

CITY OF IMPERIAL
Annual Financial Report
Fiscal Year Ended June 30, 2023

CITY OF IMPERIAL, CALIFORNIA
 ANNUAL FINANCIAL REPORT
 Fiscal Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

The Members of the City Council of the
City of Imperial
Imperial, California

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Imperial, California, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – General Fund, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – LTA Measure D Special Revenue Fund, Expenditures, and Changes in Fund Balance – Budget to Actual – ARPA Special Revenue Fund, Schedule of Changes in the Net Pension Liability and Related Ratios, and Schedule of Pension Contributions on pages 47 through 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Management has chosen not to present a Management's Discussion and Analysis. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Imperial's basic financial statements. The Combining Financial Statements for the Nonmajor Governmental Funds listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The Combining Financial Statements for the Nonmajor Governmental Funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in our 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Culver City, California
February 2, 2025

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CITY OF IMPERIAL
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and Investments	\$ 23,022,570	\$ 22,945,786	\$ 45,968,356
Cash and Investments with Fiscal Agent		7,986,766	7,986,766
Accounts Receivable	1,217,086	1,234,882	2,451,968
Notes Receivable	1,277,391		1,277,391
Inventory		35,842	35,842
Capital Assets, Not Being Depreciated	5,802,867	278,397	6,081,264
Capital Assets, Net of Accumulated Depreciation	23,458,917	29,365,701	52,824,618
Total Assets	<u>54,778,831</u>	<u>61,847,374</u>	<u>116,626,205</u>
Deferred Outflows of Resources:			
Pension related	2,635,008	593,109	3,228,117
Total Deferred Outflows of Resources	<u>2,635,008</u>	<u>593,109</u>	<u>3,228,117</u>
Liabilities:			
Accounts Payable	1,537,444	1,204,226	2,741,670
Deposits Payable	234,110	812,934	1,047,044
Noncurrent Liabilities:			
Net Pension Liability	4,515,805	1,227,482	5,743,287
Due Within One Year		1,581,354	1,581,354
Due in More Than One Year	535,562	29,142,924	29,678,486
Total Liabilities	<u>6,822,921</u>	<u>33,968,920</u>	<u>40,791,841</u>
Deferred Inflows of Resources:			
Pension related	115,685	31,446	147,131
Total Deferred Inflows of Resources	<u>115,685</u>	<u>31,446</u>	<u>147,131</u>
Net Position:			
Net Investment in Capital Assets	29,261,784	6,974,670	36,236,454
Restricted for:			
Parks and Recreation	2,804,517		2,804,517
Public Works	3,882,901		3,882,901
Public Safety	1,542,274		1,542,274
Community Development	2,821,763		2,821,763
Unrestricted	10,161,994	21,465,447	31,627,441
Total Net Position	<u>\$ 50,475,233</u>	<u>\$ 28,440,117</u>	<u>\$ 78,915,350</u>

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

CITY OF IMPERIAL
Statement of Activities
For the Fiscal Year Ended June 30, 2023

<u>Functions</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities:				
General Government	\$ 4,457,611	\$ 2,763,222	\$ 5,965,787	\$ -
Public Safety	5,820,862	71,690	407,969	
Community Development	726,983	17,224	13,885	
Public Works	5,138,684	432,352	1,595,323	1,140,637
Parks and Recreation	1,946,744	127,148	254,231	
Total Governmental Activities	18,090,884	3,411,636	8,237,195	1,140,637
Business-type Activities:				
Water	4,808,859	6,418,975		
Sewer	6,664,393	6,677,286	(121,920)	
Total Business-type Activities	11,473,252	13,096,261	(121,920)	
Total Primary Government	\$ 29,564,136	\$ 16,507,897	\$ 8,115,275	\$ 1,140,637

General Revenues:

Taxes:

- Property Taxes
- Sales and Use Taxes
- Business License Taxes
- Transient Occupancy Taxes
- Franchise Taxes
- Other Taxes
- Unrestricted Motor Vehicle License Tax
- Licenses and Permits
- Fines and Forfeitures
- Use of Money and Property
- Other Revenue

Transfers

Total General Revenues and Transfers

Change in net position

Net Position - Beginning of Fiscal Year

Prior Period Adjustments

Net Position - Beginning of Fiscal Year (restated)

Net Position - End of Fiscal Year

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

Net (Expenses) Revenues and Changes in Net Position

Governmental Activities	Business- type Activities	Total
\$ 4,271,398	\$ -	\$ 4,271,398
(5,341,203)		(5,341,203)
(695,874)		(695,874)
(1,970,372)		(1,970,372)
(1,565,365)		(1,565,365)
<u>(5,301,416)</u>		<u>(5,301,416)</u>
	1,610,116	1,610,116
	(109,027)	(109,027)
	<u>1,501,089</u>	<u>1,501,089</u>
<u>(5,301,416)</u>	<u>1,501,089</u>	<u>(3,800,327)</u>
2,168,895		2,168,895
3,803,410		3,803,410
66,979		66,979
235,390		235,390
347,402		347,402
172,463		172,463
2,163,728		2,163,728
9,415		9,415
193,445		193,445
97,174	127,577	224,751
101,450		101,450
211,437	(211,437)	
<u>9,571,188</u>	<u>(83,860)</u>	<u>9,487,328</u>
<u>4,269,772</u>	<u>1,417,229</u>	<u>5,687,001</u>
46,003,334	27,046,492	73,049,826
202,127	(23,604)	178,523
<u>46,205,461</u>	<u>27,022,888</u>	<u>73,228,349</u>
<u>\$ 50,475,233</u>	<u>\$ 28,440,117</u>	<u>\$ 78,915,350</u>

CITY OF IMPERIAL
Balance Sheet
Governmental Funds
June 30, 2023

	Special Revenue Funds			Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
	General	LTA Measure D	ARPA	Capital Projects		
Assets:						
Cash and Investments	\$ 10,040,562	\$ 19,512	\$ 1,439,846	\$ 66,179	\$ 11,456,471	\$ 23,022,570
Accounts Receivable	987,095				229,991	1,217,086
Loans Receivable					1,277,391	1,277,391
Due from Other Funds	235,417					235,417
Total Assets	<u>\$ 11,263,074</u>	<u>\$ 19,512</u>	<u>\$ 1,439,846</u>	<u>\$ 66,179</u>	<u>\$ 12,963,853</u>	<u>\$ 25,752,464</u>
Liabilities and Fund Balances:						
Liabilities:						
Accounts Payable	\$ 710,739	\$ 159,633	\$ 4,893	\$ 84,637	\$ 577,542	\$ 1,537,444
Deposits Payable	234,110					234,110
Due to Other Funds					235,417	235,417
Total Liabilities	<u>944,849</u>	<u>159,633</u>	<u>4,893</u>	<u>84,637</u>	<u>812,959</u>	<u>2,006,971</u>
Deferred Inflows of Resources::						
Loans Related - unavailable					1,277,391	1,277,391
Total Deferred Inflows of Resources					<u>1,277,391</u>	<u>1,277,391</u>
Total Liabilities and Deferred Inflows of Resources	<u>944,849</u>	<u>159,633</u>	<u>4,893</u>	<u>84,637</u>	<u>2,090,350</u>	<u>3,284,362</u>
Fund Balances:						
Restricted for:						
Community Development					2,821,763	2,821,763
Public Safety					1,542,274	1,542,274
Public Works					3,882,901	3,882,901
Parks and Recreation					2,804,517	2,804,517
Unassigned	10,318,225	(140,121)	1,434,953	(18,458)	(177,952)	11,416,647
Total Fund Balances	<u>10,318,225</u>	<u>(140,121)</u>	<u>1,434,953</u>	<u>(18,458)</u>	<u>10,873,503</u>	<u>22,468,102</u>
Total Liabilities and Fund Balances	<u>\$ 11,263,074</u>	<u>\$ 19,512</u>	<u>\$ 1,439,846</u>	<u>\$ 66,179</u>	<u>\$ 12,963,853</u>	<u>\$ 25,752,464</u>

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

CITY OF IMPERIAL
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2023

Total fund balances - governmental funds \$ 22,468,102

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

Capital assets at historical cost	\$	61,637,926	
Accumulated depreciation		<u>(32,376,142)</u>	29,261,784

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 related to pension		2,635,008
Deferred inflows related to pension		(115,685)

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:

