public comment period is closed, please allow the Council the opportunity to continue its consideration of the item without interruption.

3. CLOSED SESSION

A. Public Comments: The Public will have an opportunity to directly address the legislative body on the item below prior to the Council convening into closed session. Public comments are generally restricted to three minutes.

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section: 54957

Position: City Manager

4. RECONVENE TO REGULAR SESSION - 6:30 P.M.

5. REPORT FROM CLOSED SESSION

(If the Closed Session is not completed before 6:30 P.M., it will resume immediately following the Regular Session.)

6. PLEDGE OF ALLEGIANCE

7. CONSENT CALENDAR

- A.** Warrant List (Payable Obligations) (Pg.3)
- B.** Approve City Council Minutes for May 21, 2024(Pg.9)

8. ADMINISTRATIVE BUSINESS

- A.** Annual Financial Audit Report FY23 (Discussion/Action) - Pete Carr, City Manager (20 min) (Pg.15)
- B.** Fiscal Year 2024-25 Budget Adoption (Discussion/Action) - Pete Carr, City Manager (20 min) (Pg.96)
- C.** Carnegie Center Facility Concept Options (Discussion/Direction) - Pete Carr, City Manager (20 min)(Pg.134)
- D.** Update on Measure J (Oral Report) - Greg Einhorn, City Attorney (5 min)

9. ORAL AND WRITTEN COMMUNICATIONS

Public Comments:

Members of the public wishing to address the Council on any item(s) not on the agenda may do so at this time when recognized by the Mayor. However, no formal action or discussion will be taken unless placed on a future agenda. The public is advised to limit discussion to one presentation per individual. While not required, please state your name and place of residence for the record. Please direct your comments to the Mayor or Vice Mayor. (Public Comments will be limited to three minutes).

10. CITY COUNCIL COMMUNICATIONS AND REPORTS

11. ADJOURN

CERTIFICATION: Pursuant to Government Code Section 54954.2(a), the agenda for this meeting was properly posted on May 31, 2024.

A complete agenda packet is available for public inspection during normal business hours at City Hall, 815 Fourth Street, in Orland or on the City's website at www.cityoforland.com where meeting minutes and video recordings are also available.

In compliance with the Americans with Disabilities Act, the City of Orland will make available to members of the public any special assistance necessary to participate in this meeting. The public should contact the City Clerk's Office 530-865-1610 to make such a request. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

CITY COUNCIL

Chris Dobbs, Mayor
 Mathew Romano, Vice-Mayor
 Bruce T. Roundy
 Jeffrey A. Tolley
 John McDermott

CITY OFFICIALS

Jennifer Schmitke
 City Clerk

Leticia Espinosa
 City Treasurer

CITY OF ORLAND

INCORPORATED 1909

815 Fourth Street
 ORLAND, CALIFORNIA 95963
 Telephone (530) 865-1600
 Fax (530) 865-1632

**CITY MANAGER**

Peter R. Carr

WARRANT LIST

June 4, 2024

Warrant	5/30/2024	\$	167,838.13
PERS 4/18/2024 - 05/01/2024	5/17/2024	\$	28,497.20
Payroll Compensation # 10	5/16/2024	\$	141,802.56
Payroll Compensation # 11	5/30/2024	\$	137,489.97
		\$	475,627.86

APPROVED BY

 Mayor, Chris Dobbs

 Vice-Mayor, Mathew Romano

 Councilmember, Jeffrey A. Tolley

 Councilmember, John McDermott

 Councilmember, Bruce T. Roundy

REPORT.: May 30 24 Thursday
 RUN....: May 30 24 Time: 15:58
 Run By.: Leticia Espinosa

CITY OF ORLAND
 Cash Disbursement Detail Report
 Check Listing for 05-24 thru 05-24 Bank Account.: 1001

PAGE: 001
 ID #: PY-
 CTL.: 7. A.

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
055353	05/28/24	BOG00	Bogart Construction	-3983.00	283,284,2u	Ck# 055353 Reversed
056436	05/21/24	SSD00	SSDTTF	-231.00	12/02/22u	Ck# 056436 Reversed
059137	05/21/24	SSD00	SSDTTF	231.00	DEC022022H	PD/TRNING JAN 23-24,2023/REPLACE CK# 056436
059139	05/28/24	BOG00	Bogart Construction	3983.00	283,284,2H	PW/CONCRETE MIX (REPLACE CK#055353 LOST 5/12/22)
059140	05/30/24	ABD00	ADVANCED DOCUMENT CONCEPT	16431.88 650.00	INV128743 INV129188	PURCHASE OF FOLDER/INSERTER MACHINE 1 YR PARTS & LABOR CONTRACT BILLING ENV. MACHINE
			Check Total.....:	17081.88		
059141	05/30/24	ALV06	MICAELA ALVA	140.49	05242024	FD/REIMBURSEMENT FOR OFFICE SUPPLIES
059142	05/30/24	AND06	EDGAR ANDRADE	45.00 100.00	JUN24GYM JUNE2024	PD/GYM REIMBURSEMENT MEASURE A UNIFORMS
			Check Total.....:	145.00		
059143	05/30/24	AND07	EDGAR ANDRADE	150.00	05262024	OPD/PER DIEM TRNING WOODLAND JUN 19-21,2024
059144	05/30/24	ATT06	A T & T	28.88	21681279	PW/WH LIFT STATION - 843
059145	05/30/24	ATT07	A T & T	31.72 94.88	05072024 05232024	PW/SHOP AC/PHONE LINE & INTERNET
			Check Total.....:	126.60		
059146	05/30/24	BAL00	Knife River Construction	826.84	302365	PW/STREET SUPPLIES
059147	05/30/24	BID02	REMY BIDSTRUP	275.00	JUNE2024	AC/SOCIAL MEDIA MARKETING JUNE 2024
059148	05/30/24	CES00	Kyle Cessna	100.00	JUNE2024	MEASURE A UNIFORMS
059149	05/30/24	CHA01	Justin Chaney	100.00	JUNE2024	FD/MEASURE A-UNIFORM JUNE 2024
059150	05/30/24	CIV00	CIVICPLUS LLC	6330.00	298349	CLERK/AGENDA MANAGEMENT ANNUAL BILL
059151	05/30/24	CLE05	JUDY CLEVER	150.00	JUNE2024	AC/CLEANING & MAINTENANCE OF GALLERY
059152	05/30/24	COR00	CORNING LUMBER CO., INC.	85.00	04242024	FD/MEASURE A-TRAINING MATERIALS
059153	05/30/24	COR04	CORBIN WILLITS SYSTEMS	559.17	00C405151	MULTI-DEPTS/MONTHLY SOFTWARE SUPPORT
059154	05/30/24	CRA06	SHARON CRABILL	538.75	05222024	AC/PURCHASE ARTWORK "STORMY WEATHER"
059155	05/30/24	DOB01	CHRIS DOBBS	300.00	MAY2024	COUNCILMEMBER STIPEND
059156	05/30/24	EIS00	Employers Investigative S	1034.39	5050837	PD/OFFICER CANDIDATE BACKGROUND INVESTIGATION
059157	05/30/24	FLO03	JOSE FLORES	100.00	JUNE2024	MEASURE A UNIFORMS
059158	05/30/24	FRE04	GORDON TRUCK CENTER INC.	222.37	1457001	FD FLEET/VALVE PARK BRAKE FOR E28
059159	05/30/24	FUL04	OSCAR QUEZADA	60.00	1910	CITY YARD APRIL
059160	05/30/24	GAY01	GAYNOR TELESYSTEMS INC	51.00	APR-24	FD/MEASURE A-FAXFINDER CLOUD
059161	05/30/24	GHD00	GHD INC.	7120.00	380005134	SR 32 & TEHAMA ST FEASIBILITY STUDY
059162	05/30/24	GRA02	GRAINGER, INC.	3463.25	911826245	MULTI-DEPTS SUPPLIES
059163	05/30/24	HOM00	HOME DEPOT CREDIT SERVICE	1428.19	05132024	MULTI DEPT/OFFICE SUPPLIES
059164	05/30/24	JOH02	SEAN JOHNSON	100.00	JUNE2024	MEASURE A UNIFORMS
059165	05/30/24	JOH05	SEAN JOHNSON	21.52	05142024	PD/REIMBURSEMENT FOR DISPLAY CORD CONNECTOR
059166	05/30/24	KIM01	KIMBALL MIDWEST	147.62	102216710	PW/SHOP SUPPLIES
059167	05/30/24	KIP03	JERRY KIPPER	4726.00	05152024	ARPA CITY HALL FLOORING
059168	05/30/24	LEA02	LLC / SACRAMENTO VALLEY D	30.00	5366	SACRAMENTO VALLEY DIVISION MEETING MAY 17,2024
059169	05/30/24	LOW00	Katherine Lowery	24.00 100.00	JUN24GYM JUNE2024	PD/GYM REIMBURSEMENT MEASURE A UNIFORMS
			Check Total.....:	124.00		
059170	05/30/24	LUP00	MARIA LUPERCIO	60.00	05152024	REFUND FOR BASKETBALL CAMP
059171	05/30/24	MAR16	RYAN MARTINDALE	250.00	05202024	PD/PER DIEM-TRNING SAN JOSE JUNE 24-28,2024

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7. A.

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059172	05/30/24	MAR17	MARTINDALE, RYAN	100.00	JUNE2024	MEASURE A UNIFORMS
059173	05/30/24	MCD01	John McDermott	300.00	MAY2024	COUNCILMEMBER STIPEND
059174	05/30/24	MCM00	McMaster-Carr	40.14	27681534	PD/MAGNETS-UNIT #8
059175	05/30/24	MIS01	MissionSquare - 304591	2221.21 2221.21	6318230 6664893	457 PLAN/304591 457 PLAN/304591
Check Total.....:				4442.42		
059176	05/30/24	MME00	Municipal Maintenance Equ	3763.06	22418,225	SEWER/VACCON PARTS
059177	05/30/24	MUL02	ASHLEY MULLINER	65.00	0004147	SWIM LESSONS REFUND SESSION 2
059178	05/30/24	NAP00	NAPA AUTO PARTS	610.86 3770.81	05242024 05252024	FD/FLEET/ PARTS FOR T39, T57, E28 REC/PW/FLEET MAINTENANCE PW/SHOP SUPPLIES
Check Total.....:				4381.67		
059179	05/30/24	NOR29	NORTH VALLEY INDUSTRIES I	150.85	4153	RESTROOM FACILITY ROOSEVELT PARK
059180	05/30/24	OHS00	OHS Student Body	240.00	05212024	POOL PARTY REFUND - OHS TRACK TEAM
059181	05/30/24	OLD04	OLD SCHOOL MACHINE	5000.00	0499371	FD/FLEET MAINT PARTS FOR E28 MOTOR 1/2 PMT
059182	05/30/24	ORE00	O'REILLY AUTO	12.90	3781-2820	FD/OIL FILTER FOR FD TAHOE
059183	05/30/24	ORL12	Orland-Laurel Masonic Hal	400.00	MAY2024	AC/RENT JUNE 2024
059184	05/30/24	ORL15	Orland Saw & Mower	131.72	55572	FD/MEASURE A-SAWS FUEL FOR E23
059185	05/30/24	PAC07	PACE ANALYTICAL SERVICES,	485.24	2403788	PW/LAB SERVICES
059186	05/30/24	PEN02	Rebecca Pendergrass	189.50	05222024	REIMBURSEMENT OF FILING FEES
059187	05/30/24	PGE00	PG&E	117.24	05172024	PW/TRAFFIC CONTROL
059188	05/30/24	PIN01	EDGAR PINEDO	19.50 100.00	JUN24GYM JUNE2024	PD/GYM REIMBURSEMENT MEASURE A UNIFORMS
Check Total.....:				119.50		
059189	05/30/24	QUI02	QUILL CORP.	140.84 1009.91 341.50	37007780 38361860 38672884	MULTI DEPS/OFFICE SUPPLIES PD/MISC OFFICE SUPPLIES PD/MISC OFFICE SUPPLIES
Check Total.....:				1492.25		
059190	05/30/24	RAM10	JENIFER RAMIREZ	60.00	05152024	REFUND-CANCELATION FOR YOUTH BASKETBALL
059191	05/30/24	RIV02	ISRAEL RIVERA	27.50 100.00	JUN24GYM JUNE2024	PD/GYM REIMBURSEMENT MEASURE A UNIFORMS
Check Total.....:				127.50		
059192	05/30/24	ROE02	Thomas Roenspie	100.00	JUNE2024	MEASURE A UNIFORMS
059193	05/30/24	ROM06	MATHEW ROMANO	300.00	MAY2024	COUNCILMEMBER STIPEND
059194	05/30/24	ROU00	BRUCE T. ROUNDY	300.00	MAY2024	COUNCILMEMBER STIPEND
059195	05/30/24	ROU01	Bruce Roundy	166.16	05292024	COUNCIL/MILEAGE REIMBURSEMENT
059196	05/30/24	SAC01	SACRAMENTO VALLEY MIRROR	91.00	05152024	LIB/ELK CREEK NEWSPAPER RENEWAL
059197	05/30/24	SAN00	San Diego Police Equip	690.34	661536	PD/MEASURE A-12GA 00 BUCK,9-PLT, TACTICAL 250/CS
059198	05/30/24	SAN11	DANIEL SANCHEZ	100.00	JUNE2024	MEASURE A UNIFORMS
059199	05/30/24	SAN12	LUCILA SANDOVAL	45.00	JUN24GYM	PD/GYM REIMBURSEMENT
059200	05/30/24	SAV01	SAVAGE TRAINING GROUP LLC	1800.00	2601	PD/TRNING 3 OFFICERS SEP 25-27,2024
059201	05/30/24	SUN02	SUNRISE ENVIRONMENTAL	708.50	146578	PW/SHOP SUPPLIES
059202	05/30/24	SUT02	SUTTON, BRANDON	24.00 100.00	JUN24GYM JUNE2024	PD/GYM REIMBURSEMENT MEASURE A UNIFORMS
Check Total.....:				124.00		
059203	05/30/24	THO07	JILLIAN THOMAS	50.00	05152024	PARK CANCELATION MAY 19TH
059204	05/30/24	TIA00	EVERBANK, N.A.	299.87	10011774	MULTI/COPIER LEASE

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059205	05/30/24	TOL04	JEFFREY TOLLEY	300.00	MAY2024	COUNCILMEMBER STIPEND
059206	05/30/24	TRA10	MARTIN TRANG	80.00	05222024	AC/ARTISTS RECEPTION MUSIC
059207	05/30/24	TUR01	Rae Turnbull	52.00	JUNE2024	AC/WEBSITE NEWSLETTER
059208	05/30/24	TYL00	TYLER TECHNOLOGIES, INC.	1566.00 942.50	025465370 025467722	CH/ENTERPRICE SOFTWARE SET UP CH/FINANCIAL SOFTWARE SETUP
Check Total.....:				2508.50		
059209	05/30/24	VAL02	VALLEY ROCK PRODUCTS	314.88	85188	PW/STREETS SUPPLIES
059210	05/30/24	VER03	Verizon Wireless	266.07 79.52 164.04	964342990 964342991 964342992	PW/SCADA COMPUTER-IPADS REC/COMMUNICATIONS APR 17 -MAY 16,2024 FD/MEASURE A-RESPONSE SERVICE FOR CITY ENGINE
Check Total.....:				509.63		
059211	05/30/24	VIS01	VISINONI BROTHERS, INC.	71519.42	05302024	DWR PHASE 2B PROJECT
059212	05/30/24	VLA00	RAYMOND J. VLACH	100.00	JUNE2024	MEASURE A UNIFORMS
059213	05/30/24	WEB02	ZACK WEBSTER	62.97	05242024	FD/REIMBURSEMENT FOR TOOLS
059214	05/30/24	WEL02	Wells Fargo Vendor Fin Se	148.70	502980971	BD-PLAN/COPIER LEASE
059215	05/30/24	WES16	West Mitsubishi	600.00	52324	FD/ARPA - RADIO REPEATER REIMB. FOR REPEATER PARTS
059216	05/30/24	WEX00	WEX BANK	347.75 2928.28 6648.73 3720.46	156423REC 7156423FD 7156423PD 7156423PW	REC/FUEL FD/FUEL PD/FUEL PW/FUEL
Check Total.....:				13645.22		
059217	05/30/24	WRI02	Cynthia Wright	5727.00	04162	PW/STREET TREES & TREES FOR DOG PARK
Cash Account Total.....:				167838.13		
Total Disbursements.....:				167838.13		
Cash Account Total.....:				.00		

REPORT.: 05/16/24
RUN....: 05/16/24 Time: 15:41
Run By.: Leticia Espinosa

CITY OF ORLAND
Warrant Register

7. A.

Warrant Number	Date	Payroll Date	**Employee** Num Name	Actual Fiscal Period Period	Gross Amount
14688	05/16/24	05/15/24	CAR05 CARROW, SARAH JANE	05-24 11-24	144.00
14689	05/16/24	05/15/24	KRE00 KREMER, CAYDANCE CHRISTI	05-24 11-24	90.75
14690	05/16/24	05/15/24	OVI00 OVITZ, BRADEN	05-24 11-24	132.00
14691	05/16/24	05/15/24	PER00 PEREZ, MARGARITA T	05-24 11-24	2086.39
14692	05/16/24	05/15/24	ROD02 RODRIGUEZ, ADRIANNA	05-24 11-24	80.00
14693	05/16/24	05/15/24	ROW00 ROWE, LILLIANNA	05-24 11-24	80.00
14694	05/16/24	05/15/24	STO00 STORY, ZACHARY	05-24 11-24	136.00
14695	05/16/24	05/15/24	SUA03 SUAREZ, ARMANDO RUEDA	05-24 11-24	2081.08
Z08110	05/16/24	05/15/24	ALV01 ALVA, MICELA	05-24 11-24	2214.15
Z08111	05/16/24	05/15/24	AND00 ANDRADE, EDGAR	05-24 11-24	3617.02
Z08112	05/16/24	05/15/24	BAL01 BALDRIDGE, EDEN	05-24 11-24	33.00
Z08113	05/16/24	05/15/24	BAR02 BARBER, ZACHARY	05-24 11-24	3551.77
Z08114	05/16/24	05/15/24	BLA00 BLAKE, CHRISTINA	05-24 11-24	68.00
Z08115	05/16/24	05/15/24	BOW00 BOWERS, LINDA	05-24 11-24	424.32
Z08116	05/16/24	05/15/24	CAR03 CARR, PETER R	05-24 11-24	6153.85
Z08117	05/16/24	05/15/24	CES00 CESSNA, KYLE A	05-24 11-24	8736.54
Z08118	05/16/24	05/15/24	CHA01 CHANEY, JUSTIN	05-24 11-24	4753.08
Z08119	05/16/24	05/15/24	CON00 CONTRERAS, ISAAC	05-24 11-24	344.25
Z08120	05/16/24	05/15/24	COR00 CORTES, JOVANY	05-24 11-24	2261.21
Z08121	05/16/24	05/15/24	CRA00 CRANDALL, JEREMY	05-24 11-24	2402.25
Z08122	05/16/24	05/15/24	EH000 EHORN, CAITLIN A	05-24 11-24	700.00
Z08123	05/16/24	05/15/24	ESP00 ESPINOSA, LETICIA	05-24 11-24	2347.82
Z08124	05/16/24	05/15/24	ESQ01 ESQUIVEL, ITZEL	05-24 11-24	425.00
Z08125	05/16/24	05/15/24	EST01 ESTHER, PARIS SKI	05-24 11-24	90.75
Z08126	05/16/24	05/15/24	FEN03 FENSKE, JOSEPH H	05-24 11-24	3539.51
Z08127	05/16/24	05/15/24	FLO00 FLORES, JOSE D	05-24 11-24	4252.17
Z08128	05/16/24	05/15/24	GAL00 GALVAN, ROSAURA	05-24 11-24	476.00
Z08129	05/16/24	05/15/24	GAM00 GAMBOA, YADIRA	05-24 11-24	314.26
Z08130	05/16/24	05/15/24	GAR01 GARIBAY, ELIZABETH	05-24 11-24	1543.13
Z08131	05/16/24	05/15/24	GUE01 GUERRERO, DEYSY D	05-24 11-24	2700.00
Z08132	05/16/24	05/15/24	GUE02 GUERRERO, JORGE	05-24 11-24	2323.46
Z08133	05/16/24	05/15/24	HEN00 HENDERSON, OLIVIA	05-24 11-24	190.00
Z08134	05/16/24	05/15/24	JOH01 JOHNSON, SEAN KARL	05-24 11-24	5889.66
Z08135	05/16/24	05/15/24	LOP01 LOPEZ, ESAU	05-24 11-24	1814.41
Z08136	05/16/24	05/15/24	LOP02 LOPEZ, JOEL	05-24 11-24	1814.42
Z08137	05/16/24	05/15/24	LOW00 LOWERY, KATHERINE	05-24 11-24	3520.80
Z08138	05/16/24	05/15/24	MAR02 MARTINDALE, RYAN EUGENE	05-24 11-24	3787.99
Z08139	05/16/24	05/15/24	MAR03 MARTINS, PAULINA	05-24 11-24	218.63
Z08140	05/16/24	05/15/24	MEJ00 APARICIO, LILIA MEJIA	05-24 11-24	3029.28
Z08141	05/16/24	05/15/24	MEZ00 MEZA, JODY L	05-24 11-24	4312.10
Z08142	05/16/24	05/15/24	MIL00 MILLS, DARYL A	05-24 11-24	854.19
Z08143	05/16/24	05/15/24	MON03 MONDRAGON, MEAGAN N	05-24 11-24	1652.65
Z08144	05/16/24	05/15/24	MOR03 MORECI, RORY	05-24 11-24	173.25
Z08145	05/16/24	05/15/24	MYE00 MYERS, KEVIN	05-24 11-24	684.76
Z08146	05/16/24	05/15/24	OLIO0 OLIVER, LINDA	05-24 11-24	282.88
Z08147	05/16/24	05/15/24	ORO04 OROZCO, JORDAN	05-24 11-24	573.13
Z08148	05/16/24	05/15/24	OVA00 OVARD, CONNOR	05-24 11-24	191.25
Z08149	05/16/24	05/15/24	PAN00 PANIAGUA, BLANCA A	05-24 11-24	726.94
Z08150	05/16/24	05/15/24	PEN01 PENDERGRASS, REBECCA A	05-24 11-24	4193.08
Z08151	05/16/24	05/15/24	PHI00 PHILLIPS, AMELIA	05-24 11-24	178.50
Z08152	05/16/24	05/15/24	PHI01 PHILLIPS, OLIVIA	05-24 11-24	168.00
Z08153	05/16/24	05/15/24	PIN00 PINEDO, EDGAR ESTEBAN	05-24 11-24	4464.27
Z08154	05/16/24	05/15/24	POR00 PORRAS, ESTEL	05-24 11-24	1991.56
Z08155	05/16/24	05/15/24	PUN00 PUNZO, GUILLERMO	05-24 11-24	2234.77
Z08156	05/16/24	05/15/24	RIC01 RICE, GERALD W	05-24 11-24	2202.86
Z08157	05/16/24	05/15/24	RIV00 RIVERA, ISRAEL	05-24 11-24	2218.82
Z08158	05/16/24	05/15/24	ROD00 RODRIGUES, ANTHONY	05-24 11-24	2510.24
Z08159	05/16/24	05/15/24	ROE00 ROENSPIE, THOMAS LUKE	05-24 11-24	3763.93
Z08160	05/16/24	05/15/24	ROM00 ROMERO, ARNULFO	05-24 11-24	3198.05
Z08161	05/16/24	05/15/24	SAN01 SANCHEZ, MELANIE CARRIL	05-24 11-24	208.25
Z08162	05/16/24	05/15/24	SAN02 SANDOVAL, LUCILA	05-24 11-24	2096.93
Z08163	05/16/24	05/15/24	SAN03 SANCHEZ, DANIEL ANGEL	05-24 11-24	1959.01
Z08164	05/16/24	05/15/24	SCH03 SCHMITKE, JENNIFER	05-24 11-24	2700.90
Z08165	05/16/24	05/15/24	STE01 STEWART, ROY E	05-24 11-24	3115.79
Z08166	05/16/24	05/15/24	SUA02 SUAREZ, BRYAN E	05-24 11-24	2000.38
Z08167	05/16/24	05/15/24	SUT00 SUTTON, BRANDON KIJANA	05-24 11-24	4732.33
Z08168	05/16/24	05/15/24	SWI00 SWINHART, ROBERT	05-24 11-24	2049.16
Z08169	05/16/24	05/15/24	THO02 THOMPSON, JAYDEN	05-24 11-24	136.13
Z08170	05/16/24	05/15/24	VAL00 VALENZUELA, BRENDA	05-24 11-24	329.27
Z08171	05/16/24	05/15/24	VAR00 VARNER, ZADA	05-24 11-24	160.00
Z08172	05/16/24	05/15/24	VLA00 VLACH, RAYMOND JOSEPH	05-24 11-24	5177.08
Z08173	05/16/24	05/15/24	WEB00 WEBSTER, ZACHARY	05-24 11-24	1911.51
Z08174	05/16/24	05/15/24	ZIN00 PEREZ, ARNULFO ZINTZUN	05-24 11-24	283.64
					141802.56

REPORT.: 05/16/24
RUN ON.: 05/16/24 Time: 16:02
RUN BY.: Leticia Espinosa

CITY OF ORLAND
Vendor Warrant Register Print

PAGE: 001
ID #: SPVR
CTL.: ORL

Number	Date	Vendor/Organization	Invoice Id	Date	Description/Reference	Period	Amount	Amount Paid
19313	05/16/24	EDD01 STATE OF CALIFORNIA	C40516	05/16/24	STATE INCOME TAX	05-24	4395.36	4395.36
19314	05/16/24	ESD00 STATE OF CALIFORNIA	C40516	05/16/24	SDI	05-24	1533.10	1533.10
19315	05/16/24	OPO00 OPOA TREASURER	C40516	05/16/24	OPOA DUES	05-24	674.00	674.00
19316	05/16/24	STA00 STATE DISURSEMENT UNIT	C40516	05/16/24	GARNISHMENTS	05-24	266.30	266.30
19317	05/16/24	TEH00 UMPQUA BANK	C40516	05/16/24	FEDERAL INCOME TAX	05-24	12542.52	
19317	05/16/24	TEH00 UMPQUA BANK	1C40516	05/16/24	FICA	05-24	17268.24	
19317	05/16/24	TEH00 UMPQUA BANK	2C40516	05/16/24	MEDICARE	05-24	4038.54	33849.30
19318	05/16/24	UPE00 UPEC, LOCAL 792	C40516	05/16/24	UPEC, LOCAL 792*	05-24	419.58	419.58
TOTAL DISBURSED...							41137.64	41137.64

REPORT.: 05/30/24
 RUN....: 05/30/24 Time: 13:24
 Run By.: Leticia Espinosa

CITY OF ORLAND
 Warrant Register

7. A.

Warrant Number	Date	Payroll Date	**Employee** Num Name	Actual Period	Fiscal Period	Gross Amount
14696	05/30/24	05/29/24	CAR05 CARRROW, SARAH JANE	05-24	11-24	136.00
14697	05/30/24	05/29/24	CLO01 CLOYD, HANNAH	05-24	11-24	310.50
14698	05/30/24	05/29/24	OVI00 OVITZ, BRADEN	05-24	11-24	196.88
14699	05/30/24	05/29/24	PER00 PEREZ, MARGARITA T	05-24	11-24	2086.39
14700	05/30/24	05/29/24	SUA03 SUAREZ, ARMANDO RUEDA	05-24	11-24	2081.08
Z08175	05/30/24	05/29/24	ALV01 ALVA, MICHAELA	05-24	11-24	2214.15
Z08176	05/30/24	05/29/24	AND00 ANDRADE, EDGAR	05-24	11-24	4093.69
Z08177	05/30/24	05/29/24	BAR02 BARBER, ZACHARY	05-24	11-24	3551.73
Z08178	05/30/24	05/29/24	BLA00 BLAKE, CHRISTINA	05-24	11-24	136.00
Z08179	05/30/24	05/29/24	BOW00 BOWERS, LINDA	05-24	11-24	424.32
Z08180	05/30/24	05/29/24	CAR03 CARR, PETER R	05-24	11-24	6153.85
Z08181	05/30/24	05/29/24	CES00 CESSNA, KYLE A	05-24	11-24	4572.52
Z08182	05/30/24	05/29/24	CHA01 CHANEY, JUSTIN	05-24	11-24	4753.08
Z08183	05/30/24	05/29/24	CON00 CONTRERAS, ISAAC	05-24	11-24	400.50
Z08184	05/30/24	05/29/24	COR00 CORTES, JOVANY	05-24	11-24	1814.42
Z08185	05/30/24	05/29/24	CRA00 CRANDALL, JEREMY	05-24	11-24	2625.65
Z08186	05/30/24	05/29/24	EH000 EHORN, CAITLIN A	05-24	11-24	700.00
Z08187	05/30/24	05/29/24	ESP00 ESPINOSA, LETICIA	05-24	11-24	2347.82
Z08188	05/30/24	05/29/24	ESQ01 ESQUIVEL, ITZEL	05-24	11-24	484.50
Z08189	05/30/24	05/29/24	FEN03 FENSKE, JOSEPH H	05-24	11-24	3539.51
Z08190	05/30/24	05/29/24	FLE01 FLEMING, CIARA	05-24	11-24	250.75
Z08191	05/30/24	05/29/24	FLO00 FLORES, JOSE D	05-24	11-24	4388.19
Z08192	05/30/24	05/29/24	GAL00 GALVAN, ROSAURA	05-24	11-24	544.00
Z08193	05/30/24	05/29/24	GAM00 GAMBOA, YADIRA	05-24	11-24	314.26
Z08194	05/30/24	05/29/24	GAR01 GARIBAY, ELIZABETH	05-24	11-24	1542.84
Z08195	05/30/24	05/29/24	GRE00 GREELEY, MASON ALEXIS	05-24	11-24	85.00
Z08196	05/30/24	05/29/24	GUE01 GUERRERO, DEYSY D	05-24	11-24	2700.00
Z08197	05/30/24	05/29/24	GUE02 GUERRERO, JORGE	05-24	11-24	2323.46
Z08198	05/30/24	05/29/24	JOH01 JOHNSON, SEAN KARL	05-24	11-24	5602.71
Z08199	05/30/24	05/29/24	KOC01 KOCHERS, EMMA	05-24	11-24	49.50
Z08200	05/30/24	05/29/24	LOP01 LOPEZ, ESAU	05-24	11-24	1814.42
Z08201	05/30/24	05/29/24	LOP02 LOPEZ, JOEL	05-24	11-24	1814.41
Z08202	05/30/24	05/29/24	LOW00 LOWERY, KATHERINE	05-24	11-24	3520.79
Z08203	05/30/24	05/29/24	MAR02 MARTINDALE, RYAN EUGENE	05-24	11-24	4242.17
Z08204	05/30/24	05/29/24	MAR03 MARTINS, PAULINA	05-24	11-24	229.50
Z08205	05/30/24	05/29/24	MEJ00 APARICIO, LILIA MEJIA	05-24	11-24	3029.29
Z08206	05/30/24	05/29/24	MEZ00 MEZA, JODY L	05-24	11-24	4312.09
Z08207	05/30/24	05/29/24	MIL00 MILLS, DARYL A	05-24	11-24	854.19
Z08208	05/30/24	05/29/24	MON03 MONDRAGON, MEAGAN N	05-24	11-24	1652.66
Z08209	05/30/24	05/29/24	MYE00 MYERS, KEVIN	05-24	11-24	684.76
Z08210	05/30/24	05/29/24	OLI00 OLIVER, LINDA	05-24	11-24	282.88
Z08211	05/30/24	05/29/24	ORO04 OROZCO, JORDAN	05-24	11-24	306.00
Z08212	05/30/24	05/29/24	OVA00 OVARO, CONNOR	05-24	11-24	153.00
Z08213	05/30/24	05/29/24	PAN00 PANIAGUA, BLANCA A	05-24	11-24	726.94
Z08214	05/30/24	05/29/24	PEN01 PENDERGRASS, REBECCA A	05-24	11-24	4193.08
Z08215	05/30/24	05/29/24	PHI00 PHILLIPS, AMELIA	05-24	11-24	171.00
Z08216	05/30/24	05/29/24	PHI01 PHILLIPS, OLIVIA	05-24	11-24	238.00
Z08217	05/30/24	05/29/24	PIN00 PINEDO, EDGAR ESTEBAN	05-24	11-24	3789.25
Z08218	05/30/24	05/29/24	PIN01 PINEDO, ALISON	05-24	11-24	272.00
Z08219	05/30/24	05/29/24	POR00 PORRAS, ESTEL	05-24	11-24	1991.56
Z08220	05/30/24	05/29/24	PUN00 PUNZO, GUILLERMO	05-24	11-24	2426.26
Z08221	05/30/24	05/29/24	RIC01 RICE, GERALD W	05-24	11-24	2360.40
Z08222	05/30/24	05/29/24	RIV00 RIVERA, ISRAEL	05-24	11-24	2218.82
Z08223	05/30/24	05/29/24	ROD00 RODRIGUES, ANTHONY	05-24	11-24	2510.24
Z08224	05/30/24	05/29/24	ROE00 ROENSPICE, THOMAS LUKE	05-24	11-24	4169.71
Z08225	05/30/24	05/29/24	ROM00 ROMERO, ARNULFO	05-24	11-24	3093.14
Z08226	05/30/24	05/29/24	SAN01 SANCHEZ, MELANIE CARRIL	05-24	11-24	43.75
Z08227	05/30/24	05/29/24	SAN02 SANDOVAL, LUCILA	05-24	11-24	2096.93
Z08228	05/30/24	05/29/24	SAN03 SANCHEZ, DANIEL ANGEL	05-24	11-24	1959.01
Z08229	05/30/24	05/29/24	SCH03 SCHMITKE, JENNIFER	05-24	11-24	2700.90
Z08230	05/30/24	05/29/24	STE01 STEWART, ROY E	05-24	11-24	3115.78
Z08231	05/30/24	05/29/24	SUA02 SUAREZ, BRYAN E	05-24	11-24	2000.38
Z08232	05/30/24	05/29/24	SUT00 SUTTON, BRANDON KIJANA	05-24	11-24	3809.66
Z08233	05/30/24	05/29/24	SWI00 SWINHART, ROBERT	05-24	11-24	2049.18
Z08234	05/30/24	05/29/24	VAL00 VALENZUELA, BRENDA	05-24	11-24	329.27
Z08235	05/30/24	05/29/24	VAR00 VARNER, ZADA	05-24	11-24	348.50
Z08236	05/30/24	05/29/24	VLA00 VLACH, RAYMOND JOSEPH	05-24	11-24	5177.08
Z08237	05/30/24	05/29/24	VLA02 VLACH, ZOE	05-24	11-24	144.00
Z08238	05/30/24	05/29/24	WEB00 WEBSTER, ZACHARY	05-24	11-24	1911.51
Z08239	05/30/24	05/29/24	ZIN00 PEREZ, ARNULFO ZINTZUN	05-24	11-24	324.16

137489.97

REPORT.: 05/30/24
 RUN ON.: 05/30/24 Time: 13:38
 RUN BY.: Leticia Espinosa

CITY OF ORLAND
 Vendor Warrant Register Print

PAGE: 001
 ID #: SPVR
 CTL.: ORL

Number	Date	Vendor/Organization	Invoice Id	Date	Description/Reference	Period	Amount	Amount Paid
19319	05/30/24	EDD01 STATE OF CALIFORNIA	C40530	05/30/24	STATE INCOME TAX	05-24	3943.04	3943.04
19320	05/30/24	ESD00 STATE OF CALIFORNIA	C40530	05/30/24	SDI	05-24	1485.70	1485.70
19321	05/30/24	OPO00 OPOA TREASURER	C40530	05/30/24	OPOA DUES	05-24	674.00	674.00
19322	05/30/24	STA00 STATE DISURSEMENT UNIT	C40530	05/30/24	GARNISHMENTS	05-24	266.30	266.30
19323	05/30/24	TEH00 UMPQUA BANK	C40530	05/30/24	FEDERAL INCOME TAX	05-24	11494.32	
19323	05/30/24	TEH00 UMPQUA BANK	1C40530	05/30/24	FICA	05-24	16733.48	
19323	05/30/24	TEH00 UMPQUA BANK	2C40530	05/30/24	MEDICARE	05-24	3913.44	32141.24
19324	05/30/24	UPE00 UPEC, LOCAL 792	C40530	05/30/24	UPEC, LOCAL 792*	05-24	419.58	419.58
TOTAL DISBURSED...							38929.86	38929.86



ORLAND CITY COUNCIL REGULAR MEETING MINUTES

Tuesday, May 21, 2024

CALL TO ORDER

Meeting called to order by Mayor Chris Dobbs at 6:30 PM.

ROLL CALL

Councilmembers present:

Councilmembers Bruce T. Roundy, John McDermott (arrived at 6:41), Jeffrey Tolley, Vice Mayor Matt Romano

Councilmembers absent:

Mayor Chris Dobbs

Staff present:

City Manager Pete Carr; Director of Administrative Services Rebecca Webster; City Clerk Jennifer Schmitke; City Attorney Greg Einhorn; Police Chief Joe Vlach; City Planner Scott Friend and City Engineer Paul Rabo

PLEDGE OF ALLEGIANCE – led by Vice Mayor Matt Romano

CONSENT CALENDAR

- A. Warrant List (Payable Obligations)
- B. Approve City Council Minutes for May 7, 2024
- C. Receive and File Library Commission Minutes from March 11, 2024
- D. Receive and File Arts Commission Minutes from April 17, 2024
- E. Approve Chief Plant Operator Professional Services Agreement
- F. Award Air Conditioning System Bid for Recreation Center
- G. Agreement to Allow Caltrans Access to City Right of Way
- H. County Arts Council - Letter of Support

ACTION: Councilmember Roundy moved, seconded by Councilmember Tolley, to approve the consent calendar as presented. Motion carried by a voice vote 4-0.

PUBLIC HEARING

- A. General Plan Amendment (GPA) #2023-02: Supplement to the 2021-2029 6th Cycle Housing Element

City Planner Scott Friend conducted a public hearing regarding the readoption of the 2021-2029 6th Cycle Housing Element. He reported that the Planning Commission held a public hearing on March 21st, resulting in a 3-1 vote to recommend the document's approval to the City Council, along with consideration of the California Environmental Quality Act (CEQA) exemption. Mr. Friend addressed concerns from City staff and Commissioners, provided an overview of revisions to the Housing Element, and discussed potential consequences for the City, including the "Builder's Remedy" and

financial impacts on Orland, Willows, and Glenn County. He stated that once the City Council approves the document, it will be submitted to the State for approval.

Councilmember Roundy expressed gratitude to the Planning Commission and Mr. Friend for their extensive research and hard work. He emphasized his desire to maintain as much local control over Orland as possible while acknowledging the necessity of complying with State requirements to ensure the continuation of State funding for the City.

Councilmember Tolley expressed his belief that the City should retain its autonomy, criticizing the state for diminishing local control and leaving the City with no option but to comply with state rules. He invited Planning Commissioners in the audience to come forward and share their perspectives on the matter.

Vice Mayor Romano commented that he believes the State aims to eliminate the Planning Commission or planning review process in favor of a more streamlined, ministerial approach to project approval. Mr. Friend confirmed that this is indeed the case, particularly for higher density areas.

Vice Mayor Romano opened the Public Hearing at 6:40 pm.

Planning Commission Chairperson Stephen Nordbye expressed his personal opposition to the Housing Element update but acknowledged his responsibility to act in the best interest of the citizens of Orland.

Planning Commissioner Vernon Montague expressed his opposition to the State's regulations on the 6th Cycle Housing Element readoption. Despite this, he voted to recommend it to the Council to avoid negative consequences for the City. He also suggested that the California League of Cities should take a stronger stance against State regulations in the future.

Vice Mayor Romano closed the Public Hearing at 6:45 pm.

The Council discussed their concerns regarding the readoption of the 6th Cycle Housing Element and sought clarification on the "builder's remedy." Mr. Friend addressed and discussed these concerns with the Council.

ACTION: Councilmember McDermott moved, seconded by Councilmember Roundy, that the City Council determine that the project is categorically exempt from further review under the California Environmental Quality Act (CEQA) pursuant to §Section 15061(b)(3), the commonsense exemption. Motion carried by a roll call vote 3-1.

AYES: Councilmembers Roundy, McDermott, Vice Mayor Romano

NAYS: Councilmember Tolley

Councilmember Tolley expressed his belief that the City's options are limited regarding the matter. He emphasized that if the City decides against readopting the Housing Element, it could face more severe consequences, indicating that there may be little the City can do to mitigate the State.

ACTION: Councilmember Roundy moved, seconded by Councilmember McDermott, that the City Council adopt Resolution 2024-10 approving GPA #2023-02 as presented herein and making findings for the amendment of the General Plan. Motion carried by a roll call vote 3-1.

AYES: Councilmembers Roundy, McDermott, Vice Mayor Romano

NAYS: Councilmember Tolley

ADMINISTRATIVE BUSINESS

A. Determine rules for Candidate Statement of Education and Qualifications a per the Glenn County Election Official (Discussion) - Jennifer Schmitke, City Clerk (5 min)(No Staff Report)

1. Determine whether statements shall be limited to 200 or 400 words.

ACTION: Councilmember Roundy moved to approve the limit of 200 words for the candidate statement, seconded by Councilmember Tolley. The motion carried by a roll call vote 4-0.

AYES: Councilmembers Roundy, Tolley, McDermott Vice Mayor Romano

NOES: None

2. Determine whether candidates or the City shall bear cost (\$500 deposit) of publishing the statement in the voter information guide.

ACTION: Councilmember Tolley moved to approve that the candidate shall bear cost of publishing the statement in the voter pamphlet, seconded by Councilmember Roundy. The motion was defeated by a 2-2 roll call vote.

AYES: Councilmembers Roundy and Tolley

NOES: Councilmember McDermott and Vice Mayor Romano

Councilmembers discussed options.

ACTION: Councilmember McDermott moved to approve that the City shall bear cost of publishing the statement in the voter pamphlet, seconded by Vice Mayor Romano. The motion was defeated by a 2-2 roll call vote.

AYES: Councilmember McDermott and Vice Mayor Romano

NOES: Councilmembers Roundy and Tolley

Councilmembers discussed their views on whether the City should cover the expense of publishing information in the voter pamphlet.

The City Attorney suggested that since there is no authorization for the City to cover the cost of candidates' statements, candidates would be responsible for paying for their own statements.

ACTION: Vice Mayor Romano moved to approve that the candidate shall bear cost of publishing the statement in the voter pamphlet, seconded by Councilmember McDermott. The motion carried by a roll call vote 4-0.

AYES: Councilmembers Roundy and Tolley

NOES: Councilmember McDermott and Vice Mayor Romano

- B. Determine whether tie votes shall be resolved by lot or runoff election to be conducted on a Tuesday not less than 40 days nor more than 125 days after of the certification of the election that resulted in a tie.**

The Council deliberated on the distinction between runoff and tie votes.

ACTION: Councilmember Tolley motioned to approve that in the event of a tie vote it shall be resolved by runoff election, seconded by Councilmember Roundy. The motion carried by a roll call vote 4-0.

AYES: Councilmembers Roundy, Tolley, McDermott, and Vice Mayor Romano

NOES: None

C. Consider Ordinance to Regulate Camping Equipment in City Parks

Mr. Carr stated that the City prohibits overnight park use by ordinance, but napping or sleeping during the day is allowed. The current rules do not address the use of camping equipment during the day. A recent public safety incident in Library Park has raised concerns about this issue. Mayor Dobbs suggests that the City Council consider a new ordinance to ban specified camping equipment in the parks at all times.

The Council agreed that parks should be kept as safe as possible and requested opinions and recommendations from the Police Chief and the City Attorney.

Chief Vlach recommended that the Council postpone their discussion for at least two months due to a related case under review by the U.S. Supreme Court, a suggestion with which the City Attorney agreed.

The Council decided to postpone the discussion until a later date.

D. Proposed Projects Funded by SB 1: The Road Repair and Accountability Act

City Engineer Paul Rabo briefly presented the annual SB1 report on proposed projects, highlighting those set to receive funding from the Road Maintenance and Rehabilitation Account (RMRA) established by SB1, the Road Repair Act of 2017. Since 2017, Orland has used SB1 funds for projects such as the reconstruction of Tehama Street, downtown alleys, and the design of the M ½ reconstruction. Projects listed in Resolution 2024-09 were chosen from this report and involve using existing and SB1 funds for street maintenance and rehabilitation. Streets designated for crack sealing and slurry seal are currently in good condition, while those planned for a rubberized cape seal or overlay will be upgraded from fair or poor to good condition. The City expects to receive about \$211,188 in the next SB1 funding cycle.

The Council reviewed the project list, asked questions about specific projects, discussed the cost of street repairs, and expressed concerns about prioritizing maintenance of newer streets over older ones. Mr. Rabo explained that the project list is designed to provide a maintenance schedule aimed at preventing streets from requiring more extensive repairs in the future. The Council requested the City Engineer to create a condensed list of projects, including cost estimates from the County consultant's list, to use when discussing the upcoming sales tax measure with the community. It was acknowledged that there are streets in very poor/failed condition, but these need higher-cost projects rather than minor SB1 type maintenance.

Orland resident Byron Denton voiced his views on which roads need updating and emphasized the importance of providing accurate information to voters regarding the new tax measure.

Orland resident Earl Megginson favored the concept of creating a concise and organized list of priorities to present to voters regarding the new tax measure.

Council agreed to keep coming back to this topic to keep the list updated.

ACTION: Councilmember Roundy moved to adopt Resolution 2024-09, seconded by Councilmember McDermott. The motion was passed by a 4-0 voice vote.

E. Fiscal Year 2024-25 Budget Discussion #4: Fund Balances; General Fund Expenditures; ARPA

Mr. Carr presented the fourth segment of the draft proposed budget for the fiscal year 2024-2025 (FY25), focusing on the balances of major funds, particularly the General Fund and Measure A Public Safety Fund, and the Gas Tax Street Fund and American Rescue Plan Act (ARPA) funds.

Mr. Carr provided an update on the Fund Balances, noting that the city is awaiting the 23/24 annual audit. Anticipated figures by June 30th include revenues of \$6.74 million and expenditures of \$6.68 million, resulting in a fund balance of \$1.79 million. Specific fund allocations include Measure A with \$1.15 million, Gas Tax with \$991,000, Water with \$4.27 million, and Sewer with \$1.03 million. The budget is balanced with a slight surplus. Despite the General Fund reserve balance doubling in five years, it remains below the \$3.3 million target.

Mr. Carr reviewed General Fund expenditures by department, highlighting key aspects of certain department budgets. During the presentation, Council members raised questions regarding the budgets for the City Manager, City Attorney, Police, and Fire departments. Mr. Carr and Assistant City Manager Rebecca Pendergrass provided explanations to address the Council's inquiries.

Mr. Carr and Mr. Rabo reviewed the Gas Tax Fund, discussing current funding and outlining plans for future projects.

Mr. Carr briefly reviewed the ARPA (American Rescue Plan Act) funds worksheet budget, which included an overview of completed projects, projects currently in progress, and projects that are pending.

Orland resident Ruth Henderson questioned the City having a full-time mechanic for the fire department. Councilmember McDermott shared that the City and Rural Fire Department have 13 vehicles to maintain, and Mr. Carr shared that the mechanic does work on other departments vehicles as well as helps the City of Willows Fire Department with fleet maintenance when needed.

ORAL AND WRITTEN COMMUNICATIONS

PUBLIC COMMENTS:

Monica Rossman reminded Council that the Senior Expo is scheduled for June 27th from 10 AM to 3 PM, emphasizing local entertainment, lunch, and approximately 127 vendors.

CITY COUNCIL COMMUNICATIONS AND REPORTS

Councilmember Tolley:

- Planning Commission meeting was cancelled for May 16th.

Councilmember Roundy:

- Attended the Glenn County Fair and was a docent for the Chrome School;
- Will be attending the Glenn Groundwater Authority Meeting May 24th;

Vice Mayor Romano:

- Asked about itemized actuals for Measure A, and Mr. Carr responded City staff is working on that item;
- Asked about Carnegie Center renovation, Mr. Carr shared that concepts will be shared at the June 4th City Council meeting.

Councilmember McDermott:

- Planning Commission meeting was cancelled for May 16th;
- Shared there will be blood pressure and glucose checking at the senior fair June 27th ;

MEETING ADJOURNED AT 8:31 PM

Jennifer Schmitke, City Clerk

Chris Dobbs, Mayor



CITY OF ORLAND STAFF REPORT

MEETING DATE: June 4, 2024

TO: Honorable Mayor and Councilmembers

FROM: Pete Carr, Finance Director
Rebecca Pendergrass, Administrative Services Director

SUBJECT: **Annual Financial Audit Report FY23 (Discussion/Action)**

City Staff will present the annual independent financial audit report for Council consideration.

BACKGROUND

The City each year engages an outside auditor to perform an independent audit of City finances compliant with Orland Municipal Code and California State Government Code. The report contains financial statements, audit-based opinions about the accuracy and reasonableness of management's presentation of financial information as well as internal controls, and a management letter to the City Council.

Once accepted by the City Council, the entire audit report is made available by the City in digital and printed form for public inspection and filed with the State.