Net pension liability		(4,515,805)
Compensated absences payable		(535,562)

Certain notes receivable are not available to pay for current period expenditures and, therefore, are offset by deferred inflows of resources in the governmental funds.	<u>1,277,391</u>
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Total net position - governmental activities \$ 50,475,233

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

CITY OF IMPERIAL
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2023

	Special Revenue Funds			Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
	General	LTA Measure D	ARPA	Capital Projects		
Revenues						
Property Taxes	\$ 2,168,895	\$ -	\$ -	\$ -	\$ -	\$ 2,168,895
Sales and Use Taxes	3,803,410	1,580,696				5,384,106
Business License Taxes	66,979					66,979
Transient Occupancy Tax	235,390					235,390
Other Taxes	2,336,191					2,336,191
Licenses and Permits	9,415					9,415
Fines and Forfeitures	193,445					193,445
Use of Money and Property	16,949	1,607	4,168		74,450	97,174
Charges for Services	2,940,370				696,064	3,636,434
Intergovernmental	3,999,622	169,370	2,167,345		1,460,799	7,797,136
Franchise Tax	347,402					347,402
Other	101,298				152	101,450
Total Revenues	<u>16,219,366</u>	<u>1,751,673</u>	<u>2,171,513</u>		<u>2,231,465</u>	<u>22,374,017</u>
Expenditures						
Current:						
General Government	2,880,562		359,624	256,400		3,496,586
Public Safety	4,815,521				88,962	4,904,483
Public Works	3,154,726	853,773			222,383	4,230,882
Parks and Recreation	1,811,232			29,258	106,254	1,946,744
Community Development	703,491				23,492	726,983
Capital Outlay	213,677		199,984	2,473,467		2,887,128
Total Expenditures	<u>13,579,209</u>	<u>853,773</u>	<u>559,608</u>	<u>2,759,125</u>	<u>441,091</u>	<u>18,192,806</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>2,640,157</u>	<u>897,900</u>	<u>1,611,905</u>	<u>(2,759,125)</u>	<u>1,790,374</u>	<u>4,181,211</u>
Other Financing Sources (Uses):						
Transfers In	1,443,186			2,740,667	1,024,754	5,208,607
Transfers Out	(1,055,040)	(2,539,565)	(50,764)		(1,351,801)	(4,997,170)
Total Other Financing Sources (Uses)	<u>388,146</u>	<u>(2,539,565)</u>	<u>(50,764)</u>	<u>2,740,667</u>	<u>(327,047)</u>	<u>211,437</u>
Net Change in Fund Balances	<u>3,028,303</u>	<u>(1,641,665)</u>	<u>1,561,141</u>	<u>(18,458)</u>	<u>1,463,327</u>	<u>4,392,648</u>
Fund Balances - June 30, 2022	7,731,103	1,501,544	(126,188)		9,458,333	18,564,792
Prior Period Adjustments	(441,181)				(48,157)	(489,338)
Fund Balances - June 30, 2022, Restated	<u>7,289,922</u>	<u>1,501,544</u>	<u>(126,188)</u>		<u>9,410,176</u>	<u>18,075,454</u>
Fund Balances - June 30, 2023	<u>\$ 10,318,225</u>	<u>\$ (140,121)</u>	<u>\$ 1,434,953</u>	<u>\$ (18,458)</u>	<u>\$ 10,873,503</u>	<u>\$ 22,468,102</u>

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

CITY OF IMPERIAL
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds \$ 4,392,648

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital outlay	\$	2,832,910	
Depreciation expense		<u>(2,372,373)</u>	460,537

Certain notes receivable are reported in the governmental funds as expenditures and then, offset by a deferred inflow of resources, as they are not available to pay current expenditures. Likewise, when the note is collected, it is reflected in revenue. This is the net change between notes receivable collected and issued. (224,798)

Compensated absence expenditures reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in a governmental fund. This is the net change in compensated absences for the current period. (107,441)

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. In addition, changes in Net Pension Liability are deferred inflows and outflows and amortized. This is the difference between accrual-basis pension costs and actual employer contributions and amortization of deferred inflows and outflows in the current fiscal year. (251,174)

Change in net position of governmental activities \$ 4,269,772

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

CITY OF IMPERIAL
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-type Activities-Enterprise Funds		
	Water Fund	Sewer Fund	Total
Assets			
Current Assets:			
Cash and Investments	\$ 11,221,022	\$ 11,724,764	\$ 22,945,786
Cash and Investments with Fiscal Agent	7,148,779	837,987	7,986,766
Accounts Receivable	636,962	597,920	1,234,882
Inventory	35,842		35,842
Total Current Assets	19,042,605	13,160,671	32,203,276
Noncurrent Assets:			
Capital Assets:			
Land	99,357	179,040	278,397
Building and Improvements	11,207,018	8,063,593	19,270,611
Machinery and Equipment	4,887,452	1,912,784	6,800,236
Infrastructure	14,531,898	34,236,519	48,768,417
Less:			
Accumulated Depreciation	(23,793,900)	(21,679,663)	(45,473,563)
Total Noncurrent Assets	6,931,825	22,712,273	29,644,098
Deferred Outflows of Resources:			
Pension Related	361,022	232,087	593,109
Total Deferred Outflows of Resources	361,022	232,087	593,109
Total Assets and Deferred Outflows of Resources	26,335,452	36,105,031	62,440,483
Liabilities			
Current Liabilities:			
Accounts Payable	1,029,344	174,882	1,204,226
Deposits Payable	407,444	405,490	812,934
Long Term Debt - Due within One Year	764,200	817,154	1,581,354
Total Current Liabilities	2,200,988	1,397,526	3,598,514
Noncurrent Liabilities:			
Compensated Absences	53,614	14,470	68,084
Net Pension Liability	747,161	480,321	1,227,482
Due in More Than One Year	10,658,861	18,415,979	29,074,840
Total Noncurrent Liabilities	11,459,636	18,910,770	30,370,406
Deferred Inflows of Resources:			
Pension Related	19,141	12,305	31,446
Total Deferred Inflows of Resources	19,141	12,305	31,446
Total Liabilities and Deferred Inflows of Resources	13,679,765	20,320,601	34,000,366
Net Position			
Net Investment in Capital Assets	2,657,543	4,317,127	6,974,670
Unrestricted	9,998,144	11,467,303	21,465,447
Total Net Position	\$ 12,655,687	\$ 15,784,430	\$ 28,440,117

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

CITY OF IMPERIAL
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	Business-type Activities - Enterprise funds		
	Water Fund	Sewer Fund	Total
Operating Revenues:			
Charges for Services	\$ 6,675,905	\$ 6,417,816	\$ 13,093,721
Other Operating Revenue	1,381	1,159	2,540
Total Operating Revenues	6,677,286	6,418,975	13,096,261
Operating Expenses:			
Personnel	1,336,189	1,050,671	2,386,860
Administrative	1,504,479	259,634	1,764,113
Materials and Supplies	1,122,786	634,927	1,757,713
Maintenance	1,128,925	557,231	1,686,156
Depreciation	1,271,157	1,669,810	2,940,967
Total Operating Expenses	6,363,536	4,172,273	10,535,809
Operating Income	313,750	2,246,702	2,560,452
Non-operating Revenues (Expenses):			
Interest Revenue	79,006	48,571	127,577
Interest and Fiscal Charges	(300,857)	(636,586)	(937,443)
Intergovernmental Revenue (Expense)		(121,920)	(121,920)
Total Non-Operating Revenue (Expenses)	(221,851)	(709,935)	(931,786)
Income before transfers	91,899	1,536,767	1,628,666
Transfers			
Transfers Out	(132,221)	(79,216)	(211,437)
Total Transfers	(132,221)	(79,216)	(211,437)
Change in Net Position	(40,322)	1,457,551	1,417,229
Net Position - Beginning of Fiscal Year	12,585,559	14,460,933	27,046,492
Prior Period Adjustments	110,450	(134,054)	(23,604)
Net Position - Beginning of the Fiscal Year, Restated	12,696,009	14,326,879	27,022,888
Net Position - End of Fiscal Year	\$ 12,655,687	\$ 15,784,430	\$ 28,440,117