ANALYSIS

We continued our engagement with an auditor who was new to Orland last year, RT Dennis Accountancy. The auditor reports that Orland's financial statements "... present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Orland, as of June 30, 2023..." Many documents were analyzed, many questions were asked, but no material deficiencies were identified.

The fiscal year was characterized by many significant capital improvement projects on top of full ongoing operations. The City completed several construction projects for the library and re-roofing of City Hall, made significant progress in upgrading public safety radio systems infrastructure, and continued progress on the DWR grant-funded Orland Emergency Groundwater Supply Project implementation. The City also supported completion of Purpose Place and construction of three other apartment complexes as well as Linwood II housing, and development of the Maverik facility with associated improvements to the I-5 off-ramp, Newville Road widening and Commerce intersection signalization.

As of June 30, 2023, the City had:

- \$41.4M in total assets
- \$12.5M in cash & equivalent assets (\$9.3M GenFund, \$3.2M Water & Sewer)
- General Fund reserve balance of \$3.14M including Measure A and ARPA.

Operationally, for the fiscal year 2022-23:

- The General Fund received \$8.1M and expended \$8.2M.
- Water & Sewer took in \$3.3M against \$3.7M in operating expenses but this was affected by DWR project cash flow; total change in net position for Water & Sewer was positive > \$1M.
- The total change in net position for the City for the year was \$4.1M.

This past fiscal year's audit was started on time but delayed in completion, while similar in content and equal in quality to previous years. Upon acceptance by the City Council, the financial audit report becomes a completed document, published and filed in the permanent records of the City.

Attachments (2):

1. Fiscal Year 2022-23 Financial Audit Report for City of Orland – digital format 74-page report published on City website along with agenda packet
2. Management Letter

RECOMMENDATION:

Accept the annual financial report and the auditor's management letter.

Fiscal Impact of Recommendation:

The annual audit expense is \$27,000. This expense is allocated to the General Fund and enterprise funds.



CITY OF ORLAND

**ANNUAL
FINANCIAL
REPORT**

JUNE 30, 2023

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CITY OF ORLAND
ORLAND, CALIFORNIA

JUNE 30, 2023

MEMBER	OFFICE	TERM EXPIRES
Chris Dobbs	Mayor	November 2024
Mathew “Matt” Romano	Vice Mayor	November 2026
Jeffrey A. Tolley	Councilmember	November 2024
John McDermott	Councilmember	November 2026
Bruce T. Roundy	Councilmember	November 2024

ADMINISTRATION

Pete Carr	City Manager
Rebecca Pendergrass	Director of Administrative Services/Assistant City Manager
Gregory P. Einhorn	City Attorney
Jennifer Schmitke	City Clerk
Letty Espinosa	City Treasurer

ORGANIZATION

Orland City Council is comprised of five community members that are voted into office. Orland City Council is responsible for making policy decisions and directing city staff.

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
City of Orland
Orland, California

REPORT ON THE FINANCIAL STATEMENTS

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Orland, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise City of Orland's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 City of Orland, as of June 30, 2023, 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.

Potential Component Unit Emphasis of Matter

Management has declined to include the Orland Volunteer Fire Department's ("OVFD") financial activity, nor were we engaged to audit the OVFD. The OVFD is a separate legal entity to the City. However, the City is the sponsoring agency. The size of OVFD is unknown, but it is understood they file a 990 federal tax return. Because the auditor has been unable to determine "imposition of will" and "financial burden or benefit" we cannot determine if the potential component unit is to be included or not.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

City of Orland's 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.

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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 City of Orland's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, pension, and OPEB schedules on pages 39–43, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not 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. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Orland's basic financial statements. The following schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements:

Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") requires a Schedule of Expenditures of Federal Awards ("SEFA").

The SEFA 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. Such 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 SEFA is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Financial Report

Management is responsible for the other information in the Annual Financial Report. The other information comprises the Combining Statements of Non-Major Governmental Funds but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 25, 2024 on our consideration of City of Orland'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 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 City of Orland's internal control over financial reporting and compliance.

May 25, 2024

STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Equivalents	\$ 9,311,483	\$ 3,216,252	\$ 12,527,735
Receivables	8,057,639	470,648	8,528,287
Internal Balances	(552,313)	552,313	-
Capital Assets	11,985,413	8,313,068	20,298,481
Total Assets	28,802,222	12,552,281	41,354,503
Deferred Outflows of Resources	3,685,000	766,000	4,451,000
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
	\$ 32,487,222	\$ 13,318,281	\$ 45,805,503
LIABILITIES			
Accrued Expenses	\$ 218,710	\$ 171,645	390,355
Unearned Revenue	6,434,239	-	6,434,239
Deposits and Retentions	42,314	-	42,314
Long-Term Liabilities, Current Portion	218,315	200,850	419,165
Long-Term Liabilities, Non-current Portion	7,680,651	3,606,981	11,287,632
Total Liabilities	14,594,229	3,979,476	18,573,705
Deferred Inflows of Resources	3,568,000	839,000	4,407,000
NET POSITION			
Net Investment in Capital Assets	10,588,528	4,115,380	14,703,908
Restricted for			
Impact fees	2,442,464	-	2,442,464
Assessment district	290,670	-	290,670
Unrestricted	1,003,331	4,384,425	5,387,756
Total Net Position	14,324,993	8,499,805	22,824,798
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
	\$ 32,487,222	\$ 13,318,281	\$ 45,805,503

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

CITY OF ORLAND

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Function/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES						
General Government	\$ 2,947,095	\$ 366,368	\$ 3,392,812	\$ 812,085		\$ 812,085
Public Safety	3,912,028	22,694	449,166	(3,440,168)		(3,440,168)
Public Ways and Facilities	1,312,231	-	607,912	(704,319)		(704,319)
Library	802,842	1,030	216,234	(585,578)		(585,578)
Recreation	1,011,659	138,433	-	(873,226)		(873,226)
Debt Service	154,923	-	-	(154,923)		(154,923)
Total Governmental Activities	10,140,778	528,525	4,666,124	(4,946,129)		(4,946,129)
BUSINESS-TYPE ACTIVITIES						
Water	2,644,842	1,822,969	-		\$ (821,873)	(821,873)
Sewer	974,756	1,402,824	-		428,068	428,068
Industrial Sewer	41,768	77,949	-		36,181	36,181
Debt Service	100,078	-	-		(100,078)	(100,078)
Total Business-Type Activities	3,761,444	3,303,742	-		(457,702)	(457,702)
Total	\$ 13,902,222	\$ 3,832,267	\$ 4,666,124	(4,946,129)	(457,702)	(5,403,831)
General revenues						
Taxes and subventions						
Property taxes, levied for general purposes				1,265,305	-	1,265,305
Sales, gas, and other taxes				5,818,554	-	5,818,554
Federal and state aid not restricted for specific purposes				221,039	1,929,330	2,150,369
Interest and investment earnings				196,450	68,062	264,512
Miscellaneous				28,409	10,293	38,702
Subtotal, General Revenue				7,529,757	2,007,685	9,537,442
CHANGE IN NET POSITION				2,464,757	1,668,854	4,133,611
Net Position - Beginning				11,860,236	6,830,951	18,691,187
Net Position - Ending				\$ 14,324,993	\$ 8,499,805	\$ 22,824,798

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

GOVERNMENTAL FUNDS'
BALANCE SHEETS
JUNE 30, 2023

	General Fund	Economic & Block Grants	IMPACT FEES	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Equivalents	\$ 2,596,067	\$ 612,716	\$ 3,254,506	\$ 2,848,194	\$ 9,311,483
Receivables	708,504	7,130,230	-	218,905	8,057,639
Due From Other Funds	407,838	-	-	-	407,838
TOTAL ASSETS	\$ 3,712,409	\$ 7,742,946	\$ 3,254,506	\$ 3,067,099	\$ 17,776,960
LIABILITIES					
Accrued Expenses	\$ 199,676	\$ -	\$ 8,936	\$ 10,098	\$ 218,710
Due To Other Funds	333,532	125,125	-	501,494	960,151
Unearned Revenue	-	6,413,651	-	20,588	6,434,239
Deposits and Retentions	42,314	-	-	-	42,314
Total Liabilities	575,522	6,538,776	8,936	532,180	7,655,414
FUND BALANCE					
Restricted Fund Balance	-	-	3,245,570	321,456	3,567,026
Assigned Fund Balance	1,557,660	1,204,170	-	2,715,424	5,477,254
Unassigned	1,579,227	-	-	(501,961)	1,077,266
Total Fund Balance	3,136,887	1,204,170	3,245,570	2,534,919	10,121,546
TOTAL LIABILITIES AND	\$ 3,712,409	\$ 7,742,946	\$ 3,254,506	\$ 3,067,099	\$ 17,776,960

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

**RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEETS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2023**

Total Fund Balance - Governmental Funds \$10,121,546

Amounts reported for assets, deferred outflows of resources, liabilities, and deferred inflows of resources for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation: 11,985,413

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Notes payable	3,508,125	
Net Pension Liability (Asset)	3,525,000	
Net OPEB Obligation	463,000	
Compensated absences payable	402,841	(7,898,966)

Deferred outflows and inflows of resources relating to pensions:

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred outflows of resources relating to pensions	3,685,000	
Deferred inflows of resources relating to pensions	(3,568,000)	

Total Net Position - Governmental Activities: \$14,324,993

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

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Economic & Block Grants	IMPACT FEES	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 5,081,968	\$ -	\$ -	\$ 445,248	\$ 5,527,216
Licenses, Permits, and Franchises	592,568	-	892,335	47,636	1,532,539
Fines, Forfeitures, and Penalties	22,604	-	-	1,500	24,104
Revenue from Use of Money	84,882	186	57,456	53,926	196,450
Intergovernmental Revenue	2,079,849	1,509,585	-	1,297,729	4,887,163
Charges for Services	222,253	243,843	-	62,429	528,525
Miscellaneous Revenues	15,738	-	-	-	15,738
Total Revenues	8,099,862	1,753,614	949,791	1,908,468	12,711,735
EXPENDITURES					
Current					
General Government	1,065,210	1,373,350	-	219,614	2,658,174
Public Safety	3,304,943	-	-	20,166	3,325,109
Public Ways and Facilities	760,833	-	28,651	203,447	992,931
Library	584,053	-	-	45,837	629,890
Recreation	762,522	-	-	36,706	799,228
Capital Outlay	1,038,444	-	118,034	116,466	1,272,944
Debt Service	686,738	-	-	54,807	741,545
Total Expenditures	8,202,743	1,373,350	146,685	697,043	10,419,821
Excess (Deficiency) of Revenues					
Over Expenditures	(102,881)	380,264	803,106	1,211,425	2,291,914
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	11,630	11,630
Transfers Out	(11,630)	-	-	(118,871)	(130,501)
Net Financing Sources (Uses)	(11,630)	-	-	(107,241)	(118,871)
NET CHANGE IN FUND BALANCE	(114,511)	380,264	803,106	1,104,184	2,173,043
Beginning fund balance	3,251,398	823,906	2,442,464	1,430,735	7,948,503
Ending balance	\$ 3,136,887	\$ 1,204,170	\$ 3,245,570	\$ 2,534,919	\$ 10,121,546

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

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances - Governmental Funds \$ 2,173,043

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

Capital outlay:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay: \$ 1,272,944	
Depreciation expense: (589,318)	683,626

Debt service:

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:

586,622

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

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES,
Continued
FOR THE YEAR ENDED JUNE 30, 2023**

Gain or loss from the disposal of capital assets:

In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the statement of activities, only the resulting gain or loss is reported.

The difference between the proceeds from disposal of capital assets and the resulting gain or loss is:

12,672

Compensated absences:

In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amount earned. The difference between compensated absences paid and compensated absences earned, was:

(73,206)

Pensions:

In government funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:

(896,000)

Postemployment benefits other than pensions ("OPEB"):

In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between OPEB costs and actual employer contributions was:

(22,000)

Change in net position of Governmental Activities

\$ 2,464,757

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

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2023**

	Water Enterprise	Sewer Enterprise	Industrial Sewer Enterprise	Total
ASSETS				
Current assets				
Cash and Equivalents	\$ 2,987,102	\$ 176,121	\$ 53,029	\$ 3,216,252
Receivables	165,259	288,527	16,862	470,648
Due From Other Funds	631,026	-	256,890	887,916
Total current assets	3,783,387	464,648	326,781	4,574,816
Non-current assets				
Capital Assets	4,697,648	3,578,254	37,166	8,313,068
Total Assets	8,481,035	4,042,902	363,947	12,887,884
Deferred Outflows of Resources	417,000	349,000	-	766,000
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	\$ 8,898,035	\$ 4,391,902	\$ 363,947	\$ 13,653,884
LIABILITIES				
Current liabilities				
Payables	\$ 163,741	\$ 7,904	\$ -	\$ 171,645
Due to Other Funds	297,494	38,109	-	335,603
Current portion of long-term liabilities	146,850	54,000	-	200,850
Total current liabilities	608,085	100,013	-	708,098
Long Term Debt	2,558,550	1,048,431	-	3,606,981
Total Liabilities	3,166,635	1,148,444	-	4,315,079
Deferred Inflows of Resources	457,000	382,000	-	839,000
NET POSITION				
Investment in Capital Assets, net of related	3,983,569	1,591,426	37,166	5,612,161
Unrestricted Net Position	1,290,831	1,270,032	326,781	2,887,644
Total Net Position	5,274,400	2,861,458	363,947	8,499,805
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION				
	\$ 8,898,035	\$ 4,391,902	\$ 363,947	\$ 13,653,884

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

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	Water Enterprise	Sewer Enterprise	Industrial Sewer Enterprise	Total
OPERATING REVENUE				
Charges for Services	\$ 1,822,969	\$ 1,402,824	\$ 77,949	\$ 3,303,742
OPERATING EXPENSE				
Salaries	303,302	222,985	-	526,287
Benefits	191,290	75,832	1,188	268,310
Repairs and Maintenance	55,264	73,653	-	128,917
Supplies	638,613	121,505	2,381	762,499
Professional Services	554,815	11,993	-	566,808
Insurance	16,444	14,360	312	31,116
Travel	131	131	-	262
Administration	726,541	276,698	23,476	1,026,715
Depreciation	157,047	178,688	14,715	350,450
Total operating expenses	2,643,447	975,845	42,072	3,661,364
OPERATING GAIN/(LOSS)	(820,478)	426,979	35,877	(357,622)
NON-OPERATING REVENUES/(EXPENSES)				
Interest and investment revenue	58,724	3,877	5,461	68,062
Intergovernmental	1,916,089	13,241	-	1,929,330
Miscellaneous Revenue	2,610	7,683	-	10,293
Interest Expense	(62,862)	(36,468)	(750)	(100,080)
Transfers In	-	118,871	-	118,871
Total non-operating revenues/(expenses)	1,914,561	107,204	4,711	2,026,476
CHANGE IN NET POSITION	1,094,083	534,183	40,588	1,668,854
Net Position - Beginning	4,180,317	2,327,275	323,359	6,830,951
Net Position - Ending	\$ 5,274,400	\$ 2,861,458	\$ 363,947	\$ 8,499,805

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

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023**

	Water Enterprise	Sewer Enterprise	Industrial Sewer Enterprise	Total
Cash flows from operating activities				
Cash receipts from customers	\$ 1,833,532	\$ 1,403,647	\$ 77,949	\$ 3,315,128
Cash payments to employees for services	(495,668)	(235,485)	(1,188)	(732,341)
Cash payments to suppliers for goods and services	(2,000,166)	(499,872)	(26,169)	(2,526,207)
Net cash provided/(used) by operating activities	(662,302)	668,290	50,592	56,580
Cash flows from non-capital financing activities				
Non-operating grants received	1,669,677	26,471	16,862	1,713,010
Interfund transfers in/(out)	(154,368)	127,946	(256,890)	(283,312)
Net cash provided by non-capital activities	1,515,309	154,417	(240,028)	1,429,698
Cash flows from capital and related financing				
Acquisition of capital assets	(1,301,695)	(577,850)	-	(1,879,545)
Debt service payments	(256,176)	(418,097)	-	(674,273)
Capital asset adjustment	575,692	(83,082)	(34,474)	458,136
Net cash used in capital activities	(982,179)	(1,079,029)	(34,474)	(2,095,682)
Cash flows from investing activities				
Interest received	58,724	3,877	5,461	68,062
NET INCREASE/(DECREASE) IN CASH CASH	(70,448)	(252,445)	(218,449)	(541,342)
Beginning of year	3,057,550	428,566	271,478	3,757,594
End of year	\$ 2,987,102	\$ 176,121	\$ 53,029	\$ 3,216,252
Reconciliation of operating loss to cash used in operating activities				
Operating Gain/(Loss)	\$ (820,478)	\$ 426,979	\$ 35,877	\$ (357,622)
Adjustments to reconcile operating income to net cash provided by operating activities				
Cash flows reported in other categories:				
Depreciation expense	157,047	178,688	14,715	350,450
(Increase)/Decrease in accounts receivable	10,384	823	-	11,207
Increase/(decrease) in accounts payable	(8,358)	(1,532)	-	(9,890)
Customer deposits	179	-	-	179
Payroll related liabilities (comp. abs., pension, etc.)	(1,076)	63,332	-	62,256
Net cash used by operating activities	\$ (662,302)	\$ 668,290	\$ 50,592	\$ 56,580

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

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1 - A. Description of Financial Statements

The accompanying financial statements of the City of Orland have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”), as prescribed by the Governmental Accounting Standards Board (“GASB”). The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1 - B. Financial Reporting Entity

The City of Orland was incorporated under the laws of the State of California. The City operates under a Council-Manager form of government. The City provides a full range of municipal services to its citizens including a public library, public safety, public works, planning and building regulation, recreation and parks, water and sewer services.

The financial statements of the City include those of separately administered organizations that are controlled by, or dependent on, the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing board.

Related Organizations. The Orland Volunteer Fire Department is not included in these financial statements, but the City is the sponsoring agency. There is no apparent “imposition of will” or “financial burden or benefit” and the Orland Volunteer Fire Department is fiscally independent of the City of Orland.

Joint Powers Authority (“JPA”). The City is associated with one JPA, the Golden State Risk Management Authority (GSRMA). The JPA does not meet the criteria for inclusion as a component unit of the City. Additional information is presented in Note 12 to the financial statements.

1 - C. Basis of Presentation

Government-Wide Statements. The statement of net position and the statement of activities display information about the primary government (“the City”) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue for 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. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting of operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

Fund Financial Statements. The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of food service and child development programs, construction and maintenance of school facilities, and repayment of long-term debt.

Proprietary funds are used to account for activities that are more business-like than government-like in nature. Business-type activities include those for which a fee is charged to external users or to other organizational units of the LEA, normally on a full cost-recovery basis. Proprietary funds are generally intended to be self-supporting.

Major Governmental Funds

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

Economic and Block Grants Fund. The City has, in past years, participated in Housing and Economic Grant Programs where by qualifying property owners could borrow funds to improve specific properties. These loans are both amortized and deferred and may or may not accrue interest. As loans are paid back, both principal and interest, the monies received are designated for specific purposes.

Impact Fees. New construction projects are charged fees for impact of future services of the City. These fees are based on estimated costs of future services, such as public safety, parks and recreation, transportation and public works.

Proprietary Funds

Enterprise Funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. An enterprise fund is accounted for on the accrual basis. Capital assets and long-term debt (including all long-term debt obligations such as vacation pay and capital leases) are recorded in the fund. All revenues and expenses (rather than expenditures) are recorded, regardless of when they are received or paid. Depreciation of capital assets is recorded.

Water Enterprise Fund. The enterprise fund is used to account for activity related to providing customers with water and billing for services provided by the City.

Sewer Enterprise Fund. The enterprise fund is used to account for activity related to providing customers with sewer services and billing for services provided by the City.

Industrial Sewer Enterprise Fund. Due to the processing requirements and volume of material the "Olive Processing" portion of the sewer operations is included as a separate fund.

1 - D. Basis of Accounting – Measurement Focus

Government-Wide and Proprietary Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using 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.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

Net Position should be reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities result from special revenue funds and the restrictions on their net position use.

Governmental Funds. Governmental fund financial statements 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. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. All other revenue items are considered to be measurable and available only when the City receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, early retirement and postemployment healthcare benefits and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Eliminating Internal Activity. Transactions between funds that would be treated as revenues, expenditures, or expenses if they involve entities external to the City are accounted for as revenues, expenditures, or expenses in the funds. At year-end, outstanding balances between funds are reported in the fund financial statements. Amounts reported in the funds as Due to or Due from Other Funds are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

The City eliminates its internal service activity in the statement of activities. This is accomplished by eliminating the revenues and expenses of the internal service funds against each other, and then distributing the residual amount among the various functions based upon the volume of activity they had during the year with each internal service fund. Any inter-fund services provided and used were not eliminated in the functional areas in which they were incurred.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Interfund transfers are eliminated in the governmental activities columns of the statement of activities.

Estimates. The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1 - E. Assets, Liabilities, and Net Position and Fund Balances

Deposits and Investments. The cash balances of substantially all funds are pooled and some are invested in LAIF for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at June 30, 2023, based on market prices.

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

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

Acquisition Value. The price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date, or the amount at which a liability could be liquidated with the counterparty at the acquisition date.

Receivables - Economic and Community Development Loans. The majority of these loans consist of deferred repayment loans under the City's housing and economic development programs. These programs were funded from government grant awards to the City, which were reported as grant revenue in the year received, and expenditures in the year the loans were made. A deferred loan is required to be repaid in full when the secured property is sold or transferred. Prior to the sale or transfer, loan payments are generally not required. Principal and interest payments which are receivable at year end are offset by an equal amount of deferred revenue. Such payments are recognized as program revenue when received.

Capital Assets. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at acquisition value. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Depreciation of capital assets is computed and recorded by the straight-line method over the following estimated useful life:

<u>Asset Class</u>	<u>Estimated Useful Life (Years)</u>
Buildings and improvements	15 – 50
Infrastructure	40
Vehicles	5 – 10

Interfund Balances. On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from other funds/Due to other funds." These amounts are eliminated in the governmental activities columns of the statement of net position.

Accrued Liabilities and Long-Term Obligations. All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

However, claims and judgments and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases, and long-term loans are recognized as liabilities in the governmental fund financial statements when due.

Unearned Revenue. Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the City prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

Compensated Absences. Compensated absences represent the vested portion of accumulated vacation and sick leave. The City's method of calculating the liability is in accordance with GASB Statement No. 16, except that additional accruals for salary-related payments associated with the payment of compensated absences, for example, the employer's share of pension contributions or social security and medi-care taxes have not been accrued as that amount is not considered significant or material to the financial statements taken as a whole. The City accrues a liability for compensated absences which meet the following criteria:

- ❖ The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
- ❖ The obligation relates to rights that vest or accumulate.
- ❖ Payment of the compensation is probable.
- ❖ The amount can be reasonably estimated.

Pensions. For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the fiduciary net positions of the California Public Employee Retirement System ("CalPERS") and additions to/deductions from CalPERS' fiduciary net positions 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.

Fund Balance. Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Restricted – The portion of fund balance representing resources subject to legally enforceable constraints externally imposed either by resource providers (e.g., grantors or creditors) or by law through constitutional provisions or enabling legislation.

Assigned – The portion of fund balance representing resources that are intended to be used for specific purposes but for which the constraints do not meet the criteria to be reported as restricted or committed. Intent may be established either by the LEA's highest level of decision-making authority or by a designated body or official. Constraints giving rise to assigned fund balance may be imposed at any time before the financial statements are issued. The constraints may be modified or removed by a process less formal than is required to remove constraints that give rise to committed fund balance. In governmental fund types other than the general fund, this is the residual fund balance classification.

Unassigned – In the general fund, residual fund balance in excess of amounts reported in the nonspendable, restricted, committed, or assigned fund balance classifications and net of Reserve for Economic Uncertainties. In all governmental funds including the general fund, the excess of nonspendable, restricted, and committed fund balance over total fund balance (deficits). Assigned amounts must be reduced or eliminated if a deficit exists.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

Net Position. Net Position represents the difference of assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The City has related debt outstanding as of June 30, 2023. Net Position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The entity-wide financial statements report \$2,733,134 of restricted net position.

1 - F. Revenues, Expenditures/Expense

Revenues – Exchange and Non-Exchange Transactions. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within 60 days of fiscal year-end.

The FIRST INSTALLMENT is due and payable on November 1, 2021, and will become delinquent if not paid by 5:00 p.m., or the close of business, whichever is later, on December 10, 2021; thereafter, a 10% penalty will be added. The SECOND INSTALLMENT is due on February 1, 2022, and will become delinquent if not paid by 5:00 p.m., or the close of business, whichever is later, on April 10, 2022; thereafter, a 10% penalty will be added plus the cost to prepare the delinquent tax records and to give notice of delinquency. BOTH INSTALLMENTS MAY BE PAID when the first installment is due. Mailed payments must be POSTMARKED BY THE DELINQUENT DATE to avoid late penalties.