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

CITY OF IMPERIAL
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Users	\$ 6,650,373	\$ 6,403,028	\$ 13,053,401
Cash Payments to Suppliers and Contractors	(2,920,907)	(1,613,008)	(4,533,915)
Cash Payments to Employees	(1,292,816)	(1,022,787)	(2,315,603)
Net Cash Provided (Used) By Operating Activities	<u>2,436,650</u>	<u>3,767,233</u>	<u>6,203,883</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers Out	(132,221)	(79,216)	(211,437)
Net Cash Provided (Used) By Noncapital Financing Activities	<u>(132,221)</u>	<u>(79,216)</u>	<u>(211,437)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest Received	79,006	48,571	127,577
Net Cash Provided (Used) in Investing Activities	<u>79,006</u>	<u>48,571</u>	<u>127,577</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of Property, Plant, and Equipment	(65,459)	(317,027)	(382,486)
Intergovernmental		(121,920)	(121,920)
Principal Payments on Debt Borrowings	(675,000)	(745,000)	(1,420,000)
Interest Paid	(393,159)	(683,740)	(1,076,899)
Net Cash Provided (Used) In Capital and Related Financing Activities	<u>(1,133,618)</u>	<u>(1,867,687)</u>	<u>(3,001,305)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,249,817	1,868,901	3,118,718
CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR	<u>17,119,984</u>	<u>10,693,850</u>	<u>27,813,834</u>
CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR	<u>\$ 18,369,801</u>	<u>\$ 12,562,751</u>	<u>\$ 30,932,552</u>
Reconciliation to Statement of Net Position:			
Cash and Investments	\$ 11,221,022	\$ 11,724,764	\$ 22,945,786
Cash and Investments with Fiscal Agent	7,148,779	837,987	7,986,766
	<u>\$ 18,369,801</u>	<u>\$ 12,562,751</u>	<u>\$ 30,932,552</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating Income	\$ 313,750	\$ 2,246,702	\$ 2,560,452
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	1,271,157	1,669,810	2,940,967
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:			
(Increase) Decrease in Accounts Receivable	(26,913)	(15,947)	(42,860)
Increase (Decrease) in Accounts Payable	759,006	(193,079)	565,927
Increase (Decrease) in Net Pension Liability	452,610	290,966	743,576
(Increase) Decrease in Pension Related Deferred Outflows	(208,966)	(134,336)	(343,302)
Increase (Decrease) in Pension Related Deferred Inflows	(200,271)	(128,746)	(329,017)
Increase (Decrease) in Deposits Payable	76,277	31,863	108,140
Total Adjustments	<u>2,122,900</u>	<u>1,520,531</u>	<u>3,643,431</u>
Net Cash Provided (Used) By Operating Activities	<u>\$ 2,436,650</u>	<u>\$ 3,767,233</u>	<u>\$ 6,203,883</u>

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

**CITY OF IMPERIAL
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
June 30, 2023**

	<u>Private Purpose Trust Fund</u>	
	<u>RDA</u>	
	<u>Successor Agency</u>	<u>Custodial Fund</u>
ASSETS		
Cash and investments	\$ 756,987	\$ 2,484,627
Cash and investments with fiscal agent		3,051,812
Capital assets, net of accumulated depreciation	311,012	
	<u>1,067,999</u>	<u>5,536,439</u>
Total Assets	<u>1,067,999</u>	<u>\$ 5,536,439</u>
LIABILITIES		
Deposits payable		5,536,439
Long-term debt, due within one year	830,000	
Long-term debt, due in more than one year	15,230,000	
	<u>16,060,000</u>	<u>5,536,439</u>
Total Liabilities	<u>16,060,000</u>	<u>\$ 5,536,439</u>
NET POSITION		
Held in trust for others	(14,992,001)	
Total Net Position	<u>\$ (14,992,001)</u>	

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

**CITY OF IMPERIAL
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2023**

	Private Purpose Trust Fund
	RDA
	Successor Agency
Additions:	
Intergovernmental	\$ 2,179,446
Use of money and property	18,944
Total additions	2,198,390
Deductions:	
Interest Expense	618,974
Contribution to City	3,528,790
Total deductions	4,147,764
Change in net position	(1,949,374)
Net Position - July 1, 2022	(12,541,554)
Prior period adjustment	(501,073)
Net Position, July 1, 2022, Restated	(13,042,627)
Net Position - June 30, 2023	\$ (14,992,001)

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

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Imperial is a municipal corporation governed by an elected five-member City Council who, in turn, elects one of its members to serve as the Mayor. As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the City. The blended component units have a June 30 fiscal year end to coincide with the City's.

Blended Component Units. In May 1994, the Imperial Financing Authority (Authority) was formed in order to provide a funding vehicle for necessary street improvements within the City. The governing board of the Imperial Financing Authority is the City Council, and the City Manager acts as Executive Director. A separate financial report is not being issued for the Imperial Financing Authority. The activity of the Authority is reported within the General Fund of the City.

The Imperial Community Facilities District (District) was formed in order to provide funding for necessary community development projects within the City. The City currently has six separate Districts: 2004-1 Victoria, 2004-2 Mayfield, 2004-3 Bratton, 2005-1 Springfield, 2006-Monterrey Park, and 2006-2 Savannah Ranch.

B. Basis of Presentation

Government-wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the City). 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. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and 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. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net positions are available, unrestricted resources are used only after the restricted resources are depleted.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

Proprietary funds distinguish *operating* revenues from *Nonoperating*, such as charges for services, as they 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. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports four major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes activities such as public protection, public works and facilities, parks and recreation, and community development.
- The *LTA Measure D Special Revenue Fund* was established to account for all proceeds and expenditures associated with street and highway projects received as part of the local transportation authority Measure D sales tax.
- The *ARPA Special Revenue Fund* was established to account for all proceeds and expenditures associated the American Rescue Plan.
- The *Capital Projects Capital Projects Fund* was established to account for revenue and expenditures related to capital projects within the City.

The City reports the following two major enterprise funds:

- The *Water Fund* was established to account for the financial activity for the purpose of operation and maintenance of City's water utility. The costs of providing these services to the general public are financed or recovered through user charges.
- The *Sewer Fund* was established to account for the financial activity for the purpose of operation and maintenance of the City's sewer system including the wastewater treatment plant. The costs of providing these services to the general public are financed or recovered through user charges.

The City reports the following additional fund types:

Fiduciary Funds

Custodial Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other government units, and/or other funds.

Private Purpose Trust Fund accounts for the operations of the former redevelopment agency.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting and Measurement Focus

The government-wide, proprietary, and fiduciary funds financial statements except for Agency Funds (that have no measurement focus) are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after fiscal year-end. Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from long-term debt and capital leases are reported as other financing sources.

Property taxes, transient occupancy taxes, and interest are susceptible to accrual. Sales taxes collected and held by the state at fiscal year-end on behalf of the City are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

D. Assets, Liabilities, and Equity

1. Deposits and Investments

In order to maximize the flexibility of its investment program and to aid in cash budgeting, the City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the City's cash and investment pool. As the City places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated monthly to the various funds based on month-end balances and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Equity (Continued)

1. Deposits and Investments (Continued)

In accordance with the State of California Government Code, the City adopts an investment policy annually that, among other things, authorizes types and concentrations of investments and maximum investment terms.

The City's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of its portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows, the City has defined cash and cash equivalents to be change and petty cash funds, equity in the City's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

Investments are stated at fair value in accordance with GASB Statement No.31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Short-term investments are reported at cost, which approximates fair value. The fair values are based on quoted market prices, if available, or estimated using quoted market prices for similar securities. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Interest, dividends, and realized and unrealized gains and losses, based on the specific identification method, are included in interest revenue when earned.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means when due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Imperial collects property taxes for the City and Agency. Tax liens attach annually on the first day in January preceding the fiscal year for which the taxes are levied. The tax levy covers the fiscal period July 1st to June 30th. One-half of the taxes on real property are due on November 1st; the second installment is due on March 1st. All taxes are delinquent, if unpaid by December 10th and April 10th respectively. Unsecured personal property taxes become due on July 1st of each year and are delinquent, if unpaid by August 31st.

The City has elected to receive the City's portion of the property taxes from the county under the county Teeter Bill program. Under this program, the City receives 100 percent of the City's share of the levied property taxes in periodic payments with the county assuming the responsibility for the delinquencies

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Equity (Continued)

2. Receivables and Payables (Continued)

GASB Statement No. 96, SBITAs

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in GASB Statement No. 87, Leases, as amended.

The City did not report any significant accounting changes from the implementation of this Statement during the fiscal year ended June 30, 2023.

3. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Capital Assets

Capital assets, which include property, plant, equipment, fine art, and infrastructure assets (e.g., roads, bridges, sidewalks, traffic lights and signals, street lights, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the fiscal year ended June 30, 2023.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets				Years
Buildings				30
Improvements other than buildings				30
Infrastructure				20 to 40
Utility systems				40 to 75
Vehicles				5 to 15
Computer equipment				7
Other equipment and furnishings				7

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Equity (Continued)

5. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. All vacation and sick leave benefits are accrued as earned by employees. A portion of unused sick leave benefits, varying by employee bargaining unit, vests and is payable upon retirement. For proprietary funds, a current liability is reported for that portion of the estimated value of vacation and sick leave benefits to be used during the subsequent fiscal year, and the estimated value of vacation vested sick leave benefits of employees approaching or at their respective retirement ages. The balance is considered a long-term obligation.

A liability is accrued for all earned but unused leave benefits in the government-wide and enterprise fund statements. This liability will be liquidated as either additional cash payments in the event of employee termination or as part of budgeted salary expenditures if used by employees as compensated leave time while still employed by the City. In the fund financial statements, governmental funds accrue current liabilities for material vacation leave benefits due on demand to governmental fund employees that have terminated prior to fiscal year-end. Non-current amounts will be recorded as fund expenditures in the fiscal year in which they are paid or become due on demand to terminated employees.

6. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Debt premiums and discounts are deferred and amortized over the life of the indebtedness using the straight line method. Notes payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize debt premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Net Position

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

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

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

Unrestricted Net Position – This category represents net position of the City, not restricted for any project or other purpose.

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, the City's policy is to apply restricted resources first.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

F. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

- Nonspendable fund balance – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

- Restricted fund balance – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

- Committed fund balance – amounts that can only be used for specific purposes determined by formal action of the City’s highest level of decision-making authority (the City Council) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

- Assigned fund balance – amounts that are constrained by the City’s intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for that purpose.

- Unassigned fund balance – the residual classification for the City’s funds that include amounts not contained in the other classifications.

The City Council establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution.

G. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements.

The provisions for GASB Statement Number 99, “Omnibus 2022” are effective for fiscal year beginning after June 15, 2023.

The provisions of Statement Number 100 “Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62” are effective for fiscal years beginning after June 15, 2023.

The provisions of Statement Number 101 “Compensated Absences” are effective for fiscal years beginning after December 15, 2023.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

a. General Budget Policies

1. The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them.
2. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the fiscal year. All amendments made during the fiscal year are included in the budgetary amounts reported herein. The “appropriated budget” covers all City expenditures, with the exception of debt service on bond issues and capital improvement projects carried forward from prior fiscal years, which expenditures constitute legally authorized “non-appropriated budget”. Actual expenditures may not exceed budgeted appropriations at the fund level, which is the legal level of control.
3. Formal budgetary integration is employed as a management control device during the fiscal year. Commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to assist in controlling expenditures. Appropriations which are encumbered, lapse at fiscal year-end, and then are added to the following fiscal year’s budgeted appropriations.
4. Budgets for the General and Special Revenue Funds are adopted on a basis substantially consistent with accounting principles generally accepted in the United States of America (USGAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items. For the fiscal year ended June 30, 2023 the following nonmajor funds did not have legally adopted budgets : COPS, Dial-a-ride, Asset Forfeiture, Library Literacy, Police Tech Grant, August Worthington, Community Services Grant, STLP, ARPA Utility, CARES, Early Learning Grant, Per Capita, Utility Assistance, SB 1383.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

Budget comparisons are not presented for the Proprietary Funds, as the City is not legally required to adopt a budget for these fund types.

B. Budget/USGAAP Reconciliation

No funds adopted project-length or budgetary basis budgets and, therefore, no schedule reconciling the amounts on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual to the amounts on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances has been prepared.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

C. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2023, the following funds had excess expenditures over appropriations.

Fund	Amount
<u>Major Governmental Fund:</u>	
General Fund:	
Public Works	\$ 1,272,502
Capital Outlay	213,677

D. Deficit Fund Equity

At June 30, 2023, the following funds had an accumulated deficit:

Fund	Amount
<u>Major Governmental Funds:</u>	
LTA Measure D	\$ 140,121
Capital Projects	18,458
<u>Nonmajor Governmental Funds:</u>	
Per Capita	177,952

These fund balance deficits are primarily due to the City incurring costs in excess of receiving revenues. The Funds should alleviate these deficits as revenues are received or as General Fund transfers funds.

NOTE 3 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2023 are classified in the accompanying financial statements as follows:

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

Cash on hand	\$ 450
Deposits with financial institutions	44,443,592
Investments	15,804,506
Total cash and investments	\$ 60,248,548

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

A. Investments Authorized by the California Government Code and the City’s Investment Policy

The table below identifies the investment types that are authorized for the City of Imperial (City) by the California Government Code (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City rather than the general provisions of the California Government Code or the City’s investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Bonds issued by the City	N/A	None	None
US Treasury Obligations	5 years	None	None
Federal Agency Issues	5 years	None	None
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Bankers' Acceptances	180 days	40%	30%
Medium Term Notes	5 years	30%	None
Money Market Mutual Funds	N/A	None	10%
Commercial Paper	270 days	25%	None
County Pool Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75 Million
Collateralized Bank Deposits	N/A	None	None
Mortgage Pass-through Securities	5 years	20%	None
Shares of Beneficial Interest by a JPA	N/A	None	None

The investment policy allows for the above investments which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

B. Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the City’s investment policy. The table below identifies the Investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Investments Authorized by Debt Agreements (Continued)

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	N/A	None	None
U.S. Treasury Obligations	N/A	None	None
State Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Money Market Mutual Fund	N/A	None	None
Bankers Acceptances	N/A	None	None
Commercial Paper	270 days	None	None
Certificates of Deposit	N/A	None	None
Repurchase Agreements	N/A	None	None
Investment Agreements	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

The investment policy allows for the above investments which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

C. Disclosures Relating to Interest Rate Risk

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

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

<u>Investment Type</u>	<u>Totals</u>	<u>Remaining maturity (in Months)</u>			
		<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25-60 Months</u>	<u>More Than 60 Months</u>
State Investment Pool (LAIF)	\$ 15,804,506	\$ 15,804,506	\$ -	\$ -	\$ -
	<u>\$ 15,804,506</u>	<u>\$ 15,804,506</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

D. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City has no investments (including investments held by bond trustees) that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

E. Disclosures Relating to Credit Risk

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

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Fiscal Year End</u>			
				<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Not Rated</u>
State Investment Pool	\$ 15,804,506	N/A	\$ -	\$ -	\$ -	\$ -	\$ 15,804,506
Total	<u>\$ 15,804,506</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,804,506</u>

F. Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer (other than money market) that represent 5% or more of total City’s investments.

G. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2023, all of the City’s deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 3 – CASH AND INVESTMENTS (Continued)

H. Investment in State Investment Pool

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

I. Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy establish by generally accepted accounting principles. These principles recognize a three tiered fair value hierarchy as follows: Level 1 – Investments reflect prices quoted in active markets; Level 2 – Investments reflect prices that are based on similar observable asset either directly or indirectly, which may include inputs in markets that are not considered active; and Level 3 – Investments reflect prices based upon unobservable sources. The City did not have any investments applicable to recurring fair value measurements as of June 30, 2023.