Expenses/Expenditures. On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Principal and interest on long-term obligations, which has not matured, are recognized when paid in the governmental funds. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

Operating Revenues and Expenses. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses result from transactions directly associated with the fund's principal services.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

NOTE 2 – DEPOSITS AND INVESTMENTS

2 - A. Summary of Deposit and Investment Balances

Cash and investments as of June 30, 2023 consist of the following:

	Governmental Activities	Business-Type Activities	Total
Cash on hand	\$ 325	\$ -	\$ 325
Deposits in financial institutions	6,270,980	3,216,252	9,487,232
LAIF	3,040,178	-	3,040,178
Total Cash and Cash Equivalents	\$ 9,311,483	\$ 3,216,252	\$ 12,527,735

2 - B. Policies and Practices

INVESTMENT TYPE	MAX. MATURITY	MAX. % OF PORTFOLIO	MIN QUALITY	GOV'T CODE \$s
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations— CA And Others	5 years	None	None	53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S Agency Obligations	5 years	None	None	53601(f)
Bankers' Acceptances	180 days	40% ^{6E}	None	53601(g)
Commercial Paper— Non-Pooled Funds	270 days or less	25% of the agency's money	Highest letter and number rating by an NRSRO	53601(h)(2)(C)
Commercial Paper— Pooled Funds	270 days or less	40% of the agency's money	Highest letter and number rating by an NRSRO	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30% ^{0J}	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50% ^{0K}	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50% ^{0K}	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20% of the base value of the portfolio	None	53601(j)
Medium-Term Notes	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple	53601(l) and 53601.6(b)
Collateralized Bank Deposits	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-Through and Asset-Backed Securities	5 years or less	20%	"AA" rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple	53601(p)
Local Agency Investment Fund ("LAIF")	N/A	None	None	16429.1
Voluntary Investment Program Fund	N/A	None	None	16340
Supranational Obligations	5 years or less	30%	"AA" rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 53635(c) and 57603

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

2 - C. Cash Deposits

Credit Risk. As of June 30, 2023, are as follows:

Investment Type:	S & P Rating	Maturity (Days)	Reported Value	Fair Value Level	Fair Value
LAIF	NR	260	\$ 3,040,178	2	\$ 2,994,054

Custodial Credit Risk. There is a risk that, in the event of a bank failure, the City's deposits may not be returned. The City's deposit policy requires that all deposits are covered by the Federal Depository Insurance Corporation ("FDIC") or are collateralized as required by Statutes of the State. As of June 30, 2023, the carrying amount of the City's bank balances totaled \$1,290,102. Of the total bank balance, \$250,000 was insured through the FDIC.

NOTE 3 – ACCRUED RECEIVABLES

Receivables at June 30, 2023, were as follows:

	General Fund	Economic & Block Grants	Non-Major Governmental Funds	Governmental Activities	Water Enterprise	Sewer Enterprise	Industrial Sewer	Total Business- Type Activities
Property tax	\$ 43,951	\$ -	\$ 747	\$ 44,698	\$ -	\$ -	\$ -	\$ -
Sales tax	344,964	-	-	344,964	-	-	-	-
Sales tax Measure A	225,866	-	-	225,866	-	-	-	-
Loans	-	5,614,888	20,588	5,635,476	-	-	-	-
Local Government	-	-	-	-	-	-	-	-
Interest	18,523	798,764	-	817,287	-	-	-	-
Accounts receivable	64,560	716,578	50,360	831,498	165,259	288,527	16,862	470,648
Grant	10,640	-	147,210	157,850	-	-	-	-
Total	\$ 708,504	\$ 7,130,230	\$ 218,905	\$ 8,057,639	\$ 165,259	\$ 288,527	\$ 16,862	\$ 470,648

All receivables are considered by management collectible in full.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance July 01, 2022	Additions	Deductions	Balance June 30, 2023
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 486,096	\$ -	\$ -	\$ 486,096
Construction in progress	114,617	34,180	114,617	34,180
Non-Depreciable Capital Assets	600,713	34,180	114,617	520,276
Capital assets being depreciated				
Buildings & improvements	\$ 11,227,077	\$ 199,832	\$ -	\$ 11,426,909
Vehicles & equipment	3,415,679	1,153,549	9,925	4,559,303
Total Capital Assets Being Depreciated	14,642,756	1,353,381	9,925	15,986,212
Less Accumulated Depreciation	3,954,353	589,318	22,596	4,521,075
Depreciable Capital Assets, net	\$ 10,688,403	\$ 764,063	\$ (12,671)	\$ 11,465,137
Total Capital Assets, net	\$ 11,289,116	\$ 798,243	\$ 101,946	\$ 11,985,413
Depreciation was charged to the following departments:				
General government		\$ 72,044		
Public safety		250,599		
Public ways and facilities		203,292		
Library		3,952		
Recreation		59,431		
Total depreciation		\$ 589,318		

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

	Balance July 01, 2022	Additions	Deductions	Balance June 30, 2023
Business-Type Activities				
Capital assets not being depreciated				
Land	\$ 76,358	\$ -	\$ -	\$ 76,358
Construction in progress	306,893	987,439	13,039	1,281,293
Total Capital Assets not Being Depreciated	\$ 383,251	\$ 987,439	\$ 13,039	\$ 1,357,651
Capital assets being depreciated				
Water infrastructure	\$ 3,864,309	\$ -	\$ -	\$ 3,864,309
Sewer infrastructure	3,503,710	268,163	-	3,771,873
Industrial sewer infrastructure	588,444	-	-	588,444
Vehicles	976,296	636,982	73,022	1,540,256
Total Capital Assets Being Depreciated	8,932,759	905,145	73,022	9,764,882
Less Accumulated Depreciation	2,508,303	350,450	49,288	2,809,465
Depreciable Capital Assets, net	\$ 6,424,456	\$ 554,695	\$ 23,734	\$ 6,955,417
Total Capital Assets, net	\$ 6,807,707	\$ 1,542,134	\$ 36,773	\$ 8,313,068
Depreciation was charged to the following departments:				
Water		\$ 157,047		
Sewer		178,688		
Industrial sewer		14,715		
Total depreciation		\$ 350,450		

NOTE 5 – INTERFUND BALANCES AND ACTIVITY

5 - A. Balances Due to/from Other Funds

Balances due to/from other funds at June 30, 2023, consist of the following:

Due To Other Funds	Due From Other Funds			Total
	General Fund	Water Enterprise	Industrial Sewer	
General Fund	\$ -	\$ 333,532	\$ -	\$ 333,532
Economic & Block Grants	125,125	-	-	125,125
Non-Major Governmental Funds	282,713	-	218,781	501,494
Water Enterprise	-	297,494	-	297,494
Sewer Enterprise	-	-	38,109	38,109
Total	\$ 407,838	\$ 631,026	\$ 256,890	\$ 1,295,754

The above interfund loans were a result of negative cash balances in the respective funds.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

5 - B. Transfers to/from Other Funds

For the year-ended June 30, 2023, the General Fund transferred \$6,645 and \$4,985 to the Code Enforcement Fund and 87-STBG-247, respectively for program support. The ARPA Fund transferred \$118,871 to the Sewer Fund for purchase of the lift station.

NOTE 6 – ACCRUED PAYABLES

Payables at June 30, 2023, were as follows:

	General Fund	IMPACT FEES	Non-Major Governmental Funds	Governmental Activities	Water Enterprise	Sewer Enterprise	Total Business- Type Activities
Payroll	\$ 2,269	\$ -	\$ -	\$ 2,269	\$ -	\$ -	\$ -
Vendors payable	157,033	8,936	10,098	176,067	157,689	4,323	162,012
Interest payable	40,374	-	-	40,374	6,052	3,581	9,633
Total	\$ 199,676	\$ 8,936	\$ 10,098	\$ 218,710	\$ 163,741	\$ 7,904	\$ 171,645

NOTE 7 – UNEARNED REVENUES

Unearned revenue at June 30, 2023, were as follows:

	Economic & Block Grants	Non-Major Governmental Funds	Governmental Activities
87-STBG	\$ -	\$ 20,588	\$ 20,588
CDBG Reuse	2,750	-	2,750
Housing related	5,357,855	-	5,357,855
POST	1,053,046	-	1,053,046
Total	\$ 6,413,651	\$ 20,588	\$ 6,434,239

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

NOTE 8 – LONG-TERM LIABILITIES

8 - A. Long-Term Liabilities Summary

Long-term liability activity for the year ended June 30, 2023 was as follows:

	Balance July 01, 2022	Additions	Deductions	Balance June 30, 2023	Balance Due in One Year
Governmental Activities					
Notes/loans payable	\$4,094,748	\$ -	\$586,623	\$ 3,508,125	\$ 218,315
Net Pension Liability (Asset)	3,920,000	111,000	506,000	3,525,000	-
Net OPEB Obligation	441,000	22,000	-	463,000	-
Compensated absences payable	329,635	73,206	-	402,841	-
Total	\$ 8,785,383	\$ 206,206	\$ 1,092,623	\$ 7,898,966	\$ 218,315
Business-Type Activities					
Notes/loans payable	\$ 3,366,742	\$ -	\$ 520,062	\$ 2,846,680	\$ 200,850
Net Pension Liability (Asset)	428,000	272,000	-	700,000	-
Net OPEB Obligation	124,000	6,000	-	130,000	-
Compensated absences payable	114,410	16,741	-	131,151	-
Total	\$ 4,033,152	\$ 294,741	\$ 520,062	\$ 3,807,831	\$ 200,850

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

8 - B. Loan/Bonded Debt

	Government Activities	Business- Type Activities	Total
In April 2017 the city obtained financing in the amount of \$866,000 with an annual interest rate of 2.96% for the purchase and installation of energy efficiency upgrades and equipment	\$ 113,837	\$ 485,303	\$ 599,140
In June 2017, the City obtained financing in the amount of \$1,575,066 for the purchase and installation of solar energy equipment. The stated annual interest rate is 4.10%, with a net effective interest rate of 1.8% per annum after the Clean Renewable Energy Bonds (CREB) Federal subsidy.	196,588	838,087	1,034,675
In June 2021, the City obtained \$1,054,105 interest-free financing from the State Water Resources Control Board for well construction.	-	895,990	895,990
In September 2021 the City obtained financing in the amount \$4,060,000 with an annual interest rate of 2.95%, to remitted \$3,972,955 toward the unfunded actuarial liability related to CalPERS miscellaneous and safety pension plans.	3,197,700	627,300	3,825,000
Total Loans/Bonds	\$ 3,508,125	\$ 2,846,680	\$ 6,354,805

8 - C. Debt Service Requirements to Maturity

	Clean Renewable		
Year Ending June 30,	Principal	Interest	Total
2024	\$ 55,485	\$ 17,327	\$ 72,812
2025	57,140	15,672	72,812
2026	58,844	13,968	72,812
2027	60,598	12,214	72,812
2028	62,405	10,407	72,812
2029 - 2033	304,668	22,987	327,655
Total Payments	\$ 599,140	\$ 92,575	\$ 691,715

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

Solar Energy				
Year Ending June 30,	Principal	Interest	Total	
2024	\$ 103,543	\$ 41,363	\$	144,906
2025	104,770	37,106		141,876
2026	106,010	32,797		138,807
2027	107,266	28,438		135,704
2028	108,537	24,027		132,564
2029 - 2033	504,549	52,123		556,672
Total Payments	\$ 1,034,675	\$ 215,854	\$	1,250,529

Well				
Year Ending June 30,				Total
2024			\$	35,137
2025				35,137
2026				35,137
2027				35,137
2028				35,137
2029 - 2033				175,684
2034 - 2038				175,684
2039 - 2043				175,684
2044 - 2048				175,684
2049				17,569
Total Payments			\$	895,990

Pension Bonds				
Year Ending June 30,	Principal	Interest	Total	
2024	\$ 225,000	\$ 109,519	\$	334,519
2025	235,000	102,734		337,734
2026	240,000	95,728		335,728
2027	250,000	88,500		338,500
2028	255,000	81,051		336,051
2029 - 2033	1,390,000	286,444		1,676,444
2034 - 2037	1,230,000	72,275		1,302,275
Total Payments	\$ 3,825,000	\$ 836,251	\$	4,661,251

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

8 - D. Pension Liabilities

The City's pension activities between the Cal PERS for the year ended June 30, 2023, resulted in net pension obligations and other related balances as follows:

	Government Activities	Business-Type Activities	Total
NPL Safety	\$ (1,786,000)	\$ -	\$ (1,786,000)
NPL Miscellaneous	(1,739,000)	(700,000)	(2,439,000)
Total NPL	(3,525,000)	(700,000)	(4,225,000)
Deferred Outflows of Resources - Safety	1,783,000	-	1,783,000
Deferred Outflows of Resources - Miscellaneous	1,902,000	766,000	2,668,000
Total deferred outflows of resources	3,685,000	766,000	4,451,000
Deferred Inflows of Resources - Safety	(1,481,000)	-	(1,481,000)
Deferred Inflows of Resources - Miscellaneous	(2,087,000)	(839,000)	(2,926,000)
Total Deferred Inflows of Resources	(3,568,000)	(839,000)	(4,407,000)
Effect on Net Position	\$ (3,408,000)	\$ (773,000)	\$ (4,181,000)

See Note 9 for additional information regarding the pension plans and activities.

8 - E. Other Postemployment Benefits

The City's OPEB for the year ended June 30, 2023, resulted in an OPEB obligation of \$593,000. See Note 10 for additional information regarding the pension plans and activities.

8 - F. Compensated Absences

City employees accumulate earned but unused vacation benefits. No expenditure is reported for these accrued amounts in the governmental funds financial statements. However, in the statement of activities, the expenditure is allocated to each function based on usage. Vested compensated absences, payable in accordance with various collective bargaining agreements, were reported in the statement of net position with 75% considered payable after one year.

NOTE 9 – DEFINED BENEFIT PENSION

Plan Description. The Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (“the Plan” or “PERF C”) is administered by the California Public Employees’ Retirement System (“CalPERS”). The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. Each individual employer rate plan generally has less than 100 active members. This report and CalPERS’ audited financial statements are publicly available reports that can be found on CalPERS’ website at:

<https://www.calpers.ca.gov/docs/forms-publications/acfr-2021.pdf>.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

Benefits and Contributions. Per the City of Orland's *Annual Valuation Reports as of June 30, 2019* (provided in that report is the determination of the minimum required employer contributions for fiscal year 2021-22), the following are the benefits and employee and employer contribution requirements:

Benefit Provision:	Police Classic	Police and Fire PEPRA	Misc Classic	Misc PEPRA
Benefit Formula	3% @ 50	2.7% @ 57	2% @ 55 & 2.7% @ 55	2% @ 62
Social Security Coverage	Yes	Yes	Yes	Yes
Full/Modified	Modified	Full	Modified	Full
Employee Contribution Rate	9.00%	13.00%	NA	6.75%
Final Average Compensation Period	Three Year	Three Year	Three Year	Three Year
Sick Leave Credit	Yes	Yes	Yes	Yes
Non-Industrial Disability	Standard	Standard	Standard	Standard
Industrial Disability	Standard	Standard	No	No
Pre-Retirement Death Benefits:				
Optional Settlement 2	Yes	Yes	Yes	Yes
1959 Survivor Benefit Level	No	No	No	No
Special	Yes	Yes	No	No
Alternate (firefighters)	No	No	No	No
Post-Retirement Death Benefits:				
Lump Sum	\$500	\$500	\$500	\$500
Survivor Allowance (PRSA)	No	No	No	No
COLA	2%	2%	2%	2%
Contributions:				
Employer Normal Cost Rate	22.47%	12.78%	13.13%	13.35%
Employer Amortization of Unfunded				
Accrued Liability	\$94,019	\$4,980	\$108,740	\$2,717
Total Employer Contributions	\$173,953	\$88,643	\$236,031	\$68,625

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

At June 30, 2023, the City reported a liability of \$4,225,000 for its proportionate share of the net pension liability. The schedule of employer allocations for components of net pension liability provides allocation factors by employer for rate plans within the miscellaneous and safety risk pools based on the following allocation methodology: The schedule of employer allocations for components of net pension liability includes two ratios:

- 1) Actuarial Accrued Liability – Determined based on the actuarial accrued liability from the most recent actuarial valuation report as of June 30, 2021 used for funding purposes.
- 2) Market Value of Assets – Determined based on the sum of the market value of assets from the most recent actuarial valuation report as of June 30, 2021 used for funding purposes plus supplemental payments made by employers during the current measurement period to reduce their unfunded actuarial accrued liabilities.

The schedule of employer allocations for components of net pension liability is based on actuarial valuation reports that are one year in arrears. As such, there will be a one year lag between the time an employer enters the Plan and the fiscal year the employer is first included on the schedule of employer allocations for components of net pension liability. Employers joining the Plan during the fiscal year ended June 30, 2022, will be included in the schedule of employer allocations for components of net pension liability as of and for the fiscal year ended June 30, 2023.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

The employers' proportionate share percentages of the miscellaneous and safety risk pools were first determined at the rate plan level. The employers' total proportion of the respective miscellaneous and safety risk pools reflects the sum of the proportions of the respective miscellaneous and safety rate plans.

When applying the allocation methodology to the collective miscellaneous or safety risk pool pension amounts, employers should determine proportionate shares using the employer allocation factors as follows:

- 1) Total Pension Liability (TPL) – Allocate based on the employer's share of the actuarial accrued liability.
- 2) Fiduciary Net Position (FNP) – Allocate based on the employer's share of the market value of assets plus additional payments.
- 3) Net Pension Liability (NPL) – After completing the above calculations, subtract FNP from TPL to calculate the employer's NPL.
- 4) Deferred Outflows of Resources, Deferred Inflows of Resources – Allocate based on the employer's share of the net pension liability as noted in 3) above.
- 5) Pension Expense – After completing the above calculations, calculate the employer's share of collective pension expense based on the employer's share of changes in net pension liability, changes in deferred outflows and deferred inflows of resources, and the employer's contributions for the fiscal year ended June 30, 2021. The schedule of collective pension amounts does not reflect employer-specific amounts such as changes in proportion and employer contributions to PERF C subsequent to the measurement date. Appropriate treatment of such amounts is the responsibility of the employers.

An employers' proportionate shares of pension amounts for PERF C equals the sum of the employer's proportionate shares of pension amounts for the respective miscellaneous and safety risk pools. At June 30, 2023, the City's proportion was:

	Jun. 30, 2022	Jun. 30, 2021	Difference
Net Pension Liability Allocation Basis - Safety	0.0002599	0.0004772	-0.0002173
Net Pension Liability Allocation Basis - Miscellaneous	0.0005212	0.0014075	-0.0008863

For the year ended June 30, 2023, the City recognized pension expense of \$1,379,000. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience	\$ 71,000	\$ -	\$ 71,000
Changes of assumptions	430,000	-	430,000
Net difference between projected and actual earnings on pension plan investments	729,000	-	729,000
Differences between Employer's Contributions and Proportionate Share of Contributions	2,577,000	588,000	1,989,000
Change in Employer's Proportion	77,000	3,819,000	(3,742,000)
City contributions subsequent to the measurement date	567,000	-	567,000
Total	\$ 4,451,000	\$ 4,407,000	\$ 44,000

NOTES TO THE FINANCIAL STATEMENTS, Continued

JUNE 30, 2023

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2024	\$	83,000
2025		(329,000)
2026		(155,000)
2027		445,000
Total	\$	44,000

Actuarial Methods and Assumptions. The collective total pension liability for the June 30, 2021 measurement period was determined by an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension liability to June 30, 2021. The collective total pension liability was based on the following assumptions:

Investment rate of return	6.90%
Inflation	2.30%
Salary increases	Varies by Entry Age and Service
Mortality rate table ¹	Derived using CalPERS' Membership Data for all Funds Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies
Post-Retirement Benefit Increase	

¹ The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Long-Term Expected Rate of Return. 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.

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

Asset Class ¹	Assumed Asst Allocation	Real Return Year 1 -10 ^{1,2}
Global equity - cap-weighted	30.00%	4.45%
Global equity non-cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-22 Asset Liability Management study.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

Discount Rate. The discount rate used to measure the total pension liability for PERF C was 6.90%. 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 City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the collective net pension liability calculated using a discount rate of 6.90%, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

		Current	
	1% Decrease	Discount Rate	1% Increase
Proportionate share of the net pension liability - Safety	\$ 3,347,000	\$ 1,786,000	\$ 511,000
Proportionate share of the net pension liability - Miscellaneous	4,496,000	2,439,000	746,000

Pension Plan Fiduciary Net Position. The components of the employers' collective net pension liability related to the Plan as of June 30, 2022 are as follows (amounts in thousands):

	Miscellaneous Risk Pool	Safety Risk Pool	Total
Total pension liability	\$ 21,449,898	\$ 28,076,077	\$ 49,525,979
Less:			
Plan fiduciary net position	16,770,671	21,204,499	37,975,170
Net Pension Liability of Employers	\$ 4,679,227	\$ 6,871,578	\$ 11,550,805

NOTE 10 – POSTEMPLOYMENT HEALTHCARE PLAN

Plan Description. Upon completion of twenty years of City of Orland service, and upon retiring from City service, Non-safety employees who were regular full-time employees as of July 1, 2013, shall be eligible to receive a contribution of 1% for each year of City service applied toward the cost of the employee-only medical insurance premium if the employee is covered by employee-only insurance at the time of retirement, or applied to the cost of the employee-plus-one-dependent premium if the employee and his or her dependent are covered by the City's medical insurance at the time of retirement. **No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.**

Benefits Provided. This benefit expires when the employee/retiree qualifies for Medicare. If the dependent becomes Medicare eligible prior to the retiree, the contribution shall be applied to the cost of the employee-only premium. There were six retirees when the City had CalPERS medical insurance which guaranteed a monthly benefit of \$108 for life.

Employees Covered by Benefit Terms. At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	34
Active employees	34
Total	68

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

Total OPEB Liability. The City's total OPEB liability of \$594,000 was measured in conformity with the requirements in GASB No. 75, paragraphs 225 and 226 for the alternative measurement method, as of June 30, 2023.

Measurement Assumptions and Other Inputs. The total OPEB liability in the June 30, 2023 valuation was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation Rate: 2.75%
Discount Rate: 4%

Salary Increase: 3.25%
Health Trend Rate: 8%

Changes in the Total OPEB Liability

Balances at July 01, 2022	\$	565,000
Changes for the year:		
Service cost		30,000
Interest		22,000
Benefit payments		(24,000)
Net changes		28,000
Balances at June 30, 2023	\$	593,000

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 and a health trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rates:

	Current Discount		
	1% Decrease	Rate	1% Increase
City's proportionate share of the OPEB liability	\$ 664,000	\$ 593,000	\$ 534,000

	Current Health		
	1% Decrease	Trend Rate	1% Increase
City's proportionate share of the OPEB liability	\$ 505,000	\$ 593,000	\$ 740,000

OPEB Expense. For the year ended June 30, 2023, the City recognized an OPEB expense of \$29,000.

NOTES TO THE FINANCIAL STATEMENTS, Continued
JUNE 30, 2023

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Litigation. The City has been named in various pending or threatened litigation, claims or assessments. The ultimate outcome/resolution of these matters is not known at this time. The City is monitoring the progress of these matters and has referred various matters to the City's attorney for consultation and representation.

NOTE 12 – PARTICIPATION IN A JOINT POWERS AUTHORITY

The City is a member of the JPA GRSMA. GRSMA provides workers' compensation, liability and property insurance. The relationship is such that the JPAs are not component units of the City for financial reporting purposes.

This entity has budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the City are included in these financial statements. Audited financial statements are available from the respective entities.

During the year ended June 30, 2023, the City made payments of \$348,910 to GSRMA.

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REQUIRED SUPPLEMENTARY INFORMATION

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**GENERAL FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>			Variances - Positive / (Negative) Final to Actual
	Original	Final	Actual	
REVENUES				
Taxes	\$ 4,521,000	\$ 4,521,000	\$ 5,081,968	\$ 560,968
Licenses, Permits, and Franchises	446,500	446,500	592,568	146,068
Fines, Forfeitures, and Penalties	2,000	2,000	22,604	20,604
Revenue from Use of Money	66,000	66,000	84,882	18,882
Intergovernmental Revenue	633,500	633,500	2,079,849	1,446,349
Charges for Services	100,000	100,000	222,253	122,253
Miscellaneous Revenues	50,000	50,000	15,738	(34,262)
Total Revenues	5,819,000	5,819,000	8,099,862	2,280,862
EXPENDITURES				
Current				
General Government	1,218,514	1,218,514	1,065,210	153,304
Public Safety	2,766,883	2,766,883	3,304,943	(538,060)
Public Ways and Facilities	457,279	457,279	760,833	(303,554)
Library	598,142	598,142	584,053	14,089
Recreation	635,428	635,428	762,522	(127,094)
Capital Outlay	-	-	1,038,444	(1,038,444)
Debt Service	66,734	66,734	686,738	(620,004)
Total Expenditures	5,742,980	5,742,980	8,202,743	(2,459,763)
Excess (Deficiency) of Revenues Over Expenditures	76,020	76,020	(102,881)	(178,901)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(11,630)	(11,630)
NET CHANGE IN FUND BALANCE	76,020	76,020	(114,511)	(11,630)
Beginning fund balance	3,251,398	3,251,398	3,251,398	
Ending balance	\$ 3,327,418	\$ 3,327,418	\$ 3,136,887	\$ (190,531)

**ECONOMIC BLOCK & GRANT FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts			Variances - Positive / (Negative) Final to Actual
	Original	Final	Actual	
REVENUES				
Revenue from Use of Money	\$ -	\$ -	\$ 186	\$ 186
Charges for Services	-	-	243,843	243,843
Total Revenues	-	-	1,753,614	1,753,614
EXPENDITURES				
Current				
General Government	-	-	1,373,350	(1,373,350)
Total Expenditures	-	-	1,373,350	(1,373,350)
NET CHANGE IN FUND BALANCE	-	-	380,264	380,264
Beginning fund balance	823,906	823,906	823,906	
Ending balance	\$ 823,906	\$ 823,906	\$ 1,204,170	\$ 380,264

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	0.04%	0.08%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.05%
City's proportionate share of the net pension liability (asset)	\$4,225,000	\$4,348,000	\$6,749,000	\$6,224,000	\$5,742,000	\$5,761,000	\$5,003,000	\$3,919,000	\$3,151,000
City's covered payroll	\$2,404,000	\$2,564,000	\$2,318,000	\$2,196,000	\$1,970,000	\$1,984,000	\$1,741,000	\$1,851,000	\$1,799,000
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	176%	170%	291%	283%	291%	290%	287%	212%	175%
Plan fiduciary net position as a percentage of the total pension liability	77%	88%	75%	75%	75%	73%	74%	78%	82%

The amounts presented for each fiscal year were determined as of June 30 of the prior fiscal year

SCHEDULE OF CONTRIBUTIONS

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 567,251	\$ 850,189	\$ 779,873	\$ 684,036	\$ 588,379	\$ 493,433	\$ 467,307	\$ 413,224	\$ 294,491
Contributions in relation to the contractually required contribution	(567,251)	(4,823,144)	(779,873)	(684,036)	(588,379)	(493,433)	(467,497)	(413,224)	(294,491)
Contribution deficiency	\$ -	\$ (3,972,955)	\$ -	\$ -	\$ -	\$ -	\$ (190)	\$ -	\$ -
City's covered payroll	\$ 2,536,216	\$ 2,404,302	\$ 2,563,762	\$ 2,318,470	\$ 2,196,355	\$ 1,970,481	\$ 1,984,314	\$ 1,740,811	\$ 1,851,123
Contributions as a percentage of covered payroll	22%	35%	30%	30%	27%	25%	24%	24%	16%

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

	2023	2022	2021	2020	2019
Total OPEB Liability					
Changes for the year:					
Service cost	\$ 30,000	\$ 29,000	\$ 28,240	\$ 26,495	\$ 28,234
Interest	22,000	22,000	16,036	15,998	13,904
Changes in assumptions or other inputs	-	(18,225)	11,283	8,325	(24,450)
Benefit payments	(24,000)	(22,000)	(22,424)	(28,674)	(18,593)
Net Changes in Total OPEB Liability	28,000	10,775	33,135	22,144	(905)
Total OPEB Liability - Beginning	565,000	554,225	521,090	498,946	499,851
Total OPEB Liability - Ending	\$ 593,000	\$ 565,000	\$ 554,225	\$ 521,090	\$ 498,946
Covered Payroll	\$ 2,536,216	\$ 2,404,302	\$ 2,455,076	\$ 2,253,165	\$ 2,210,307
Total OPEB liability as a percentage of covered payroll	23%	23%	23%	23%	23%
City Has No Assets Accumulated in a Trust to Pay Related Benefits					

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SUPPLEMENTARY INFORMATION

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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program or Cluster	Assistance Listing Number ("ALN")	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF AGRICULTURE:			
Passed through the CA State Water Resources Control Board			
Community Facilities Loans and Grants	10.766	04-011-532934947	\$ 196,700
Disaster Grant	10.766	04-011-532934947	77,000
Total U. S. Department of Agriculture			273,700
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Home Investment Partnerships Program [1]	14.239	19-HOME-15980	1,247,781
Home Investment Partnerships Program [1]	14.239	07-HOME-3902	2,473,181
Home Investment Partnerships Program [1]	14.239	08-HOME-4730	501,692
Home Investment Partnerships Program [1]	14.239	04-HOME-Orland Apt	1,725,583
Home Investment Partnerships Program [1]	14.239	05-HOME-1685	218,827
Home Investment Partnerships Program [1]	14.239	09-HOME-6205	437,571
HOME Subtotal			6,604,635
Community Development Block Grant [1]	14.218	1987 STBG	20,588
Community Development Block Grant [1]	14.218	CDBG Reuse	2,750
		Post 1992 CDBG	
Community Development Block Grant [1]	14.218	Program	1,053,046
			1,076,384
Total U. S. Department of Housing and Urban Development			7,681,019
U. S. DEPARTMENT OF TRANSPORTATION			
Highway Planning and Construction (Federal-Aid High	20.205		125,571
U. S. DEPARTMENT OF THE TREASURY			
Coronavirus Relief Fund	21.019		31,069
Coronavirus State and Local Fiscal Recovery Fund	21.027		391,563
Total U. S. Department of the Treasury			422,632
Total Federal Expenditures			\$ 8,502,922

[1] - Major Program

DF - Direct Funded

No amount provided to subrecipients

COMBINING BALANCE SHEET
JUNE 30, 2023

	Library Funds	Police Dept Grants	P.O.S.T.	Covid Relief	ARPA	Gen Plan Surch	Libr Bld Forwar	GAS TAX	STIP- PAPST AVE	Tehama - STIP	Code Enforc.	RMRA, SB 1	Sixth St 2020	Assessment District
ASSETS														
Cash and Equivalents	\$ 136,928	\$ 37,072	\$ 34,274	\$ -	\$ 1,046,303	\$ 127,808	\$ 124,892	\$ 235,006	\$ -	\$ -	\$ 1,112	\$ 294,791	\$ -	\$ 632,229
Receivables	-	-	-	-	-	-	-	165,240	-	-	-	32,330	-	747
TOTAL ASSETS	\$ 136,928	\$ 37,072	\$ 34,274	\$ -	\$ 1,046,303	\$ 127,808	\$ 124,892	\$ 400,246	\$ -	\$ -	\$ 1,112	\$ 327,121	\$ -	\$ 632,976
LIABILITIES														
Accrued Expenses	\$ 212	\$ -	\$ -	\$ 467	\$ 2,360	\$ -	\$ -	\$ 3,690	\$ -	\$ -	\$ -	\$ 3,369	\$ -	\$ -
Due To Other Funds	-	-	-	30,601	-	-	-	-	2,460	216,321	-	-	76,858	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	212	-	-	31,068	2,360	-	-	3,690	2,460	216,321	-	3,369	76,858	-
FUND BALANCE														
Restricted Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	321,456
Assigned Fund Balance	136,716	37,072	34,274	-	1,043,943	127,808	124,892	396,556	-	-	1,112	323,752	-	311,520
Unassigned	-	-	-	(31,068)	-	-	-	-	(2,460)	(216,321)	-	-	(76,858)	-
Total Fund Balance	136,716	37,072	34,274	(31,068)	1,043,943	127,808	124,892	396,556	(2,460)	(216,321)	1,112	323,752	(76,858)	632,976
TOTAL LIABILITIES														
AND FUND BALANCE	\$ 136,928	\$ 37,072	\$ 34,274	\$ -	\$ 1,046,303	\$ 127,808	\$ 124,892	\$ 400,246	\$ -	\$ -	\$ 1,112	\$ 327,121	\$ -	\$ 632,976

87-STBG- 247	Parks Pass	Wdwr Fam Aprts	Liberty Bell CY	SB-2 Planning	LEAP Grant	Rec Trail Grant	Community Center	CA BSCC GRANT	USBR Park Meters	Downtown Signs	Arts Commis.	Nomlaki Dontation	Streetscape	SAFETY FUND	Tree Comm Trust	Non-Major Govt Funds
\$ -	\$ -	\$ 1,720	\$ -	\$ -	\$ -	\$ -	\$ 1,413	\$ 5,933	\$ 51,106	\$ 3,762	\$ 36,959	\$ 656	\$ -	\$ 71,965	\$ 4,265	\$ 2,848,194
20,588	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	218,905
\$ 20,588	\$ -	\$ 1,720	\$ -	\$ -	\$ -	\$ -	\$ 1,413	\$ 5,933	\$ 51,106	\$ 3,762	\$ 36,959	\$ 656	\$ -	\$ 71,965	\$ 4,265	\$ 3,067,099
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,098
-	5,833	-	2,904	76,179	18,509	41,115	-	-	-	-	-	-	30,714	-	-	501,494
20,588	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,588
20,588	5,833	-	2,904	76,179	18,509	41,115	-	-	-	-	-	-	30,714	-	-	532,180
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	321,456
-	-	1,720	-	-	-	-	1,413	5,933	51,106	3,762	36,959	656	-	71,965	4,265	2,715,424
-	(5,833)	-	(2,904)	(76,179)	(18,509)	(41,115)	-	-	-	-	-	-	(30,714)	-	-	(501,961)
-	(5,833)	1,720	(2,904)	(76,179)	(18,509)	(41,115)	1,413	5,933	51,106	3,762	36,959	656	(30,714)	71,965	4,265	2,534,919
\$ 20,588	\$ -	\$ 1,720	\$ -	\$ -	\$ -	\$ -	\$ 1,413	\$ 5,933	\$ 51,106	\$ 3,762	\$ 36,959	\$ 656	\$ -	\$ 71,965	\$ 4,265	\$ 3,067,099

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023**

	Library Funds	Police Dept Grants	P.O.S.T.	Covid Relief	ARPA	Gen Plan Surch	Libr Bld Forwar	GAS TAX	STIP- PAPST AVE	Tehama - STIP	Code Enforc.	RMRA, SB 1	Sixth St 2020	Assessment District
REVENUES														
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 354,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,659
Licenses, Permits, and Franchises	-	-	-	-	-	47,636	-	-	-	-	-	-	-	-
Fines, Forfeitures, and Penalties	1,500	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from Use of Money	2,502	687	362	-	23,421	1,894	1,765	3,971	-	-	-	4,157	-	11,801
Intergovernmental Revenue	6,076	-	30,835	-	936,192	-	123,127	-	-	-	-	184,499	-	-
Charges for Services	22,067	-	116	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	32,145	687	31,313	-	959,613	49,530	124,892	358,560	-	-	-	188,656	-	102,460
EXPENDITURES														
Current														
General Government	-	-	-	30,601	153,620	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-	-	-	128,181	-	-	-	8,901	-	64,654
Library	23,004	-	-	-	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	467	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	64,265	-	-	52,201	-	-	-	-	-	-
Debt Service	-	-	-	-	54,807	-	-	-	-	-	-	-	-	-
Total Expenditures	23,004	-	-	31,068	272,692	-	-	180,382	-	-	-	8,901	-	64,654
Excess (Deficiency) of Revenues														
Over Expenditures	9,141	687	31,313	(31,068)	686,921	49,530	124,892	178,178	-	-	-	179,755	-	37,806
OTHER FINANCING SOURCES (USES)														
Transfers In	-	-	-	-	-	-	-	-	-	-	6,645	-	-	-
Transfers Out	-	-	-	-	(118,871)	-	-	-	-	-	-	-	-	-
Net Financing Sources (Uses)	-	-	-	-	(118,871)	-	-	-	-	-	6,645	-	-	-
NET CHANGE IN FUND BALANCE	9,141	687	31,313	(31,068)	568,050	49,530	124,892	178,178	-	-	6,645	179,755	-	37,806
Beginning fund balance	127,575	36,385	2,961	-	475,893	78,278	-	218,378	(2,460)	(216,321)	(5,533)	143,997	(76,858)	595,170
Ending balance	\$ 136,716	\$ 37,072	\$ 34,274	\$ (31,068)	\$ 1,043,943	\$ 127,808	\$ 124,892	\$ 396,556	\$ (2,460)	\$ (216,321)	\$ 1,112	\$ 323,752	\$ (76,858)	\$ 632,976

87-STBG- 247	Parks Pass	Wdwrdr Fam Aprts	Liberty Bell CY	SB-2 Planning	LEAP Grant	Rec Trail Grant	Community Center	CA BSCC GRANT	USBR Park Meters	Downtown Signs	Arts Commis.	Nomlaki Dontation	Streetscape	SAFETY FUND	Tree Comm Trust	Non-Major Govt Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 445,248
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47,636
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,500
-	-	33	-	-	-	-	26	110	947	70	733	13	-	1,355	79	53,926
-	17,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,297,729
-	-	-	-	-	-	-	-	-	-	-	40,246	-	-	-	-	62,429
-	17,000	33	-	-	-	-	26	110	947	70	40,979	13	-	1,355	79	1,908,468
-	-	-	-	-	514	34,879	-	-	-	-	-	-	-	-	-	219,614
-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,166	-	20,166
-	-	444	1,267	-	-	-	-	-	-	-	-	-	-	-	-	203,447
-	22,833	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,837
-	-	-	-	-	-	5,936	-	-	-	-	30,303	-	-	-	-	36,706
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	116,466
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54,807
-	22,833	444	1,267	-	514	40,815	-	-	-	-	30,303	-	-	20,166	-	697,043
-	(5,833)	(411)	(1,267)	-	(514)	(40,815)	26	110	947	70	10,676	13	-	(18,811)	79	1,211,425
4,985	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,630
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(118,871)
4,985	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(107,241)
4,985	(5,833)	(411)	(1,267)	-	(514)	(40,815)	26	110	947	70	10,676	13	-	(18,811)	79	1,104,184
(4,985)	-	2,131	(1,637)	(76,179)	(17,995)	(300)	1,387	5,823	50,159	3,692	26,283	643	(30,714)	90,776	4,186	1,430,735
\$ -	\$ (5,833)	\$ 1,720	\$ (2,904)	\$ (76,179)	\$ (18,509)	\$ (41,115)	\$ 1,413	\$ 5,933	\$ 51,106	\$ 3,762	\$ 36,959	\$ 656	\$ (30,714)	\$ 71,965	\$ 4,265	\$ 2,534,919

NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2023

Schedule of Expenditures of Federal Awards

NOTE A – BASIS OF PRESENTATION The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the City of Orland, California (the City) under programs of the federal government for year ended June 30, 2023. 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 for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the City's operations, it is not intended to be and does not present the financial position, changes in financial position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Expenses reported on the Schedule are reported on the modified accrual basis of accounting, save for the accounts receivable balances, which are not current year expenditures. Such expenses are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenses are not allowable or are limited as to reimbursement.

NOTE C – INDIRECT COST ALLOCATION PLAN The City did not elect to use the 10 percent de minimis indirect costs as covered in CFR 200.414.

NOTE E – LOAN PROGRAMS The outstanding balances of loan programs, with a continuing compliance requirement, carried balances as of June 30, 2023, as follows:

Federal Grantor/Pass-Through Grantor/Program or Cluster	ALN	Loans Outstanding as of June 30, 2023
Home Investment Partnerships Program		
07-HOME-3902	14.239	\$ 2,473,181
08-HOME-4730	14.239	501,692
04-HOME-Orland Apt	14.239	1,725,583
05-HOME-1685	14.239	218,827
09-HOME-6205	14.239	437,571
Total HOME		5,356,854
Community Development Block Grant		
1987 STBG	14.218	\$ 20,588
CDBG Reuse	14.218	2,750
Post 1992 CDBG Program	14.218	1,053,046
Total CDBG		1,076,384
Total Loans Outstanding		\$ 6,433,238

Combining Statements – Non-Major Governmental Funds

The Non-Major Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and Changes in Fund Balances is included to provide information regarding the individual funds that have been included in the Non-Major Governmental Funds column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

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OTHER INDEPENDENT AUDITOR'S REPORT

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DRAFT 3

**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***

The Board of Trustees
City of Orland
Orland, California

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Orland as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise City of Orland's basic financial statements, and have issued our report thereon dated **May 25, 2024**.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered City of Orland's internal control over financial reporting (internal control) as a basis for designing 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 City of Orland's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Orland'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether City of Orland'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 instances of noncompliance that are required to be reported under *Government Auditing Standards*. The reported noncompliance are the proposed audit adjustments, which were accepted by the City.

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.

[Signature]

[Auditor's City and State]

[Date]

DRAFT 3

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Board of Trustees
City of Orland
Orland, California

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited City of Orland's compliance with the types of compliance requirements¹ identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Orland's major federal programs for the year ended June 30, 2023. City of Orland'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, City of Orland complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 City of Orland 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 City of Orland's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

DRAFT 3

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

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

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

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

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.⁵

[Signature of the auditor's firm]

[City and state where auditor's report is issued]

[Date of the auditor's report]⁶

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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**SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL STATEMENTS

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Non-compliance material to financial statements noted?	<u>Yes</u>

FEDERAL AWARDS

Internal control over major federal program(s):	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditor's report issued on compliance for major federal programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>No</u>
Identification of major programs:	

<u>ALN</u>	<u>Name of Federal Program or Cluster</u>
<u>14.239</u>	<u>Home Investment Partnerships Program</u>
<u>14.218</u>	<u>Community Development Block Grant</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>No</u>

FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023

No Financial Statement Findings were noted in the current year.

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**FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

No Federal Award Findings were noted in the current year.

DRAFT 3

**PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

There were no findings noted in the prior fiscal year.

DRAFT 3

CITY COUNCIL

Chris Dobbs, Mayor
 Mathew Romano, Vice-Mayor
 Bruce T. Roundy
 Jeffrey A. Tolley
 John McDermott

CITY OFFICIALS

Jennifer Schmitke
 City Clerk

Leticia Espinosa
 City Treasurer

CITY OF ORLAND

INCORPORATED 1909

815 Fourth Street
 ORLAND, CALIFORNIA 95963
 Telephone (530) 865-1600
 Fax (530) 865-1632

**CITY MANAGER**

Peter R. Carr

MANAGEMENT REPRESENTATION LETTER

May 29, 2024
 RT Dennis Accountancy
 12223 Highland Ave. STE #106-625
 Rancho Cucamonga CA 91739

Dear RT Dennis:

This representation letter is provided in connection with your audit of the financial statements of City of Orland as of June 30, 2023, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of City of Orland in accordance with accounting principles generally accepted for governments in the United States of America (US GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, 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.

Except where otherwise stated below, immaterial matters collectively are not considered to be exceptions that require disclosure for the purpose of the following representations. This amount is not necessarily indicative of amounts that would require adjustment to or disclosure in the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of May 25, 2024:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement contract, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with US GAAP.
2. The financial statements referred to above have been fairly presented in accordance with US GAAP and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. With respect to drafting of the financial statements, we have performed the following:
 - a. Made all management decisions and performed all management functions;

- b. Assigned a competent individual to oversee the services;
 - c. Evaluated the adequacy of the services performed;
 - d. Evaluated and accepted responsibility for the result of the service performed; and
 - e. Established and maintained internal controls, including monitoring ongoing activities.
6. Significant assumptions used by us in making accounting estimates are reasonable.
 7. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of US GAAP.
 8. All events subsequent to the date of the financial statements and for which US GAAP requires adjustment or disclosure have been adjusted or disclosed.
 9. We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* which codifies FASB Accounting Standards Codification™ (ASC) 450, *Contingencies*, and we have not consulted a lawyer concerning litigation, claims, or assessments.
 10. With regard to items reported at fair value:
 - a. The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in conformity with US GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
 11. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
 12. All funds and activities are properly classified.
 13. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
 14. All net position components and fund balance classifications have been properly reported.
 15. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
 16. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
 17. All interfund and intra-entity transactions and balances have been properly classified and reported.
 18. Deposit and investment risks have been properly and fully disclosed.
 19. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
 20. All required supplementary information is measured and presented within the prescribed guidelines.
 21. Non-exchange and exchange financial guarantees, either written or oral, under which it is more likely than not that a liability exists have been properly recorded, or if we are obligated in any manner, are disclosed.
 22. With regard to pensions and OPEB, we believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.

Information Provided

23. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the City and others from whom you determined it necessary to obtain audit evidence.
24. The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
25. All transactions have been recorded in the accounting records and are reflected in the financial statements.

26. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
27. We have provided to you our evaluation of the City's ability to continue as a going concern, including significant conditions and events present, and we believe that our use of the going concern basis of accounting is appropriate.
28. We have no knowledge of any fraud or suspected fraud that affects the City and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
29. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others.
30. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
31. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
32. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, abuse or waste that you have reported to us.
33. We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
34. We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
35. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
36. City of Orland has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
37. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
38. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
39. City of Orland has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
40. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Material Audit Adjustments

We have reviewed and approved the various adjusting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.

Use of a Specialist

We agree with the findings of specialists (CalPERS) in evaluating the pension and OPEB and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists

with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

Required Supplementary Information (RSI)

We acknowledge our responsibility for the presentation of the following schedules:

- ❖ Management Discussion and Analysis
- ❖ Budget Comparison
- ❖ Pension Schedules
- ❖ OPEB Schedules

We believe the above-mentioned schedules, including its form and content, is fairly presented in accordance with US GAAP. The methods of measurement or presentation have not changed from those used in the prior period. We believe the significant assumptions or interpretations underlying the measurement or presentation of the above-mentioned schedules, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

Supplementary Information in Relation to the Financial Statements as a Whole

We acknowledge our responsibility for the presentation of the following schedules:

- ❖ Schedule of Expenditures of Federal Awards
- ❖ Combining Statements and Individual Fund Statements and Schedules

Single Audit

41. With respect to federal awards, we represent the following to you:

- a. We are responsible for understanding and complying with, and have complied with, the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
- b. We are responsible for the preparation and presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance.
- c. We believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance.
- d. The methods of measurement or presentation have not changed from those used in the prior period.
- e. We are responsible for including the auditor's report on the schedule of expenditures of federal awards in any document that contains the schedule and that indicates that the auditor has reported on such information.
- f. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance compliance audit.
- g. When the schedule of expenditures of federal awards is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by the entity of the schedule of expenditures of federal awards and the auditor's report thereon.
- h. We have, in accordance with the Uniform Guidance, identified in the schedule of expenditures of federal awards, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other assistance.
- i. We have provided to you our interpretations of any compliance requirements that are subject to varying interpretations.
- j. We have made available to you all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities.
- k. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- l. We also know of no instances of noncompliance with direct and material compliance requirements occurring subsequent to period covered by the auditor's report.

- m. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- n. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are prepared on a basis consistent with the schedule of expenditures of federal awards).
- o. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- p. We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance, as applicable.
- q. We have charged costs to federal awards in accordance with applicable cost principles.
- r. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- s. The reporting package does not contain personally identifiable information.
- t. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.
- u. We have reviewed, approved, and taken responsibility for the financial statements and related notes and an acknowledgment of the auditor's role in the preparation of this information.
- v. We have reviewed, approved, and taken responsibility for accrual adjustments and an acknowledgment of the auditor's role in the preparation of the adjustments.
- w. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

In addition:

- x. We are responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major federal program; and we have complied with these direct and material compliance requirements.
- y. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provide reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award that could have a material effect on our federal programs. Also, no changes have been made in the internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditor's report.
- z. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form and we are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.



Peter R Carr
City Manager



CITY OF ORLAND STAFF REPORT

MEETING DATE: June 4, 2024

TO: Honorable Mayor and Councilmembers

FROM: Pete Carr, City Manager/Finance Director

SUBJECT: **Fiscal Year 2024-25 Budget Adoption** (Discussion/Action)

City staff will propose a budget for Council adoption for the coming fiscal year.

BACKGROUND:

The annual budget presents the City's best estimates for anticipated revenue and authority to expend funds on operations and projects. With the 2024-25 fiscal year starting July 1, City staff and Council previewed in April and May the capital improvement project plans, staffing, estimated revenues, planned by-department budget expenditures, fund balances, debt obligations and ARPA budget worksheet.

The budget is designed to provide expected public services, accomplish planned improvements, and protect emergency reserves. Planned expenditures are balanced against forecasted revenues within 0.1%.