NOTE 4 – INTERFUND TRANSACTIONS

A. Interfund Receivables and Payables

During the course of normal operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds”. The following presents a summary of current interfund balances at June 30, 2023:

Receivable Fund	Amount	Payable Fund	Amount
Major Governmental Fund:		Nonmajor Governmental Funds:	
General Fund	\$ 235,417	Public Safety Prop 172	\$ 57,465
		Per Capita	177,952
Totals	\$ 235,417	Totals	\$ 235,417

B. Transfers between Funds

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations, and re-allocations of special revenues. All inter-fund transfers between individual government funds have been eliminated on the government-wide statements. The following schedule briefly summarizes the City’s transfer activity for the fiscal year ended June 30, 2023:

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 4 – INTERFUND TRANSACTIONS (CONTINUED)

B. Transfers between Funds (Continued)

Fund	Transfers-in	Transfers-out
Major Governmental Funds:		
General Fund	\$ 1,443,186	\$ 1,055,040
LTA Measure D		2,539,565
ARPA		50,764
Capital Projects Capital Projects Fund	2,740,667	
Major Enterprise Funds:		
Water Fund		132,221
Sewer Fund		79,216
Nonmajor Governmental Funds:		
TCRF Special Revenue Fund	29,996	
Traffic Safety Special Revenue Fund		3,500
Gas Tax Special Revenue Fund		400,000
Local Transportation Special Revenue Fund		5,000
Public Safety Prop 172 Special Revenue Fund		97,942
COPS Grant Special Revenue Fund	61,895	76,720
Housing Rehabilitation Special Revenue Fund		5,000
RLA Special Revenue Fund		5,000
Wildflower Landscaping and Lighting Special Revenue Fund		17,124
Paseo Del Sol Landscaping and Lighting Special Revenue Fund		69,578
Sky Ranch District Special Revenue Fund		99,243
Prop 1B Special Revenue Fund	164,419	
Library Literacy Special Revenue Fund		42,856
Police Technology Grant	112,075	
SB1 Special Revenue Fund		499,213
Housing General Special Revenue Fund		5,000
Park Impact Fees Special Revenue Fund		25,625
STPL Special Revenue Fund	615,001	
Per Capita Special Revenue Fund	41,368	
ARPA Utility Special Revenue Fund		
Utility Assistance Special Revenue Fund		
Totals	<u>\$ 5,208,607</u>	<u>\$ 5,208,607</u>

Transfers into the General Fund are related to administrative costs and overhead costs that are part of a city-wide cost allocation plan.

Transfers from the General Fund are related to contributions made from unassigned funds to assist in capital projects and other operating costs of special revenue and capital project funds.

Transfers from the General Fund may also be council approved transfers to offset accumulated deficits that special revenue or capital projects funds may have accumulated due to unanticipated costs or change orders.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 5 – CAPITAL ASSETS

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

	Balance at June 30, 2022	Additions	Deletions	Transfers	Prior Period Adjustment	Balance at June 30, 2023
Governmental activities:						
Capital assets, not being depreciated:						
Land	\$ 3,329,400	\$ -	\$ -	\$ -	\$ -	\$ 3,329,400
Construction in progress	-	2,473,467				2,473,467
Total capital assets, not being depreciated	<u>3,329,400</u>	<u>2,473,467</u>				<u>5,802,867</u>
Capital assets, being depreciated:						
Machinery and Equipment	8,743,015	359,443			113,224	9,215,682
Infrastructure	46,236,205				383,172	46,619,377
Total capital assets being depreciated	<u>54,979,220</u>	<u>359,443</u>			<u>496,396</u>	<u>55,835,059</u>
Less accumulated depreciation for:						
Machinery and Equipment	(7,139,020)	(534,848)			195,069	(7,478,799)
Infrastructure	(23,059,818)	(1,837,525)				(24,897,343)
Total accumulated depreciation	<u>(30,198,838)</u>	<u>(2,372,373)</u>			<u>195,069</u>	<u>(32,376,142)</u>
Total capital assets, being depreciated, net	<u>24,780,382</u>	<u>(2,012,930)</u>			<u>691,465</u>	<u>23,458,917</u>
Governmental activities capital assets, net	<u>\$ 28,109,782</u>	<u>\$ 460,537</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 691,465</u>	<u>\$ 29,261,784</u>
	Balance at June 30, 2022	Additions	Deletions	Transfers	Prior Period Adjustments	Balance at June 30, 2023
Business-type activities:						
Capital assets, not being depreciated:						
Land	\$ 278,397	\$ -	\$ -	\$ -	\$ -	\$ 278,397
Construction in progress	20,813,874	177,499		(20,991,373)		20,899,999
Total capital assets, not being depreciated	<u>21,092,271</u>	<u>177,499</u>		<u>(20,991,373)</u>		<u>20,980,397</u>
Capital assets, being depreciated:						
Buildings and Improvements	19,270,611					19,270,611
Machinery and Equipment	6,613,514	186,722				6,800,236
Infrastructure	27,758,782	18,266		20,991,373		48,768,421
Total capital assets, being depreciated	<u>53,642,907</u>	<u>204,988</u>		<u>20,991,373</u>		<u>74,839,268</u>
Less accumulated depreciation for:						
Buildings and Improvements	(17,322,387)	(607,844)			97,192	(17,833,039)
Machinery and Equipment	(5,869,579)	(196,368)				(6,065,947)
Infrastructure	(19,703,777)	(2,136,755)			265,951	(21,574,581)
Total accumulated depreciation	<u>(42,895,743)</u>	<u>(2,940,967)</u>			<u>363,143</u>	<u>(45,473,567)</u>
Total capital assets, being depreciated, net	<u>10,747,164</u>	<u>(2,735,979)</u>		<u>20,991,373</u>	<u>363,143</u>	<u>29,365,701</u>
Business-type activities capital assets, net	<u>\$ 31,839,435</u>	<u>\$ (2,558,480)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 363,143</u>	<u>\$ 29,644,098</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 790,791
Public Works	790,791
Public Safety	<u>790,791</u>
Total depreciation expense – governmental functions	<u>\$ 2,372,373</u>

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

Water	\$ 1,271,157
Sewer	<u>1,669,810</u>
Total depreciation expense – business-type functions	<u>\$ 2,940,967</u>

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 6 – NOTES RECEIVABLE

The City has established a number of housing assistance loan programs using HOME Investment Partnerships Program grant funds. These loans consist of several loans for first-time home buyers assistance and home rehabilitation assistance loans for qualified persons. The City also utilizes Community Development Block Grant (CDBG) to provide business assistance loans and home rehabilitation loans to qualified persons.

NOTE 7 – LONG-TERM LIABILITIES

The following is a schedule of long-term liabilities for Governmental Activities and Business-type Activities for the fiscal year ended June 30, 2023:

	Balance at June 30, 2022	Additions	Repayments	Balance at June 30, 2023	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 428,121	\$ 384,904	\$ (277,463)	\$ 535,562	\$ -
Total	<u>\$ 428,121</u>	<u>\$ 384,904</u>	<u>\$ (277,463)</u>	<u>\$ 535,562</u>	<u>\$ -</u>
Business-type Activities:					
Water Fund:					
Compensated absences	\$ 53,614	\$ 53,614	\$ (53,614)	\$ 53,614	\$ -
2012 Certificates of participation	3,350,000		(615,000)	2,735,000	635,000
2012 Certificates of participation premium	178,587		(41,212)	137,375	41,212
2019 Water revenue bonds	7,990,000		(60,000)	7,930,000	65,000
2019 Water revenue bonds premium	643,674		(22,988)	620,686	22,988
Sewer Fund:					
Compensated absences	14,470	14,470	(14,470)	14,470	
2012 Certificates of participation	3,600,000		(660,000)	2,940,000	690,000
2012 Certificates of participation premium	48,346		(11,156)	37,190	11,156
2019 Wastewater revenue bonds	15,405,000		(85,000)	15,320,000	80,000
2019 Wastewater revenue bonds premium	971,941		(35,998)	935,943	35,998
Total	<u>\$ 32,255,632</u>	<u>\$ 68,084</u>	<u>\$ (1,599,438)</u>	<u>\$ 30,724,278</u>	<u>\$ 1,581,354</u>

1. Business-type Activities – Water/Wastewater 2012 COP

On April 1, 2012, the City issued the 2012 certificates of participation in the amount of \$10,065,000 for the water facility and \$8,550,000 for the wastewater facility. The proceeds of the sale were used together with other available moneys to provide funds to the City to prepay and defease on a current basis the City’s Refunding Certificates of Participation Series 2001 of which \$7,190,000 (water) and \$4,995,000 (sewer) remained outstanding, and to finance certain capital improvements to the City’s water and wastewater system, to fund a reserve fund for the Bonds, and to pay certain costs of issuing the Bonds. Interest is payable semi-annually on April and October 15 commencing on October 15, 2012 through October 15, 2026 and ranges from 3% to 5%. As of June 30, 2023, the balances remaining for Water and Wastewater Refunding COPs are \$2,735,000 and \$2,940,000 respectively. In the event of a default, the full outstanding balance of the debt is due and payable.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

Annual debt service requirements for the Certificates of Participation are shown below:

Fiscal Year Ended June 30,	2012 Certificates of Participation - Water		
	Principal	Interest	Total
2024	\$ 635,000	\$ 120,875	\$ 755,875
2025	665,000	88,375	753,375
2026	700,000	54,250	754,250
2027	735,000	18,375	753,375
	<u>\$ 2,735,000</u>	<u>\$ 281,875</u>	<u>\$ 3,016,875</u>

Fiscal Year Ended June 30,	2012 Certificates of Participation - Wastewater		
	Principal	Interest	Total
2024	\$ 690,000	\$ 110,287	\$ 800,287
2025	720,000	80,324	800,324
2026	750,000	49,087	799,087
2027	780,000	16,575	796,575
	<u>\$ 2,940,000</u>	<u>\$ 256,273</u>	<u>\$ 3,196,273</u>

2. Business-type Activities – Wastewater Revenue Bonds 2019

On May 1, 2019, the City issued the 2019 Wastewater revenue bonds in the amount of \$15,620,000 and pledged the City’s Wastewater Fund as the specific revenue source for the repayment of the debt. The proceeds of the sale were used to provide funds to the City to prepay and defease on a current basis the City’s Wastewater Parity COP 2005 in the amount of \$2,105,000 and to finance certain capital improvements to the City’s wastewater system, to fund a reserve fund for the Bonds, and to pay certain costs of issuing the Bonds. Interest is payable semi-annually on April and October 15 commencing on October 15, 2019 through October 15, 2049 and ranges from 3% to 5%. As of June 30, 2023, the balance outstanding for 2019 Wastewater revenue bonds was \$15,320,000. In the event of a default, the full outstanding balance of the debt is due and payable.

On December 1, 2019, the City issued the 2019 Water revenue bonds in the amount of \$8,115,000 and pledged the City’s Water Fund as the specific revenue source for the repayment of the debt. The proceeds of the sale were used to provide funds to the City to prepay and defease on a current basis the City’s Water Parity COP 2005 in the amount of \$1,535,000 and to finance certain capital improvements to the City’s water system, to fund a reserve fund for the Bonds, and to pay certain costs of issuing the Bonds. Interest is payable semi-annually on April and October 15 commencing on April 15, 2020 through April 15, 2050 and ranges from 3% to 5%. As of June 30, 2023, the balance outstanding for 2019 Water revenue bonds was \$7,930,000. In the event of a default, the full outstanding balance of the debt is due and payable.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

2. Business-type Activities – Wastewater Revenue Bonds 2019 (Continued)

Annual debt service requirements for the Revenue Bonds are shown below:

Fiscal Year Ended June 30,	2019 Wastewater Revenue Bonds		
	Principal	Interest	Total
2024	\$ 80,000	\$ 590,526	\$ 670,526
2025	85,000	588,051	673,051
2026	90,000	585,426	675,426
2027	90,000	582,726	672,726
2028	465,000	569,751	1,034,751
2029-2033	2,695,000	2,467,427	5,162,427
2034-2038	3,055,000	1,831,905	4,886,905
2039-2043	3,195,000	1,274,755	4,469,755
2044-2048	3,840,000	611,933	4,451,933
2049-2050	1,725,000	56,469	1,781,469
	<u>\$ 15,320,000</u>	<u>\$ 9,158,969</u>	<u>\$ 24,478,969</u>

Fiscal Year Ended June 30,	2019 Water Revenue Bonds		
	Principal	Interest	Total
2024	\$ 65,000	\$ 280,600	\$ 345,600
2025	65,000	278,726	343,726
2026	65,000	276,776	341,776
2027	70,000	274,500	344,500
2028	270,000	270,400	540,400
2029-2033	1,515,000	1,181,600	2,696,600
2034-2038	1,625,000	862,000	2,487,000
2039-2043	1,560,000	618,915	2,178,915
2044-2048	1,865,000	271,573	2,136,573
2049-2050	830,000	75,345	905,345
	<u>\$ 7,930,000</u>	<u>\$ 4,390,435</u>	<u>\$ 12,320,435</u>

3. Compensated Absences

The City's policy relating to compensated absences is described in Note (1). Compensated absences are liquidated primarily by the general fund and proprietary funds. The total amount outstanding at June 30, 2023, was \$535,562 for governmental activities and \$58,084 for business-type activities.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 8 – RISK MANAGEMENT

California Joint Powers Insurance Authority (CJPIA)

The City is a member of the California Joint Powers Insurance Authority's (Authority) Joint Liability Protection and worker's compensation coverage programs. The Authority is composed of 119 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other lines of coverage. The Authority began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee. Audited financial statements for the Authority are available from Finance Director, at California Joint Powers Insurance Authority, 8081 Moody Street, La Palma, California 90623.

NOTE 9 – CONTINGENT LIABILITIES

The City is subject to litigation arising in the normal course of business. In the opinion of the City's management, there is no pending litigation that is likely to have a material adverse effect on the financial position of the City.

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS

The City does not offer any other post-employment benefits.

NOTE 11 – PENSION PLAN

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS Financial Office. 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.

A. General Information about the Pension Plan

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

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

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 11 – PENSION PLAN (Continued)

A. General Information about the Pension Plan (Continued)

The Plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	City Misc Plan		City Safety Plan	
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013
Hire date				
Benefit formula	2% @ 55	2% @ 62	3.0% @ 50	3.0% @ 50
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	55	62	50	50
Monthly benefits, as a percentage of eligible compensation	2.00%	2.00%	3.0%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.25%	9.00%	11.50%
Required employer contribution rates	6.709%	6.237%	13.813%	6.237%

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

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

As of June 30, 2023, the City reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

Proportionate Share of Net Pension Liability	
Misc. Plan	Safety Plan
\$ 2,924,206	\$ 2,819,081

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2021 and 2022 was as follows:

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 11 – PENSION PLAN (Continued)

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

	City Miscellaneous Plan	City Safety Plan
Proportion - June 30, 2021	0.04426%	0.04057%
Proportion - June 30, 2022	0.06249%	0.04103%
Change - Increase (Decrease)	0.01823%	0.00046%

For the fiscal year ended June 30, 2023, the City recognized pension expense of \$928,581. 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
Pension contributions subsequent to measurement date	\$ 996,599	\$ -
Net differences between projected and actual earnings on pension plan investments	980,809	-
Difference between actual vs proportionate contribution		(147,131)
Difference in actual experience	105,452	
Changes of assumptions	583,895	
Adjustment due to differences in proportions	561,362	-
Total	\$ 3,228,117	\$ (147,131)

\$996,599 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and will be recognized as pension expense as follows:

Fiscal Year Ended	
June 30,	Amount
2024	\$ 663,303
2025	534,946
2026	286,963
2027	599,175
Total	\$ 2,084,387

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 11 – PENSION PLAN (Continued)

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

Actuarial Assumptions - The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	3.30%-14.20% (1)	3.30%-14.20% (1)
Investment Rate of Return	6.90% (2)	6.90% (2)
Mortality	Derived using CalPERS' Membership Data	

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2022 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability was 6.90% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound geometric returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated and adjusted to account for assumed administrative expenses rate.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 11 – PENSION PLAN (Continued)

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

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	Assumed Asset Allocation	Real Return Years 1 - 10(a) (b)
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%
Total	<u><u>100.00%</u></u>	

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

(b) Figures are based on the 2021-22 Asset Liability Management study.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate -The following presents the net pension liability of the Local Government for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>Discount Rate -1%</u>	<u>Current Discount Rate</u>	<u>Discount Rate +1%</u>
	5.90%	6.90%	7.90%
Employer's Net Pension Liability - Misc	\$ 4,865,748	\$ 2,924,206	\$ 1,326,800
Employer's Net Pension Liability - Safety	4,318,806	2,819,081	1,593,394
Employer's Net Pension Liability - Total	<u><u>\$ 9,184,553</u></u>	<u><u>\$ 5,743,287</u></u>	<u><u>\$ 2,920,194</u></u>

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

NOTE 12 - SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Imperial (City) that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 12 - SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

The Bill provides that upon dissolution of a redevelopment agency, either the city or other unit of local government will agree to serve as the “successor agency” to hold the assets units until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City resolution number 2012-04.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence as of the date of the dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

A. Capital assets of the Successor Agency as of June 30, 2023 consisted of the following:

	Balance at June 30, 2022	Additions	Deletions	Balance at June 30, 2023
Capital assets, not being depreciated:				
Land	\$ 311,012	\$ -	\$ -	\$ 311,012
Total capital assets, not being depreciated	311,012			311,012
Total capital assets, net	<u>\$ 311,012</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,012</u>

B. Long-term debt of the Successor Agency as of June 30, 2023, consisted of the following:

	Balance at June 30, 2022	Additions	Deletions	Balance at June 30, 2023	Due within one year
2016 A Series Tax Allocation Bond	\$ 4,695,000	\$ -	\$ (250,000)	\$ 4,445,000	\$ 250,000
2016 B Series Tax Allocation Bond	12,175,000		(560,000)	11,615,000	580,000
Totals	<u>\$ 16,870,000</u>	<u>\$ -</u>	<u>\$ (810,000)</u>	<u>\$ 16,060,000</u>	<u>\$ 830,000</u>

2016 Series A Tax Allocation Bonds

On May 18, 2016, the Successor Agency of the City of Imperial (the “Agency”) issued \$6,050,000 refunding the 2005 Tax Allocation Notes. Interest is payable semi-annually every June 1 and December 1 of each year, commencing June 1, 2016 and maturing on June 1, 2037 and ranges from 2% to 4%. As of June 30, 2023, the outstanding principal balance is \$4,445,000. In the event of a default, the full outstanding balance of the debt is due and payable.