ANALYSIS:

No significant changes were made to the draft budget since the May 21 discussion except:

- Measure A Public Safety Fund: Addition of \$150,000 in potential medical transport (ambulance) expense, offset by corresponding decrease/elimination in set-aside for future public safety facility.
- General Fund: Increase in Animal Control contract service expense from \$55,000 to \$96,000. Set aside of \$5000 for maintenance work on the Carnegie Center facility.
- Water, Sewer and Gas Tax Street Funds: Deferral of purchase of F700 water truck.

With these updates, all major funds are balanced for the coming fiscal year, operational services continue and improvement project objectives are funded. The Street/Gas Tax Fund has additional resources available for street projects. Water and sewer funds continue to project surpluses in reserve against future improvement projects and emergencies.

Attachment: Complete draft proposed budget including:

1. Cover page and organization chart
2. City Manager budget message
3. Major Projects for FY25, listed & prioritized
4. Summarized City finances depicted graphically in pie charts
5. Summary of major fund balances
6. Development Impact Fee Fund activity schedule
7. Measure A Public Safety Fund balance and budget
8. General Fund balance, revenues and expenditures by dept/function
9. Police, Fire and Public Works major equipment replacement schedules
10. Debt obligation schedule
11. Staffing schedule

RECOMMENDATION:

Adopt fiscal year 2024-25 budget as drafted and proposed.

FISCAL IMPACT OF RECOMMENDATION:

This is a complete and balanced plan for allocation of revenues and expenditures for the coming fiscal year.
No impact on FY24 (current fiscal year).

**City of Orland
2024-2025 Budget**

City Council

Mayor
Vice-Mayor
Council Member
Council Member
Council Member

Chris Dobbis
Bruce T. Roundy
John McDermott
Mathew Romano
Jeffrey Tolley

Appointed Officials

City Clerk
City Treasurer

Jennifer Schmitke
Leticia Espinosa

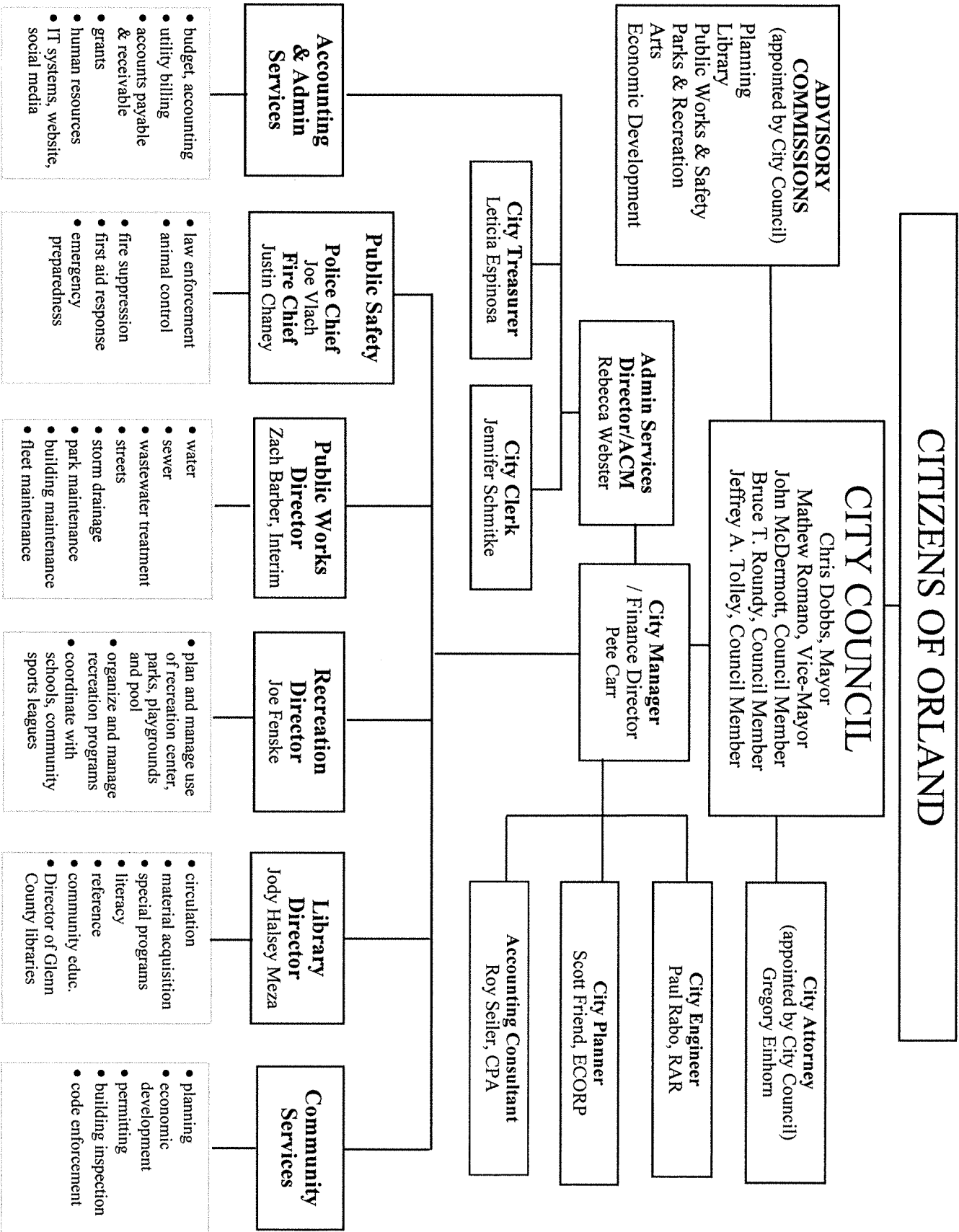
City Staff

City Manager/Director of Finance
Asst. City Manager/Director of Administrative Services
City Attorney
Chief of Police
Chief of Fire
Director of Public Works
Director of Library Services
Director of Recreation
City Engineer
City Planner

Peter R. Carr
Rebecca Webster
Gregory H. Einhorn
Joe Vlach
Justin Chaney
Zach Barber, Interim
Jody Meza
Joe Fenske
RAR/Paul Rabo
ECORP/Scott Friend

Advisory Commissions

Arts Commission
Economic Development Commission
Library Commission
Parks and Recreation Commission
Planning Commission
Public Works and Safety Commission



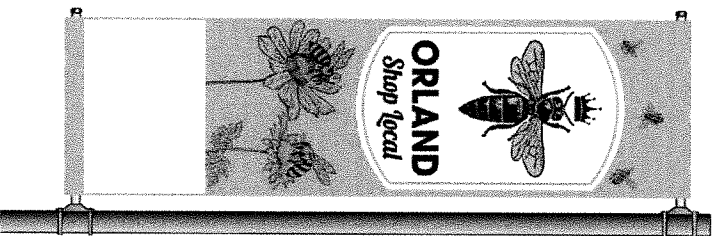
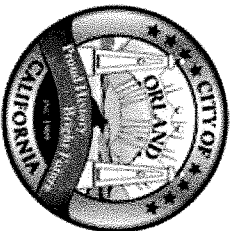
City Manager's Message

July 1, 2024

Another successful year for Orland...

Fiscal year 2024 ended June 30th with continued excellence in municipal operations and services, an unusually high level of construction activity across the City, Statewide leadership in housing production, and some impressive accomplishments including:

- Construction of a substantial part of the DWR-grant funded water system expansion & extension project;
- Important improvements to our police and fire radio communications system;
- Widening of the off-ramp and Newville Road along with signals at Commerce Lane;
- A traffic safety study for Newville @ 9th which will be the basis for improvements;
- Completion of Maverik and Chevron CNG fueling stations, McDonald's, 27 houses and three apartment complexes;
- Grand opening of our bicycle pump track;
- Unveiling of our two amazing freeway bees;
- And... the start-up of our first "Parent & Me" swim lesson program for toddlers and babies.



Looking Ahead...

The budget for the coming fiscal year presents Orland's spending plan. It conservatively leverages revenues -- all of which are stable or growing -- to provide services for the residents and community of Orland.

This budget funds essential services and many desired projects including:

- Construction of a new drinking water well and a new 1 million-gallon water storage tank;
- Rebuilding of M½ and road maintenance projects of several other streets;
- Planning for repaving of SR32 thru town, addition and replacement of sidewalks, and traffic pattern improvements to Newville @ 9th;
- Installation of new custom street lighting and benches on 4th and 5th Streets downtown; and
- Completion of our first looped recreation trail.

Voter approval in 2016 of the Measure A Public Safety Tax continues to make a significant positive difference in our ability to fund public safety equipment and services. The people behind your City government look forward to continuing to serve you, the Orland community, in the coming year.

Pete Carr

City Manager

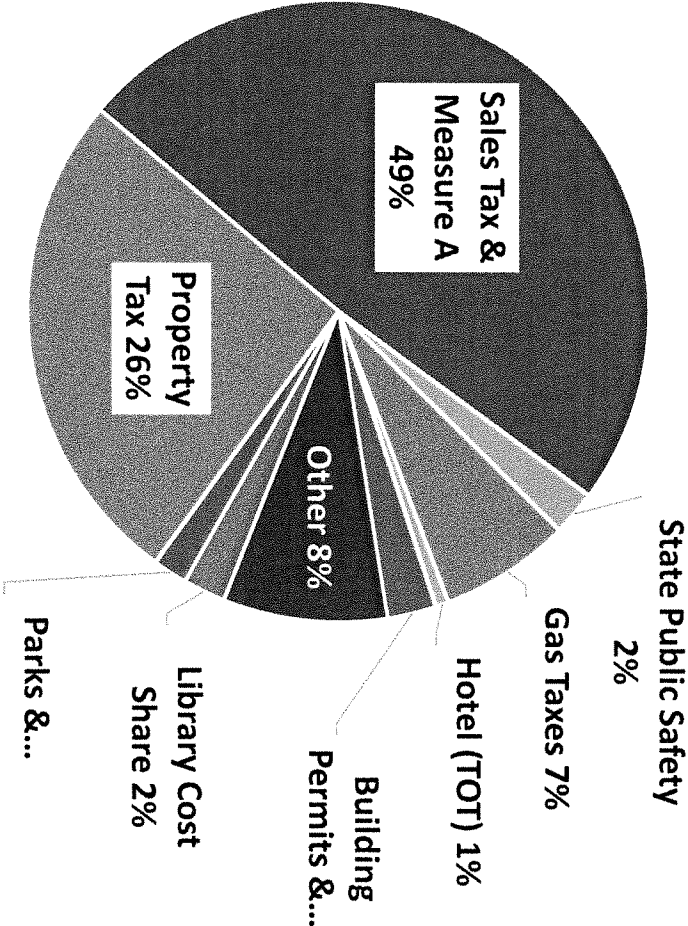
CITY OF ORLAND
MAJOR PROJECTS Fiscal Year 2024-25

Priorities	More Important	Less Important
More Urgent	Complete the Emergency Groundwater Resource Project (DWR – well, tank, mains, laterals, connections)	Carnegie: Plan for deferred maintenance and ADA improvements
	Reconstruct M½ (spring 2025)	Complete Rec Trail phase II (State Parks grant)
	Plan, enviro, design for FY26 re-paving of Shasta Street	Rec Center HVAC
	Plan and design traffic safety improvement Newville Rd @ 9 th Street	
Less Urgent	Complete engineering design for new well on 6 th St (State SRF + IRVWM + local)	Construct dog park
	Complete Phase 1 streetscapes (ARPA)	Lely ballfields and basketball courts lighting
	Complete transition to Tyler system software (ARPA+)	Install EV charging stations in town (ARPA or private)
	Obtain canal undergrounding agreement	

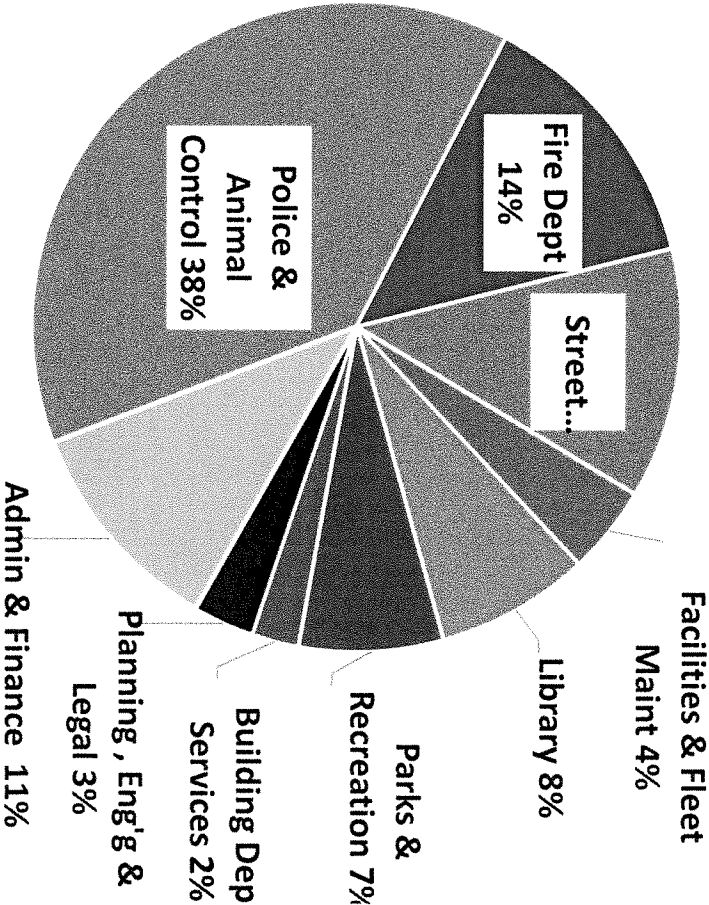
DWR = Department of Water Resources (grant)
SRF = State Drinking Water Revolving Fund (0% interest loan)
IRVWM = Northern Sacramento Valley Integrated Water Resource Management (grant)
ARPA = American Rescue Plan Act (City funds)
STIP = State Transportation Improvement Program (Regional Transportation allocation)

City of Orland Fiscal Year 2024-2025

Where does the City's money come from?



Where does the City's money go?



Includes General Fund, Measure A Public Safety, and normal Gas Tax.
Does not include Water or Sewer Funds, nor one-time gas tax project funds.

City of Orland

Summary of Major Fund Balances

Fund Code	Fund Name	Fund Balance per Audit July 1, 2023	Projected 2023-2024 Revenues and Transfers In	Projected 2023-2024 Expenditures Transfers Out	Fund Balance Projected June 30, 2024	Budgeted 2024-2025 Revenues	Budgeted 2024-2025 Expenditures	Fund Balance Budgeted June 30, 2025
00	General Fund	1,990,665	6,396,479	6,627,281	1,759,863	6,739,595	6,736,734	1,762,724
01	Measure A Safety Fund	1,146,222	1,447,000	1,447,000	1,146,222	1,515,000	1,515,000	1,146,222
21	Street Related Funds (Gas Tax)	720,308	547,000	276,000	991,308	1,622,000	2,056,000	557,308
35	Development Impact Fund	2,950,330	571,491	575,537	2,946,284	400,000	100,000	3,246,284
26	Water Enterprise Fund	3,720,891	2,010,000	1,463,099	4,267,792	2,069,000	1,711,038	4,625,754
27	Sewer Enterprise Fund	456,745	1,374,000	796,728	1,034,017	1,412,000	996,703	1,449,314
28	Sewer Industries Fund	326,781	104,000	5,500	425,281	36,000	14,100	447,181

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CITY OF ORLAND
2024-2025 Budget - Measure A Public Safety Fund Balance

Audited Fund Balance: June 30, 2023 \$ 1,146,222

FY23-24 Projected Revenues \$ 1,447,000

FY23-24 Prtjected Expenditures \$ 1,447,000

Projected Fund Balance: June 30, 2024 \$ 1,146,222

Anticipated Revenues FY 24-25 \$ 1,515,000

Budgeted Expenditures FY 24-25: \$ (1,515,000)

Projected Fund Balance, June 30, 2025 \$ 1,146,222

Set Asides (S/A)	Set Aside in		Set Aside		Sub-total		Purchase		Reserve	
	Prior Years		FY 2024-25		Set Aside		from S/A		Balance	
Set aside for future Public Safety apparatus & equipment	\$	357,676	\$	200,000	\$	557,676	\$	-	\$	557,676
Set aside for future Public Safety facility	\$	250,000	\$	-	\$	250,000	\$	-	\$	250,000
Balance of set asides					\$	807,676	\$	-	\$	807,676
Available Fund Balance after set asides, June 30, 2024									\$	<u>338,546</u>

City of Orland **2024-2025 Budget-Measure A Public Safety Fund Budget**

Description	2022-2023	2023-2024	2023-2024	2024-2025
Revenues:				
Sales Tax, Local 1/2 cent	\$ 1,356,449	\$ 1,500,000	\$ 1,350,000	\$ 1,485,000
Investment Income	\$ 17,333	\$ -	\$ 30,000	\$ 30,000
Grants and Reimbursements	\$ 273,700	\$ -	\$ 67,000	\$ -
Total Revenues	\$ 1,647,482	\$ 1,500,000	\$ 1,447,000	\$ 1,515,000
Expenditures:				
Fire:				
Facility and Equipment Maintenance	\$ 64,744	\$ 75,000	\$ 75,000	\$ 60,000
Fleet Maintenance Allocation	\$ 40,000	\$ 50,000	\$ 50,000	\$ 50,000
Turnouts, SCBAs, Hose *	\$ 49,409	\$ 52,000	\$ 52,000	\$ 52,000
Training Facility Improvements	\$ 49,774	\$ 60,000	\$ 60,000	\$ 50,000
Volunteer Support *	\$ 40,000	\$ 48,000	\$ 48,000	\$ 48,000
Medical Supplies	\$ 13,567	\$ -	\$ -	\$ -
Communications, pagers, dispatch *	\$ 90,510	\$ 56,000	\$ 56,000	\$ 56,000
Radio Repeater Project	\$ 49,095	\$ 40,000	\$ 40,000	\$ 60,000
Potential RFC Grant match for radios	\$ -	\$ 20,000	\$ 20,000	\$ 20,000
Fuel, Travel and Training	\$ 27,752	\$ 31,000	\$ 31,000	\$ 31,000
Grant Writing, Admin	\$ -	\$ 10,000	\$ 10,000	\$ -
Ladder Truck Payment (Balance Pay Off)	\$ 297,446	\$ -	\$ -	\$ -
Equipment for Engine 27 *	\$ 118,219	\$ -	\$ -	\$ -
Subsidy to Westside Ambulance for patient transport services	\$ -	\$ -	\$ -	\$ 150,000
Set Aside for New SCBA Compressor	\$ -	\$ -	\$ -	\$ 20,000
Set aside for fire apparatus replacement schedule	\$ -	\$ 200,000	\$ 200,000	\$ 200,000
Set aside for future public safety facility	\$ -	\$ 200,000	\$ 200,000	\$ -
* = Shared with Rural				
Subtotal, Fire	\$ 840,516	\$ 842,000	\$ 842,000	\$ 797,000
Police:				
Patrol vehicles (two new) purchases	\$ -	\$ 165,000	\$ 165,000	\$ 190,000
Fleet Maintenance Allocation	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Police Communications, Dispatch Contract and Radios	\$ 103,581	\$ 110,000	\$ 110,000	\$ 140,000
Range, emergency/med equip	\$ 32,137	\$ 40,000	\$ 40,000	\$ 55,000
Maintenance, Renewal & Licensing of software and hardware	\$ 79,471	\$ 87,000	\$ 87,000	\$ 90,000
Uniforms, Promo materials, fuel contingency	\$ 17,937	\$ 13,000	\$ 13,000	\$ 15,000
Grant Writing	\$ -	\$ 10,000	\$ 10,000	\$ 10,000
Evidence Room/Sgt Office Remodel	\$ -	\$ 45,000	\$ 45,000	\$ -
Carnegie/Library Cameras and Access Control	\$ -	\$ 75,000	\$ 75,000	\$ -
Drone Program	\$ -	\$ -	\$ -	\$ 20,000
Duty Sidearm replacement	\$ -	\$ -	\$ -	\$ 10,000
Vest replacement (phased, 5 yr. cycle)	\$ -	\$ -	\$ -	\$ 10,000
Subtotal, Police	\$ 293,126	\$ 605,000	\$ 605,000	\$ 610,000
Public Works:				
Fire Hydrants, Safety Equipment, Road Signs	\$ 15,117	\$ 133,000	\$ 133,000	\$ 108,000
Capital Items per Equipment Replacement Schedule	\$ 89,599	\$ 10,000		
Grant Writing	\$ 104,716	\$ 143,000	\$ 133,000	\$ 108,000
Subtotal, Public Works	\$ 209,432	\$ 286,000	\$ 266,000	\$ 216,000
Total Expenditures	\$ 1,238,358	\$ 1,590,000	\$ 1,447,000	\$ 1,515,000
Balance Revenue vs Expenditures	\$ 409,124	\$ (90,000)	\$ -	\$ -

City of Orland
2024 - 2025 Budget General - Fund Summary and Projections
(Not Including Measure A Public Safety Fund)

Audited Fund Balance, June 30, 2023	\$	4,308,638	
Less: Included in Measure A	\$	(1,146,222)	
Less: Included in ARPA	\$	(1,043,943)	
Less: General Plan Surcharge	\$	(127,808)	
Recognized Fund Balance: June 30, 2023	\$	1,990,665	

2023-2024, PROJECTED:

Projected Revenues	\$	6,396,479	
Projected Expenditures	\$	(6,627,281)	
Projected Fund Balance: June 30, 2024	\$	1,759,863	

2024-2025, Budgeted

Anticipated Revenues	\$	6,739,595	
Budgeted Expenditures	\$	(6,736,734)	
Revenue Over/(Under) Expenditures:	\$	2,861	
Budgeted Fund Balance: June 30, 2025	\$	1,762,724	

Budgeted General Fund Reserve Expressed as a Percentage of Budgeted Expenditures 26.2%

	Percentage of Budgeted Expenditures	
Minimum Acceptable General Fund Reserve (Under)/Over Acceptable General Fund Reserve	25%	\$ 1,684,183 \$ 78,541
Desired General Fund Reserve (Under)/Over Desired General Fund Reserve	50%	\$ 3,368,367 \$ (1,605,643)

City of Orlando
2024-2025 Budget - General Fund Revenues

Revenue Source	2022-2023	2023-2024	2023-2024	2024-2025
	Actual	Adopted Budget	Projected Revenues	Proposed Budget
Taxes				
Property Taxes (including Motor Vehicle In Lieu)	\$2,102,724	\$2,050,000	\$2,195,000	\$2,260,000
Sales Tax -- not including Measure A	2,405,389	2,625,000	2,400,000	2,772,000
Less Allocation to County		(22,000)	(\$30,000)	(62,000)
Prop 172/Public Safety Augmentation	33,221	31,000	35,000	33,000
COPS/SLESA Public Safety Grant	165,271	170,000	170,000	170,000
Business Licenses	31,441	27,000	31,000	31,000
Franchise Fees (PGE, ATT, WM, etc.)	285,418	240,000	305,000	320,250
Hotel User's Tax (TOT)	85,802	90,000	60,000	60,000
Investment Income	9,144	10,000	40,000	60,000
Rents and Royalties	59,655	54,100	56,000	56,000
Solar CREBS Credit, General Fund Portion	7,187	7,500	7,000	7,000
Inter-Governmental				
Orland Library Cost Share (County)	94,500	95,000	95,000	98,000
Library Director Cost Share (City of Willows)	94,029	92,000	90,000	93,000
Branch Libraries-Glenn County	27,505		100,000	102,000
Fire Chief Cost Share (Rural/County)	156,195	42,000	40,000	42,000
Fire Dept. Fleet Maint. Reimbursement (Rural/County)	0	20,000	\$0	20,000
Charges for Services				
Planning/Zoning	63,637	70,000	50,000	60,000
Building Permits and Related Charges	259,848	140,000	90,000	160,000
Library Fees	1,029	1,000	600	1,000
Recreation, Park & Swim Programs	137,933	135,000	150,000	155,000
Other Revenues and One Time Monies				
Cal Fire Dozer Grant	127,700		\$0	
Police Related Fines, Etc.	16,959		35,000	25,000
Grant/Program Reimbursements			100,000	
Reimbursements				
SB-2 Planning Grant	25,865		108,000	0
Other Revenues	16,035	53,000	20,000	20,000
Administrative Allocation From Enterprise Funds				
	241,630	230,000	248,879	256,345
Totals	\$6,448,117	\$6,160,600	\$6,396,479	\$6,739,595

City of Orland
2024-2025 Budget- Summary General Fund Expenditures By Department
Department Detailed Expenditures in Following Sections