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 12 - SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

2016 Series A Tax Allocation Bonds (Continued)

Fiscal Year Ended June 30,	2016 Series A Tax Allocation Bonds		
	Principal	Interest	Total
2024	250,000	167,900	\$ 417,900
2025	255,000	162,850	417,850
2026	260,000	155,100	415,100
2027	270,000	143,150	413,150
2028	280,000	130,800	410,800
2029-2033	1,600,000	470,800	2,070,800
2034-2037	1,530,000	125,400	1,655,400
	<u>\$ 4,445,000</u>	<u>\$ 1,356,000</u>	<u>\$ 5,801,000</u>

2016 Series B Tax Allocation Bonds

On May 18, 2016, the Successor Agency of the City of Imperial (the “Agency) issued \$15,145,000 refunding the 2008 Tax Allocation Notes. Interest is payable semi-annually every June 1 and December 1 of each year, commencing June 1, 2016 and maturing on June 1, 2037 and ranges from 0.75% to 4%. As of June 30, 2023, the outstanding principal balance is \$11,615,000. In the event of a default, the full outstanding balance of the debt is due and payable.

Fiscal Year Ended June 30,	2016 Series B Tax Allocation Bonds		
	Principal	Interest	Total
2024	\$ 580,000	\$ 418,656	\$ 998,656
2025	595,000	401,756	996,756
2026	615,000	383,606	998,606
2027	630,000	364,538	994,538
2028	650,000	342,913	992,913
2029-2033	3,620,000	1,335,022	4,955,022
2034-2038	4,925,000	550,300	5,475,300
	<u>\$ 11,615,000</u>	<u>\$ 3,796,791</u>	<u>\$ 15,411,791</u>

CITY OF IMPERIAL
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2023

NOTE 13 – FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

Fund Balances	General	LTDA Measure D	ARPA	Capital Projects	Nonmajor Governmental Funds	Total
<u>Restricted for:</u>						
Community Development	\$ -	\$ -	\$ -	\$ -	\$ 2,821,763	\$ 2,821,763
Public Safety					1,542,274	1,542,274
Public Works					3,882,901	3,882,901
Parks and Recreation					2,804,517	2,804,517
Total Restricted					<u>11,051,455</u>	<u>11,051,455</u>
Unassigned:	10,318,225	(140,121)	1,434,953	(18,458)	(177,952)	11,416,647
Total Fund Balances	<u>\$ 10,318,225</u>	<u>\$ (140,121)</u>	<u>\$ 1,434,953</u>	<u>\$ (18,458)</u>	<u>\$ 10,873,503</u>	<u>\$ 22,468,102</u>

NOTE 14 – PRIOR PERIOD ADJUSTMENT

A prior period adjustment of \$(48,157) was posted in the Circulations Impact Fees fund due to an overstatement of receivables in the prior fiscal year.

A prior period adjustment of \$(501,073) was posted in the RDA Successor Agency Private Purpose Trust Fund due to an overstatement of receivables in the prior fiscal year.

A prior period adjustment of \$181,618 was posted in the Water Fund due to an overstatement of accumulated depreciation in the prior fiscal year.

A prior period adjustment of \$(71,168) was posted in the Water Fund due to an overstatement of receivables in the prior fiscal year.

A prior period adjustment of \$181,526 was posted in the Wastewater Fund due to an overstatement of accumulated depreciation in the prior fiscal year.

A prior period adjustment of \$(315,580) was posted in the Wastewater Fund due to an overstatement of receivables in the prior fiscal year.

NOTE 15 – SUBSEQUENT EVENTS

The City may be negatively impacted by the effects of the worldwide coronavirus pandemic. The City is closely monitoring its operations, liquidity, and reserves and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the full impact to the City’s financial position is not known.

REQUIRED SUPPLEMENTAL INFORMATION

**CITY OF IMPERIAL
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$ 1,926,846	\$ 1,926,846	\$ 2,168,895	\$ 242,049
Sales and Use Taxes	3,899,500	3,899,500	3,803,410	(96,090)
Business License Taxes	65,000	65,000	66,979	1,979
Transient Occupancy Tax	35,000	35,000	235,390	200,390
Other Taxes	56,711	56,711	2,336,191	2,279,480
Licenses and Permits	8,200	8,200	9,415	1,215
Fines and Forfeitures	113,500	113,500	193,445	79,945
Use of Money and Property	6,000	6,000	16,949	10,949
Charges for Services	2,734,410	2,734,410	2,940,370	205,960
Intergovernmental	2,417,070	2,417,070	3,999,622	1,582,552
Franchise Tax	250,000	250,000	347,402	97,402
Other	599,750	599,750	101,298	(498,452)
Total Revenues	<u>12,111,987</u>	<u>12,111,987</u>	<u>16,219,366</u>	<u>4,107,379</u>
Expenditures				
Current				
General Government	4,436,163	4,436,163	2,880,562	1,555,601
Public Safety	4,970,827	4,970,827	4,815,521	155,306
Public Works	1,882,224	1,882,224	3,154,726	(1,272,502)
Parks and Recreation	2,000,618	2,000,618	1,811,232	189,386
Community Development	753,621	753,621	703,491	50,130
Capital Outlay			213,677	(213,677)
Total Expenditures	<u>14,043,453</u>	<u>14,043,453</u>	<u>13,579,209</u>	<u>464,244</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,931,466)</u>	<u>(1,931,466)</u>	<u>2,640,157</u>	<u>4,571,623</u>
Other Financing Sources (uses):				
Transfers In	1,946,558	1,946,558	1,443,186	(503,372)
Transfers Out			(1,055,040)	(1,055,040)
Total Other Financing Sources (Uses)	<u>1,946,558</u>	<u>1,946,558</u>	<u>388,146</u>	<u>(1,558,412)</u>
Net Change in Fund Balance	<u>15,092</u>	<u>15,092</u>	<u>3,028,303</u>	<u>3,013,211</u>
Fund Balance - July 1, 2022	7,731,103	7,731,103	7,731,103	
Prior Period Adjustments			(441,181)	(441,181)
Fund Balance - July 1, 2022, Restated	<u>7,731,103</u>	<u>7,731,103</u>	<u>7,289,922</u>	<u>(441,181)</u>
Fund Balance - June 30, 2023	<u>\$ 7,746,195</u>	<u>\$ 7,746,195</u>	<u>\$ 10,318,225</u>	<u>\$ 2,572,030</u>

**CITY OF IMPERIAL
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LTA MEASURE D SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Sales and Use Taxes	\$ 850,000	\$ 850,000	\$ 1,580,696	\$ 730,696
Use of Money and Property	200	200	1,607	1,407
Intergovernmental	8,217,302	8,217,302	169,370	(8,047,932)
Total Revenues	9,067,502	9,067,502	1,751,673	(7,315,829)
Expenditures				
Current				
Public Works	142,000	142,000	853,773	(711,773)
Capital Outlay	9,353,540	9,353,540	-	9,353,540
Total Expenditures	9,495,540	9,495,540	853,773	8,641,767
Excess (Deficiency) of Revenues Over (Under) Expenditures	(428,038)	(428,038)	897,900	1,325,938
Other Financing Sources (uses):				
Transfers Out	(566,311)	(566,311)	(2,539,565)	(1,973,254)
Total Other Financing Sources (Uses)	(566,311)	(566,311)	(2,539,565)	(1,973,254)
Net Change in Fund Balance	(994,349)	(994,349)	(1,641,665)	(647,316)
Fund Balance - July 1, 2022	1,501,544	1,501,544	1,501,544	
Fund Balance - June 30, 2023	\$ 507,195	\$ 507,195	\$ (140,121)	\$ (647,316)