Department	2023-2024 Budgeted Expenditures	2023-2024 Projected Expenditures	2024-2025 Budgeted Expenditures
City Council	\$ 73,450	\$ 124,910	\$ 103,935
City Administration	\$ 437,772	\$ 461,378	\$ 517,387
City Clerk	\$ 71,483	\$ 73,983	\$ 78,382
City Accounting	\$ 258,732	\$ 265,432	\$ 298,354
City Attorney	\$ 52,400	\$ 52,400	\$ 52,400
City Planning	\$ 173,700	\$ 244,000	\$ 194,300
City Police	\$ 2,543,880	\$ 2,607,380	\$ 2,884,642
City Fire	\$ 295,840	\$ 303,090	\$ 437,378
City Building Inspection	\$ 191,460	\$ 201,860	\$ 212,372
City Engineer	\$ 28,500	\$ 28,500	\$ 29,500
City Facilities Maintenance	\$ 212,324	\$ 209,568	\$ 187,252
City Streets	\$ 412,712	\$ 409,830	\$ 113,961
City Parks Maintenance	\$ 274,588	\$ 276,488	\$ 249,197
City Fleet Maintenance, After Allocation to Specific Departments	\$ 191,604	\$ 248,004	\$ 212,505
City Recreation/ City Pool	\$ 329,595	\$ 372,495	\$ 402,767
City Library	\$ 658,434	\$ 688,684	\$ 701,691
General Fund Portion of Debt Service (*)	\$ 60,999	\$ 59,279	\$ 60,711
	<u>\$ 6,267,473</u>	<u>\$ 6,627,281</u>	<u>\$ 6,736,734</u>

Debt Service Excludes PERS Pension Obligation Bonds and PERS Unfunded Liabilities which are included in individual departments

City Council
2024-2025 Budget
Fund 00, Department 5010

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
013	City Council Members' Stipends	18,000	18,000	18,000	40,750
110	Office Expenses	2,445	1,600	1,600	2,500
150	Econ Dev - Chamber of Commerce	11,251	32,500	32,500	32,500
545	Econ Dev - Façade/Improvement Grants	17,513		7,000	7,000
240	Econ - Membership (3CORE)	5,500	5,500	5,500	5,500
122	Special Department Expense - Technology	8,472	6,200	4,500	4,500
150	Publications	82	1,000	200	200
160	Communications	217	600	400	400
200	Equipment Maintenance	507			
220	Grant Support (MPDG)			45,000	0
240	Membership, Other	5,522	4,900	5,685	5,685
122	Website Hosting and Maintenance		0	0	0
250	Travel/Training	4,874	2,000	2,000	2,000
280	Insurance/Bonds	1,436	1,150	1,725	2,100
640	Capital Improvements			800	800
	Other	342			
	Subtotal	76,161	73,450	124,910	103,935
Total General Fund Appropriations		\$ 76,161	\$ 73,450	\$ 124,910	\$ 103,935

City Clerk
2024-2025 Budget
Fund 00, Department 5020

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits	\$ -	\$ 44,481	\$ 44,481	\$ 45,925
110, 450	PERS unfunded liability/Pension Obligation Bonds	77	102	102	177
120	Office Expenses/Supplies	2,557	2,500	2,500	2,700
122	Special Departmental - Other	35			
125	Special Departmental - Technology	8,344	6,200	6,200	6,500
150	Election Charges	2,686	0	0	6,000
160	Publications	135	500	200	200
200	Communications	868	1,000	1,000	1,000
210	Equipment Maintenance		0	0	500
240	Professional and Contract Services	5,539	4,000	4,000	250
242	Membership and Dues	200	200	250	200
250	Filings		0	200	200
280	Travel/Training	1,806	500	500	500
640	Insurance/Bonds	5,616	4,500	6,750	8,100
	Agenda Management Software		7,500	7,800	6,330
	Subtotal	27,863	71,483	73,983	78,382
Total General Fund Appropriations		\$ 27,863	\$ 71,483	\$ 73,983	\$ 78,382

City Administration
2024-2025 Budget
Fund 00, Department 5050

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits	\$ 234,187	\$ 355,569	\$ 355,569	\$ 397,645
	PERS unfunded liability/Pension Obligation Bonds	67,927	47,503	47,503	66,442
110	Office Expenses	1,094	2,000	850	2,000
122	Special Departmental-Technology	9,672	6,200	6,200	6,500
160	Communications	1,563	1,500	1,600	1,700
210	Professional and Contract Services	2,320	1,000	1,000	1,000
210	Grant Writing and Studies *		10,000	25,850	10,000
240	Membership and Dues	114	2,000	2,000	2,000
250	Travel/Training	2,037	500	5,000	2,000
270	Fuel	0	9,500	200	9,500
280	Insurance/Bonds	11,860	2,000	14,256	17,100
095	Employee Recognition	1,250		1,350	1,500
	Subtotal	332,024	437,772	461,378	517,387
640	Capital Items -- replace admin vehicle	22,674			0
	Total General Fund Appropriations	\$ 354,698	\$ 437,772	\$ 461,378	\$ 517,387
	* Reimbursable with Program Funding			25,850	

City Accounting Department
2024-2025 Budget
Fund 00, Department 5030

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits	\$ 153,844	\$ 161,645	\$ 161,645	\$ 179,661
	PERS unfunded liability/Pension Obligation Bonds	14,037	10,137	10,137	13,943
110	Office Expenses/Bank Fees	5,782	7,000	8,000	7,000
120	Special Departmental - Other	199		200	
122	Special Departmental - Technology	10,604	6,200	7,500	6,500
122	Accounting Software- Tyler			4,000	17,500
160	Communications-Internet/Phones	1,109	1,000	1,200	1,000
210	Professional Services-Consultant	43,041	39,000	39,000	39,000
223	Professional Services - Independent Audit	25,900	30,000	30,000	30,000
224	Professional Services - PERS GASB 68		3,000	3,000	3,000
240	Memberships	0	250	250	250
250	Travel/Training	25	500	500	500
280	Insurance/Bonds				
	Subtotal	254,541	258,732	265,432	298,354
Total General Fund Appropriations		\$ 254,541	\$ 258,732	\$ 265,432	\$ 298,354

City Attorney
2024-2025 Budget
Fund 00, Department 5040

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
210	Professional Services - Retainer Other	\$ 54,345	\$ 50,400 2,000	\$ 50,400 2,000	\$ 50,400 2,000
		54,345	52,400	52,400	52,400
	Subtotal				
Total General Fund Appropriations		\$ 54,345	\$ 52,400	\$ 52,400	\$ 52,400

City Police
2024-2025 Budget
Funds 00 and 04, Departments 5110 and 5115
(Not Including Measure A Public Safety Fund)

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits PERS unfunded liability/Pension Obligation Bonds	\$ 1,741,864 214,799	\$ 2,016,150 216,830	\$ 2,016,150 216,830	\$ 2,179,158 262,884
110	Office Expenses	7,822	6,500	6,500	6,500
120	Special Dept. Expense - Supplies	7,740	30,000	30,000	30,000
122	Special Department-Technology	19,989	30,000	31,200	32,700
160	Communications	3,348	0	0	0
200	Equipment and Building Maintenance	536	0	0	0
210	Professional and Contract Services	33,663	30,000	30,000	30,000
222	Animal Control Services from Glenn County	55,000	55,000	55,000	96,000
240	Membership and Dues	1,329	900	900	900
250	Travel/Training	24,479	20,000	35,000	35,000
270	Fuel	68,042	60,000	68,000	70,000
280	Insurance/Bonds	97,988	78,500	117,800	141,500
	Subtotal	\$ 2,276,599	\$ 2,543,880	\$ 2,607,380	\$ 2,884,642
550	Capital Outlay				
	Total General Fund Appropriations	\$ 2,276,599	\$ 2,543,880	\$ 2,607,380	\$ 2,884,642

City Fire
2024-2025 Budget
Fund 00, Department 5120
(Not Including Measure A Public Safety Fund)

Object Code	Description	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Proposed
010-045	Salaries and Benefits*	\$ 176,610	\$ 255,546	\$ 255,546	\$ 386,167
045	PERS unfunded liability/Pension Obligation Bonds	2,651	2,337	2,337	3,354
110	Workers' Compensation Insurance (Includes Volunteers)	9,788	12,157	12,157	12,157
120	Office Expenses	1,867	3,000	3,500	3,500
122	Special Departmental-other	302			
140	Special Departmental-Technology	8,104	7,900	7,900	8,300
160	Uniforms	1,400			
170	Communications	533			
210	Utilities	10,453	6,000	9,000	9,000
250	Professional and Contract Services	1,200	1,400	1,400	1,400
280	Travel/Training	0	0	0	0
	Insurance/Bonds	9,364	7,500	11,250	13,500
	Maintenance and Operations	222,272	295,840	303,090	437,378
550	Capital Outlay				
Total General Fund Appropriations		\$ 222,272	\$ 295,840	\$ 303,090	\$ 437,378

*Cost share reimbursement from the County per contract.

City Building Inspection & Code Enforcement
2024-2025 Budget
Fund 00, Department 5070

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits	\$ 48,130	\$ 58,923	\$ 58,923	\$ 64,976
	PERS unfunded liability/Pension Obligation Bonds	13,667	9,937	9,937	13,596
110	Office Expenses	5,610	3,500	3,500	7,500
122	Special Department Expense - Technology Upgrades	13,604	6,000	12,000	12,600
160	Communications and Public Notices	1,469	1,400	1,500	1,500
200	Equipment Maintenance and Leases	228	200	200	200
210	Professional Services (Plan Review)	26,855	35,000	35,000	35,000
220	Contract Services (Inspection)	78,925	75,000	75,000	75,000
240	Dues and Memberships	0	200	0	0
250	Travel/Mileage	4,668	1,300	5,800	2,000
450	Supplies	332			
640	Capital Items				
	Subtotal	193,488	191,460	201,860	212,372
	Total General Fund Appropriations	\$ 193,488	\$ 191,460	\$ 201,860	\$ 212,372

City Planning Department
2024-2025 Budget
Fund 00, Department 5060

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
110	Office Expenses	3,026	3,000	3,000	3,100
122	Special Departmental-Technology	8,344	5,000	5,000	5,200
120	Special Departmental-other	-	0	12,000	0
150	Publications (Legal Notices/Filing Fees)	4,310	2,000	2,000	2,000
160	Communications	899	700	1,000	1,000
210	Professional and Contract Services	141,101	132,000	200,000	150,000
210	Grant writing & studies		10,000		10,000
210	Contract Services - Chico State GIS		11,000	11,000	11,000
210	City Contribution to LAFCO	9,805	10,000	10,000	12,000
240	Memberships	0	0	0	0
250	Travel/Training	0	0	0	0
	Subtotal	167,485	173,700	244,000	194,300
Total General Fund Appropriations		\$ 167,485	\$ 173,700	\$ 244,000	\$ 194,300

City Engineer
2024-2025 Budget
Fund 00, Department 5160

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
210	Engineering Services	39,006	28,500	28,500	29,500
		39,006	28,500	28,500	29,500
	Subtotal				
Total General Fund Appropriations		\$ 39,006	\$ 28,500	\$ 28,500	\$ 29,500

City Facilities Maintenance
2024-2025 Budget
Fund 00, Department 5190

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits	\$ 119,430	\$ 130,790	\$ 130,790	\$ 117,307
	PERS unfunded liability/Pension Obligation Bonds	7,911	13,034	13,034	9,445
170	Utilities	11,268	11,000	19,000	11,000
190/450	Miscellaneous Supplies and Services	35,686	25,000	28,000	25,000
280	Insurance/Bonds	3,120	2,500	3,750	4,500
640	Capital Improvements		25,000	0	10,000
640	Capital Equipment	30	5,000	5,000	5,000
	Subtotal	177,445	212,324	199,574	182,252
190	Recreation Center Roof Repair			9,994	-
546	Carnegie Center Upgrades				5000
Total General Fund Appropriations		\$ 177,445	\$ 212,324	\$ 209,568	\$ 187,252

City Streets Maintenance
General Fund Portion
2024-2025 Budget
Fund 00, Department 5170

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits	\$ 101,177	\$ 269,645	\$ 269,645	\$ 219,951
	PERS unfunded liability/Pension Obligation Bonds	17,079	26,067	26,067	17,710
	Less: Gasoline Tax Wages & Benefits	(75,000)	-	-	(150,000)
120	Special Departmental Supplies	20,292	2,100	2,100	2,100
140	Uniforms	2,382	2,200	2,200	2,200
160	Communications-Cell Phones				4,800
170	Utilities/Street Lights	76,838	75,000	75,000	0
200	Equipment Maintenance	7,464	15,000	7,500	8,000
203	Fleet Maintenance Allocation	0	15,000	0	0
210	Professional Services	439			
280	Insurance/Bonds	9,612	7,700	7,700	9,200
	Subtotal	160,283	412,712	390,212	113,961
550	Capital Outlay	50,404		19,618	
Total General Fund Appropriations		\$ 210,687	\$ 412,712	\$ 409,830	\$ 113,961

Note: The majority of the City's street maintenance costs are paid through the Highway Users Tax special revenue fund which is shown separately on page 29.

City Parks Maintenance
2024-2025 Budget
Fund 00, Department 5250

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits	\$ 196,977	\$ 156,948	\$ 156,948	\$ 131,971
	PERS unfunded liability/Pension Obligation Bonds	\$ 25,927	\$ 15,640	\$ 15,640	\$ 10,626
110	Office Expenses	25	150	150	150
120/450	Dept. Expenses - Repair, Supplies & Services	26,575	30,000	30,000	30,000
140	Uniforms	2,382	1,500	1,500	1,500
160	Communications	220	550	550	550
170	Utilities	14,883	3,500	4,500	3,500
200	Equipment Maintenance & Lease	6,445	12,000	10,000	12,000
210	Professional Services	16,177	5,800	8,700	10,400
280	Insurance/Bonds	7,240	1,500	1,500	1,500
270	Fuel	0	3,000	3,000	3,000
560	Tree Replacement	-	15,000	15,000	15,000
	Fleet Maintenance Allocation	15,000			
	Subtotal	311,851	245,588	247,488	220,197
640	Capital Outlay	0	29,000	29,000	29,000
	Total General Fund Appropriations	\$ 311,851	\$ 274,588	\$ 276,488	\$ 249,197

City Fleet Maintenance
2024-2025 Budget
Fund 00, Department 5180-5183

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits	\$ 228,388	\$ 302,370	\$ 302,370	\$ 234,615
	PERS unfunded liability/Pension Obligation Bonds	1233	634	634	18,890
110	Office Expenses	-	5,000	1,000	1,000
120/200/450	Equipment Maintenance/Supplies, Admin	46,249	15,000	52,000	55,000
120/200/450	Equipment Maintenance/Supplies, Police	3,799	15,000	5,000	15,000
120/200/450	Equipment Maintenance/Supplies, Fire	79,524	25,000	65,000	65,000
120/200/450	Equipment Maintenance/Supplies, Public Works		3,300	-	-
170	Utilities		3,300	-	-
200	Equipment Maintenance, Other		3,300	-	1,000
	Subtotal	359,193	369,604	426,004	390,505
Allocation of Expenditures to Specific Departments:					
	Police (Measure A)	(60,000)	(60,000)	(60,000)	(60,000)
	Fire (Measure A)	(40,000)	(50,000)	(50,000)	(50,000)
	Street Funds/Gas Tax	(15,000)	(15,000)	(15,000)	(15,000)
	Parks	(15,000)	(15,000)	(15,000)	(15,000)
	Water	(7,500)	(22,000)	(22,000)	(22,000)
	Sewer	(7,500)	(16,000)	(16,000)	(16,000)
Total Non-Allocated General Fund Appropriations		\$ 214,193	\$ 191,604	\$ 248,004	\$ 212,505

City of Orland
2024-2025 Budget -- Water Enterprise Operating & Capital Replacement

Description	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Proposed
Revenues				
Water Service Fees	1,822,282	1,950,000	1,950,000	2,004,000
Water Line Foot Charges, Capacity & Meter Hook-up Fees	7,556	0	10,000	15,000
Investment and CREBS Revenues	75,428	25,000	50,000	50,000
Total Revenues	\$ 1,905,266	\$ 1,975,000	\$ 2,010,000	\$ 2,069,000
Personnel Services including wages and benefits	\$ 417,583	\$ 486,405	\$ 500,000	\$ 586,936
PERS unfunded liability/Pension Obligation Bonds	\$ 75,764	\$ 59,302	\$ 45,000	\$ 34,534
Operating				
Office Expenses	16,484	15,000	16,000	16,500
Tools		5,000	18,000	15,000
Technology	13,727	18,200	12,000	30,000
Accounting Software- Tyler			3,000	13,000
Uniform and Boot Allowance	4,110	3,500	5,000	5,500
Communications/Cell Phones	6,074	10,500	7,000	11,600
Utilities	111,989	122,000	134,000	134,000
Rents and Leases	12,855	12,855	12,855	13,240
Equipment/Building Maintenance	55,574	35,000	40,000	50,000
Professional and Contract Services	44,948	45,000	45,000	48,000
Grant writing & Admin				10,000
Membership/Dues/Permits	40,256	10,000	20,000	30,000
Non Capitalized Equipment	3,688	15,000	30,000	30,000
Training and Travel	130	2,200	700	4,000
Fuel	36,291	36,000	50,000	55,000
Insurance Allocation	16,444	11,000	20,000	24,000
Master Plan Update			0	25,000
SGMA JPA Cost Share		6,000	0	6,000
Supplies	214,047	80,000	100,000	100,000
Water Treatment	11,099	10,000	15,000	16,000
Fleet Maintenance Allocation	7,500	7,500	22,000	22,000
Administrative Allocation	145,230	145,230	145,230	153,807
Total Operating Expenditures	\$ 1,233,793	\$ 1,135,692	\$ 1,240,785	\$ 1,434,117
Other Expenditures				
Capital Outlay	302,912	278,000	58,000	114,000
Water Line Replacement		200,000	0	-
Capital Items -- replace admin vehicle	11,339	-	0	-
Other Expenses	7,171	-	5,000	5,000
Debt Service (Excludes Pension Obligation Bonds, Above)	135,926	162,435	159,314	157,921
Total Other Expenditures	457,348	640,435	222,314	276,921
Total Expenditures	\$ 1,691,141	\$ 1,776,127	\$ 1,463,099	\$ 1,711,038
Revenue in Excess of Expenditures	\$ 214,125	\$ 198,873	\$ 546,901	\$ 357,962

City of Orland
2024- 2025 Budget -- Sewer Enterprise Operating & Capital Replacement

Description	2022-2023 Actual	2023-2024 Budget	2023-2024 Projected	2024-2025 Proposed
Revenues				
Sewer Service Fees	1,249,952	1,342,000	1,350,000	1,387,000
Capacity and Hook Up Charges	-	0	8,000	8,000
Grants	-	-	0	0
Investment and Other Revenues	16,509	5,000	16,000	17,000
Total Revenues	<u>\$ 1,266,461</u>	<u>\$ 1,347,000</u>	<u>\$ 1,374,000</u>	<u>\$ 1,412,000</u>
Personnel Services including wages and benefits	\$ 337,318	\$ 405,529	\$ 325,000	\$ 406,557
PERS unfunded liability/Pension Obligation Bonds	\$ 34,914	\$ 44,839	\$ 22,000	\$ 27,155
Operating				
Office Expenses	14,739	15,000	15,000	16,000
Tools	27,793	10,000	15,000	16,000
Technology	8,806	18,200	15,000	16,000
Accounting Software- Tyler			3,000	13,000
Uniform and Boot Allowance	3,166	3,500	5,000	5,000
Memberships/Dues/Permits	26,415	25,000	28,000	26,000
Communications/Cell Phones	1,123	3,000	4,000	7,600
Utilities	16,276	10,400	15,000	16,000
Rents and Leases	10,400	12,855	12,855	13,240
Equipment/Building Maintenance	22,346	34,000	5,000	5,000
Professional and Contract Services	20,093	15,000	10,000	10,000
State Regulatory Fees		15,600	0	15,600
Training and Travel	869	2,000	1,500	3,000
Fuel	29,953	35,000	35,000	40,000
Non Capitalized Equipment	65,414	20,000	10,000	20,000
Insurance Allocation	12,344	9,500	18,000	28,800
Master Plan Update				25,000
Supplies	45,455	50,000	30,000	45,000
Water Treatment		1,100	0	1,100
Fleet Maintenance Allocation	52,976	7,500	16,000	16,000
Administrative Allocation	80,000	82,400	96,400	102,538
Total Operating Expenditures	<u>\$ 810,400</u>	<u>\$ 820,423</u>	<u>\$ 681,755</u>	<u>\$ 874,590</u>
Other Expenditures				
Capital Outlay, Capitalized	187,317	278,000	57,800	66,000
Sewer Line Replacement		50,000	0	-
Capital Items -- replace admin vehicle	11,334	-	0	-
Environmental Study		-	0	0
Other Expenses	6,179		5,000	5,000
Debt Service (Excludes Pension Obligation Bonds, Above)	23,689	195,803	52,173	51,113
Total Other Expenditures	<u>228,519</u>	<u>523,803</u>	<u>114,973</u>	<u>122,113</u>
Total Expenditures	<u>1,038,919</u>	<u>1,344,226</u>	<u>796,728</u>	<u>996,703</u>
Revenue in Excess of Expenditures	<u>\$ 227,542</u>	<u>\$ 2,774</u>	<u>\$ 577,272</u>	<u>\$ 415,297</u>

City of Orland
2024-2025 Budget -- Industries Sewer Enterprise

	2022-2023	2023-2024	2023-2024	2024-2025
Description	Actual	Budget	Projected	Proposed
Revenues				
Sewer Service Fees from Olive Processors	77,947	30,000	98,000	30,000
Interest Income Allocation	5,460		6,000	6,000
Total Revenues	\$ 83,407	\$ 30,000	\$ 104,000	\$ 36,000
Personnel Services including wages and benefits				
PERS unfunded liability/Pension Obligation Bonds	0		0	
	1,935		0	
	0		0	
Operating	0		0	
Special Departmental Supplies and Tools	0	150	0	
Uniform Allowance	2,382		1,000	
Utilities	7,577	3,850	4,000	4,000
Rents and Leases	1,900		0	
Professional and Contract Services	0	500	0	500
Insurance Allocation	312	500	500	600
PERS Side Fund Debt Service	0	-	0	-
Engineering funding agreements	0	15,000	0	9,000
Industrial pond meter	0	10,000	0	
	0		0	
Administrative Allocation	14,000		0	0
Total Expenditures	\$ 28,106	\$ 30,000	\$ 5,500	\$ 14,100
Revenue in Excess of Expenditures	\$ 55,301	\$ -	\$ 98,500	\$ 21,900

**City of Orland Street Funds -- Gas Tax
2024- 2025 Budget**

	HUDA Fund (21)	STIP Fund	S.B. 1 Road Maint. Rehab Fund (34)	Totals
Audit Balance, June 30, 2023	\$ 396,556	\$ -	\$ 323,752	\$ 720,308
Anticipated Revenues, 2023-2024	\$ 342,000		\$ 205,000	\$ 547,000
Budgeted Expenditures, 2023-2024	\$ (110,000)		\$ (166,000)	\$ (276,000)
Less: Expected Capital Expenditure Carryover	\$ -			\$ -
Projected Fund Balances at June 30, 2024	\$ 628,556	\$ -	\$ 362,752	\$ 991,308
2024-25 BUDGET				
Estimated HUTA Apportionments Payable -- State of CA	\$ 230,000		\$ 220,000	\$ 450,000
Projected RSTP Revenues	\$ 140,000			\$ 140,000
Projected STIP Revenues		\$ 1,032,000		\$ 1,032,000
Total Projected Revenues	\$ 370,000	\$ 1,032,000	\$ 220,000	\$ 1,622,000
Planned expenditures FY25:				
Street Maintenance Wages and Benefits Allocation	\$ 150,000			\$ 196,000
Fleet Maintenance Allocation	\$ 15,000			\$ 15,000
Street Lighting and Utilities Allocation	\$ 75,000			\$ 75,000
Road Patching and Sealing	\$ 10,000		\$ 76,000	\$ 86,000
Road Maintenance	\$ 60,000		\$ 220,000	\$ 280,000
Sidewalk Program	\$ 50,000			\$ 50,000
Shasta Street Project	\$ 150,000			\$ 150,000
Road M1/2 Construction		\$ 1,032,000	\$ 70,000	\$ 1,102,000
Streets Master Plan Update	\$ 25,000			\$ 25,000
Street Related Capital Additions	\$ 100,000		\$ 23,000	\$ 77,000
Total Budgeted Expenditures	\$ 635,000	\$ 1,032,000	\$ 389,000	\$ 2,056,000
Projected Balance at June 30, 2025	\$ 363,556	\$ -	\$ 193,752	\$ 557,308

City Recreation and Pool
2023-2024 Budget
Fund 00, Departments 5260 and 5261

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	5260 Salaries and Benefits, Recreation	\$ 159,625	\$ 113,253	\$ 113,253	\$ 152,134
010-045	5261 Salaries and Benefits, Pool	\$ 80,087	\$ 79,623	\$ 79,623	\$ 101,423
010-050	5260 PERS unfunded liability/Pension Obligation Bonds-Rec/Pool	24328	22,319	22,319	34,010
110	Office Expenses	2,095	6,000	6,000	6,000
120	Supplies - Recreation	45,567	6,000	25,000	6,000
120	Supplies - City Pool	75,132	18,000	48,000	18,000
122	Special Department-Tech (+Rec Desk)	11,804	10,400	10,400	10,900
160	Communications	1,937	4,500	4,500	4,500
170	Utilities	11,235	8,000	9,000	9,000
170	Utilities - City Pool	16,014	13,000	17,000	18,000
190	Building Maintenance	718	10,000	1,000	1,000
200	Equipment Maintenance	4,929	200	200	200
210	Professional and Contract Services	3,825	8,000	2,000	3,000
250	Training and Travel	69			
270	Gas and Oil	2,481	2,500	2,500	2,500
280	Insurance/Bonds	9,736	7,800	11,700	14,100
450/460	Pool Supplies and Chemicals	22,403	20,000	20,000	22,000
	Other	2,025			
	Subtotal	474,010	329,595	372,495	402,767
540	Capital Outlay	56,850			
Total General Fund Appropriations		\$ 530,860	\$ 329,595	\$ 372,495	\$ 402,767

City Library
2024-2025 Budget
Fund 00, Department 5200

Object Code	Description	2022-2023	2023-2024	2023-2024	2024-2025
		Actual	Budget	Projected	Proposed
010-045	Salaries and Benefits	\$ 461,101	\$ 532,207	\$ 532,207	\$ 557,852
	PERS unfunded liability/Pension Obligation Bonds	\$ 84,847	\$ 59,827	\$ 59,827	\$ 65,539
110	Office Expenses	3,219	4,700	5,500	4,700
120/450	Special Department Expense, Supplies	11,364	10,500	18,000	10,500
122	Special Department-Technology	8,104	6,200	6,200	6,500
160	Communications	6,660	2,000	3,200	2,000
170	Utilities	22,475	10,000	19,000	10,000
200	Equipment Maintenance	3,934	5,500	10,000	5,500
210	Professional and Contract Services	7,388	10,000	10,000	10,000
250	Travel/Training	5,794	3,000	3,000	3,000
280	Insurance/Bonds	18,100	14,500	21,750	26,100
	Subtotal	632,986	658,434	688,684	701,691
	ADA Corrections, Library Facilities Capital Outlay				
Total General Fund Appropriations		\$ 632,986	\$ 658,434	\$ 688,684	\$ 701,691

City of Orland
2024-2025 Budget -- Library Memorial and Hanbery Trust Fund (Fund 15)

Projected Fund Balance at July 1, 2024	\$ 84,700
Estimated Donations	600
Estimated Interest Income for the Year	200
Less: Special Departmental - Publications	(5,000)
Anticipated Balance at June 30, 2025	\$ 80,500

Orland Capital Equipment Schedule FY24/25

Dept	Item description	#	new / replac.	Age	Water	Sewer	Street Funds	GenFund	M/A Public Safety	Maint Districts	Total
Funded FY25											
OFD	No purchases scheduled										\$ -
OPD	Patrol -- Ford Explorer	501	rep	2017					\$ 95,000		\$ 95,000
OPD	Patrol -- Ford Explorer	525	rep	2017					\$ 95,000		\$ 95,000
OPW	F150 service pickup	59	rep	2004	\$ 37,800	\$ 16,200	\$ 11,000				\$ 65,000
OPW	F250 service truck	63	rep	1993	\$ 36,400	\$ 15,600	\$ 18,000				\$ 70,000
OPW	Sweepster/ broom accessories	32	rep	1994	\$ 9,800	\$ 4,200	\$ 18,000				\$ 32,000
OPW	Telehandler (ext. forklift)		new		\$ 30,000	\$ 30,000	\$ 30,000				\$ 90,000
Funded FY 25 Total					\$ 114,000	\$ 66,000	\$ 77,000	\$ -	\$ 190,000	\$ -	\$ 447,000
Future/deferred purchases to FY26+:											
OFD	Fire Engine	25	rep	FY					\$ 1,200,000		\$ 1,200,000
OFD	Ladder Truck	26	rep	2016					\$ 2,500,000		\$ 2,500,000
OPD	2 Patrol vehicles per year	5XX	rep	oldest					\$ 95,000		\$ 190,000
	2 Patrol vehicles per year	5XX	rep	oldest					\$ 95,000		\$ 570,000
OPW	F700 Water Truck (26k)	60	rep	2014	\$ 65,800	\$ 28,200	\$ 46,000				\$ 140,000
OPW	F600 bucket truck (26k)	49	rep	2014	\$ 28,000	\$ 12,000	\$ 80,000	\$ 80,000			\$ 200,000
OPW	F150 service pickup	61	rep	2004	\$ 36,400	\$ 15,600	\$ 12,000				\$ 64,000
OPW	skid steer additional equipment		new		\$ 56,000	\$ 24,000	\$ 40,000				\$ 120,000
OPW	F150 service pickup	62	rep	2004	\$ 28,000	\$ 12,000	\$ 10,000				\$ 50,000
OPW	F150 pickup	63	rep	2004	\$ 29,000	\$ 13,000	\$ 10,000				\$ 52,000
OPW	Additional items including VacCon, street sweeper, tractors, dump trucks, etc in use but not scheduled for replacement at this time.										
Future/deferred purchases totals					\$ 243,200	\$ 104,800	\$ 198,000	\$ 80,000	\$ 3,890,000	\$ -	\$ 5,086,000
SCHEDULED Total											
					\$ 357,200	\$ 170,800	\$ 275,000	\$ 80,000	\$ 4,080,000	\$ -	\$ 5,533,000

City of Orland
Debt Obligations FY 2024 - 2025
Schedule of Payments

Issuer	Item[s] Financed	Original Loan Amount	% Rate	Loan End Date	Balance June 30, 2024	FY 24-25 Payments	Payments allocated to funds:				Remaining Balance June 30, 2025
							General Fund	Measure A - Safety	Water	Sewer	
Umpqua	Energy Efficiency	866,000	3.0	2032	543,656	72,812	13,834		57,521	1,456	486,516
Umpqua	Solar Project, net of CREBS	1,575,066	1.9	2032	934,132	141,876	26,956		65,263	49,657	826,362
SWRF	Eva Well	1,160,268	0.0	2048	860,854	35,136			35,136		825,718
Umpqua	2021 Pension Obligation Bonds	4,060,000	2.95	2036	3,600,000	337,734	282,346		30,396	24,992	3,365,000
Total:		7,661,334			5,938,642	587,558	323,136	0	188,317	76,105	5,503,596

Note: There exists one outstanding legacy interfund loan, from Water to General, with a \$347k balance which is being amortized at LAIF rates.

City of Orland
Established, Authorized and Unfunded Positions
For the Fiscal Year 2024-2025

Established Position Titles	Optimal	Contract	Funded	Unfunded	Change
	Staffing	Professionals	Employees	Positions	from FY23
City Manager	1.0		1.0		
Director of Administrative Services/ACM/Grants	1.0		1.0		
City Clerk/AR	1.0		1.0		
City Attorney	0.5	0.5			
City Engineer	0.5	0.5			
City Planner	0.5	0.5			
Accounting Consultant	0.5	0.5			
Accounting and IT Manager	1.0			1.0	defunded Dec 2021
Accounting Analyst	1.0		1.0		
Accounting Tech II	1.0		0.5	0.5	
Accounting Tech I	1.0			1.0	
Admin Tech I	0.5		0.5		
Community Services Director	1.0			1.0	
City Building Official	1.0			1.0	
Building Inspector	0.5	0.5			
Code Enforcement Officer	0.5	0.5			
Permit Tech	1.0		0.5	0.5	
Chief of Police	1.0		1.0		
Police Sergeants	2.0		2.0		
Police Patrol Officers (1 funded by COPS Grant)	9.0		9.0		
Detective	1.0			1.0	
GLNTTF Officer	1.0			1.0	
School Resource Officer (funded by grant)	1.0		1.0		
Police Clerk/Records	1.0		1.0		
Community Service Officer/Evidence Technician	1.0		1.0		
Police Dept Admin	1.0		1.0		
Fire Chief	1.0		1.0		
Fire Dept Admin (1/2 paid by Orland Rural District)	1.0		1.0		
Director of Public Works	1.0		1.0		
Public Works Supervisor	1.0		1.0		
Public Works Lead/Foreman	1.0		1.0		
Admin Support/Billing/Cust Svc	0.5		0.5		
Water Treatment Operator	2.0		1.0	1.0	
Wastewater Treatment Operator	2.0		1.0	1.0	
Equipment Mechanic	3.0		3.0		
Equipment Operator	1.0			1.0	
Maintenance Workers	8.0		8.0		
Facilities Custodian	1.0			1.0	
Green Waste Operator					
Recreation Director	1.0		1.0		
Recreation Assistant PT					
Library Director (cost shared with Willows)	1.0		1.0		
Assistant Librarian	1.0			1.0	
Librarian - Technician III Cataloguer	1.0		1.0		
Library Technician II	2.0		1.0	1.0	
Childrens' Librarian	1.0		1.0		
Library Assistants (2PT @ .5 = 1 FTE)	1.0		1.0		
Totals	62.0	3.0	46.0	13.0	



CITY OF ORLAND STAFF REPORT

MEETING DATE: June 4, 2024

TO: Honorable Mayor and Councilmembers

FROM: Pete Carr, City Manager

SUBJECT: **Carnegie Center Facility Concept Options** (Discussion – Direction)

BACKGROUND:

In deciding to relocate City Council meetings, at least temporarily, to facilities more conducive to Americans with Disabilities (ADA) access, Council recently directed Staff to provide information about the cost of making needed improvements to the Carnegie facility. The building currently gets little use as most groups choose to meet elsewhere, but it is still of strong sentimental and some functional value. It may have added functional value if certain improvements were made. Staff seeks council direction on conceptual objectives before undertaking cost analysis.

ANALYSIS:

There are three levels of conceptual improvements to consider: necessary for facility viability, necessary for ADA, and potentially desirable improvements. Each has cost and benefit considerations.

1. *Necessary for facility viability:*

- a. Roof – the building needs a roof replacement from its current wet mop & gravel, which is past its useful life. City staff recommend asphalt shingles over tar paper. Exposed structural components and overall sag indicate likely pervasive dry rot; this would suggest complete replacement of all or most of the roof structure before application of protective materials.
- b. Windows and trim – At a minimum, scraping and repainting are past due. The antiquated single-pane windows could or should be replaced with a more modern window treatment for durability, screened operation, energy efficiency and aesthetics while retaining the basic character of the building.
- c. Exterior walls – the brick appears sound, needs no improvement.
- d. Floor -- appears to be sound. Carpeting could be retained or replaced with new carpet.
- e. Interior walls – Suitable, no need to disrupt or change unless walls are relocated.
- f. HVAC – The central air conditioning is old, ready for a more energy efficient upgrade, but still operates.

2. **Necessary for ADA:**

- a. Access to the building via the existing ramps presents a steep incline not in conformance with today's standards. Three options:
 - i. Remove the steel ramp and replace it with a concrete ramp approximately twice its length, employing one or more switchbacks to achieve acceptable incline and start/end at the entrance to the library which is known to have a safe ADA-acceptable path of travel to the sidewalk. This would extend ramp infrastructure into the park and would pass close to the ground-mounted HVAC and generator units.
 - ii. Replace the steel ramp with a utility elevator designed for 1-2 persons, utilizing the current south-facing door on the west side as the elevator connection to the building. Initial cost, exposure to elements, electrical and mechanical maintenance, access to operational controls and risk of vandalism are all concerns to be reckoned. A safe and compliant path of travel would need to be provided from that point to the sidewalk.
 - iii. Remove or discontinue use of the steel ramp in favor of a mechanized stair lift seat. This would serve one person at a time. It could be mounted in the front of rear of the building. As with an elevator, initial cost, exposure to elements, electrical and mechanical maintenance, access to operational controls and risk of vandalism are all concerns to be considered. A safe and compliant path of travel would need to be provided from that point to the sidewalk.
- b. Elevation and accessibility within the room – mobility access to the rostrum is at an unacceptably steep incline. Extending the ramp at least to the restroom doorway will be necessary, potentially disrupting access to the west wall and placement of the speakers' podium.
- c. Restroom – one restroom is acceptable with 80-person room capacity. The current restroom is ADA-complaint. Any increase to capacity may trigger re-evaluation of the sufficiency of one restroom.
- d. Audio-visual accessibility – This is thought to be satisfactory, although it would be better to employ top-down speakers throughout the room in lieu of relying on TV monitor audio.

3. **Potentially desirable improvements could include:**

- a. Extension of the entrance steps eastward to bring the entrance to grade at the threshold.
 - i. This would include constructing a new set of steps which would be at least two steps taller than the current exterior steps, and raising the threshold and door.
 - ii. New or extended handrails would be necessary.
 - iii. Preservation of the façade décor would be critical.
 - iv. This project would enable removing the interior walls enclosing the current entrance vestibule, then completing construction of the floor to grade, thus producing a larger and more square-shaped public meeting area.
- b. Lowering the floor to grade.
 - i. This would eliminate the need for a ramp or elevator but would eliminate the basement except as a crawl space. The rostrum could even be removed.
 - ii. The ceiling would then be extremely high and the windows much higher than current.
 - iii. Removing the front steps would undoubtedly alter the character of the building.
 - iv. City staff does not recommend this change.
- c. Kitchen reduction. It is only a warming & serving area, not a permitted food prep kitchen. The range and island can be eliminated, leaving counters, a sink w/faucet, a refrigerator and a microwave. Combined with "A" above, this would expand the public seating area. Portable tables can be set up when additional serving area is desired.
- d. Reduce the width of the steps to the rostrum. The resulting steps would be safer and the recovered space would enable extension of rostrum and/or staff area.

Attachments: Schematics (not to scale) and elevation photos

RECOMMENDATION: Direct Staff.

FISCAL IMPACT OF RECOMMENDATION: Depends on direction given.

Orland Carnegie Center June 2024





West elevation

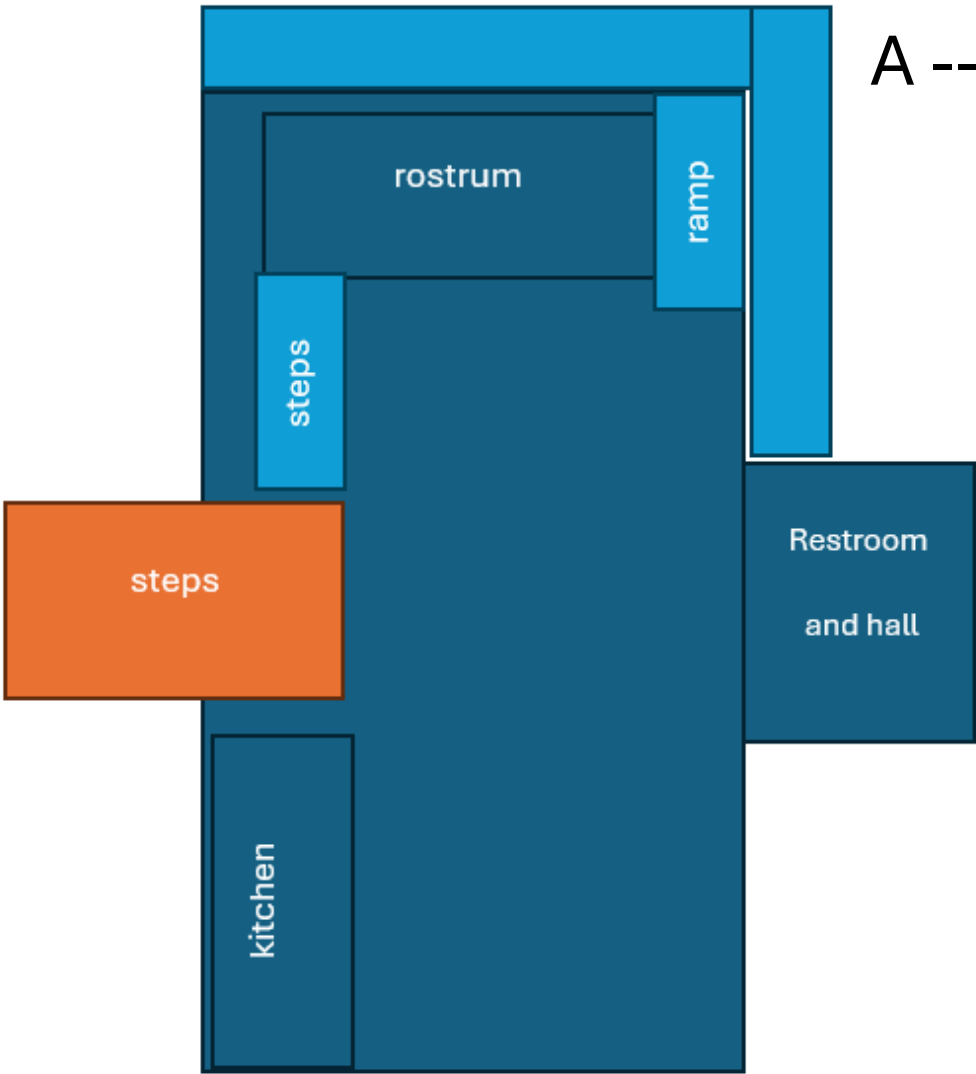


South elevation

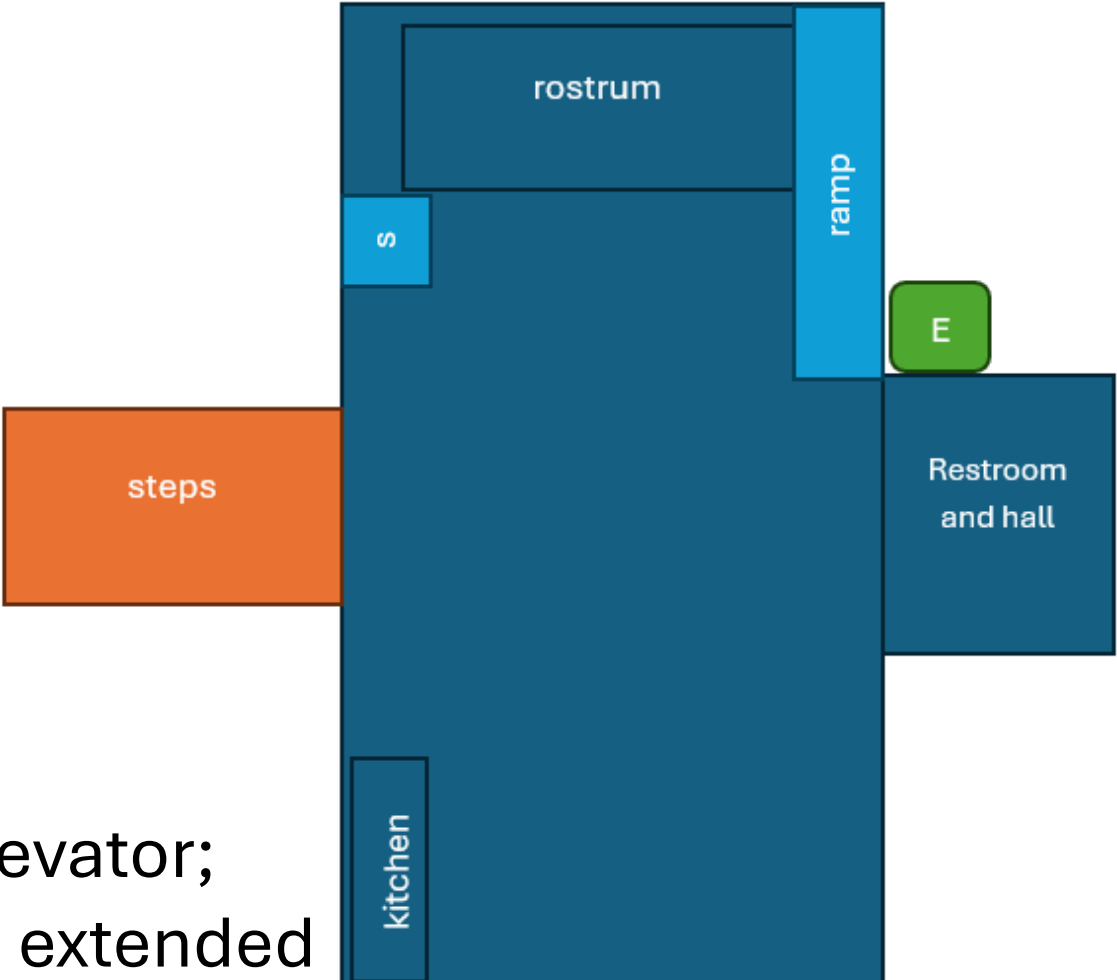


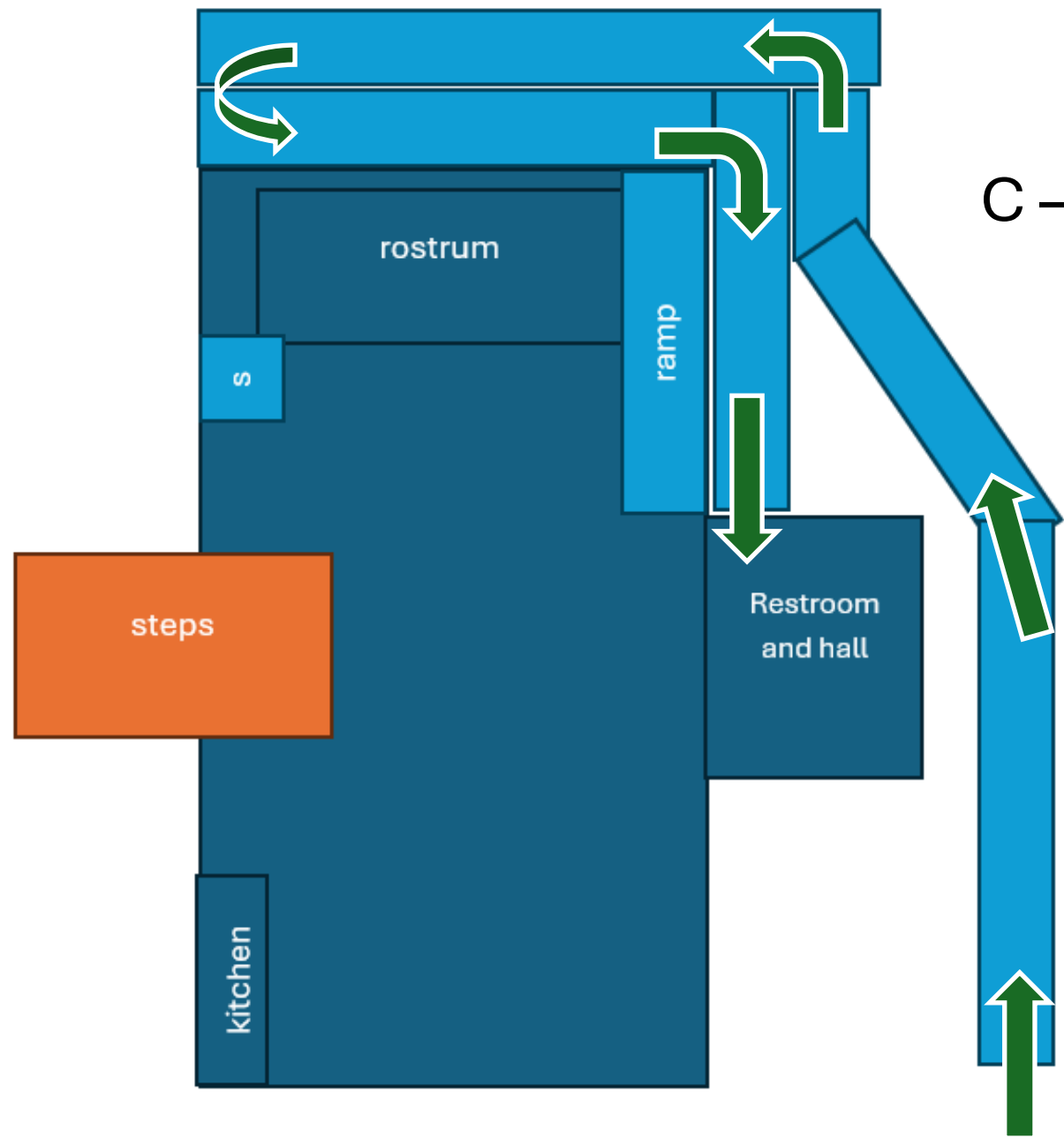
North elevation

A -- existing



B – elevator;
stairs extended





C – Extended ramp