**CITY OF IMPERIAL
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ARPA SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Use of Money and Property	\$ 200	\$ 100	\$ 4,168	\$ 4,068
Intergovernmental	2,167,344	2,167,544	2,167,345	(199)
Total Revenues	<u>2,167,544</u>	<u>2,167,644</u>	<u>2,171,513</u>	<u>3,869</u>
Expenditures				
Current				
General Government	750,000	750,000	359,624	390,376
Capital Outlay	3,495,623	3,495,623	199,984	3,295,639
Total Expenditures	<u>4,245,623</u>	<u>4,245,623</u>	<u>559,608</u>	<u>3,686,015</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,078,079)</u>	<u>(2,077,979)</u>	<u>1,611,905</u>	<u>3,689,884</u>
Other Financing Sources (uses):				
Transfers Out	(107,024)		(50,764)	(50,764)
Total Other Financing Sources (Uses)	<u>(107,024)</u>		<u>(50,764)</u>	<u>(50,764)</u>
Net Change in Fund Balance	(2,078,079)	(2,077,979)	1,561,141	3,639,120
Fund Balance - July 1, 2022	<u>(126,188)</u>	<u>(126,188)</u>	<u>(126,188)</u>	
Fund Balance - June 30, 2023	<u>\$ (2,204,267)</u>	<u>\$ (2,204,167)</u>	<u>\$ 1,434,953</u>	<u>\$ 3,639,120</u>

**CITY OF IMPERIAL
REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2023**

Cost Sharing Defined Benefit Pension Plans

Schedule of Contributions – Last 10 Years*

	June 30, 2019		June 30, 2018		June 30, 2017		June 30, 2016		June 30, 2015	
	Misc Plan	Safety Plan								
Contractual required contribution (actuarially determined)	\$ 196,053	\$ 200,094	\$ 146,000	\$ 152,674	\$ 249,335	\$ 161,109	\$ 223,103	\$ 182,273	\$ 313,414	\$ 374,623
Contributions in relation to the actuarially determined contributions	(196,053)	(200,094)	(146,000)	(152,674)	(249,335)	(161,109)	(223,103)	(182,273)	(313,414)	(374,623)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 3,332,704	\$ 1,779,072	\$ 3,150,971	\$ 1,550,355	\$ 1,926,480	\$ 1,022,595	\$ 173,904	\$ 1,059,307	\$ 1,642,544	\$ 1,032,855
Contributions as a percentage of covered employee payroll	5.88%	11.25%	4.63%	9.85%	12.94%	15.75%	128.29%	17.21%	19.08%	36.27%

	June 30, 2023		June 30, 2022		June 30, 2021		June 30, 2020		
	Misc Plan	Safety Plan							
Contractual required contribution (actuarially determined)	\$ 543,587	\$ 453,012	\$ 486,544	\$ 442,037	\$ 425,121	\$ 501,738	\$ 305,578	\$ 412,284	
Contributions in relation to the actuarially determined contributions	(543,587)	(453,012)	(486,544)	(442,037)	(425,121)	(501,738)	(305,578)	(412,284)	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Covered employee payroll	\$ 2,749,211	\$ 1,512,012	\$ 2,756,411	\$ 1,435,255	\$ 2,811,240	\$ 1,432,882	\$ 2,791,116	\$ 1,336,992	
Contributions as a percentage of covered employee payroll		19.77%	29.96%	17.65%	30.80%	15.12%	35.02%	10.95%	30.84%

Notes to Schedule

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For detail, see June 30, 2012 Funding Valuation Report
Assets Valuation Method	Actuarial Value of Assets. For details, see June 30, 2012 Funding Valuation Report.
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	6.90% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates included 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

*Fiscal year 2015 was the 1st year of implementation, therefore only nine years are shown.

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OTHER SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

The Traffic Congestion Relief Fund was established to account for TCRF funding for streets and road projects to ease congestion.

The Traffic Safety Fund was established to account money received for traffics safety programs.

The Gas Tax Fund was established to account for state gas tax revenues based on population. The revenues may be expended only for street and road repair, maintenance, design, construction, and traffic signal design and installation.

The Local Transportation Fund was established to funding received for local transportation capital projects.

The Dial-A-Ride Fund was established to account for monies received as part of the TDA paratransit program.

The Successor Housing Fund was established to account for the housing loan and housing rehabilitation loans as part of the former redevelopment agency.

The Public Safety Prop 172 Fund was established to account for Prop 172 public safety funds received by the City and dedicated to local public safety.

The COPS Grants Fund was established to account for monies received as part of several COPS police hiring grant from the United States Department of Justice.

The Asset Forfeiture Fund was established to account for monies received from asset seizures in the City's jurisdiction. The monies are to be spent on police protection and enforcement.

The CDBG HOME Fund was established to account for federal grants under the Housing and Community Development Act, to assist low and moderate income groups in obtaining loans to rehabilitate or revitalize their homes.

The Housing Rehabilitation Fund was established to account for funds to assist low and moderate income groups in obtaining loans to rehabilitate or revitalize their homes.

The ED CDBG Grants Fund was established to account for federal planning grants under the Housing and Community Development Act.

The RLA Fund was established to bridge the gap between old development and new development where Landscaping and Lighting Districts are not set up.

The Wildflower Landscaping and Lighting Fund was established to account for revenues received and expenditures made for projects and maintenance within the Wildflower Landscaping and Lighting District.

The Paseo Del Sol Landscaping and Lighting Fund was established to account for revenues received and expenditures made for projects and maintenance within the Paseo Del Sol Landscaping and Lighting District.

The Joshua Tree Street Improvement Fund was established to account for revenues received and expenditures made for Joshua Tree Street Improvement project.

The Library Donation Fund was established to account for donations received at the library.

The Sky Ranch District Fund was established to account for revenues received and expenditures made for projects and maintenance within the Sky Ranch District.

The Prop 1B Fund was established to account for Prop 1B funds that are used for local streets and roads.

The Library Literacy Fund was established to account for funds received and expended as part of the library literacy program.

The Police Technology Grant Fund was established to account for funds received as part of police technology grants.

The Austin Worthington Roads Fund was established to account for costs related to Austin Worthington Roads projects.

The Community Services Grant Fund was established to account for community services grants.

The General Housing Fund was established to account program revenue and costs associated with general housing programs.

The Fire Impact Fees Fund was established to account for fire impact fees.

The Police Impact Fees Fund was established to account for police impact fees.

The Administrative Impact Fees Fund was established to account for administrative impact fees.

The Library Impact Fees Fund was established to account for library impact fees.

The Park Impact Fees Fund was established to account for park impact fees.

The Circulation Impact Fees Fund was established to account for circulation impact fees.

The STPL Fund was established to account for funds received and expended for highway planning and construction projects.

The EDA Fund was established for funds received for Economic Development Administration programs.

The SB 1 Fund was established to account for funds provided for street projects as part of California Senate Bill 1.

ARPA Utility Fund was established to account for funds received as part of the American Rescue Plan dedicated towards utility assistance.

CARES Fund was established to account for funds received as part of COVID-19 Economic Relief Act.

Early Learning Grant Fund was established to account for funds received as part of California Early Learning and Care Workforce Development Pathways Grant.

Per Capita Grant Fund was established to account for funds made available for local park rehabilitation, creation, and improvement grants to local governments on a per capita basis

Utility Assistance Fund was established to account for funds provided for utility assistance for residents.

SB 1383 Fund was established to account funding provided as part of SB 1383 to measure and report organic waste material activity, including composting and anaerobic digestion.

**CITY OF IMPERIAL
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023**

	Special Revenue Funds				
	Traffic Congestion Relief	Traffic Safety	Gas Tax	Local Transportation	Dial-A- Ride
	Assets				
Cash and Investments	\$ -	\$ 10,912	\$ 954,348	\$ 404,292	\$ 14,607
Accounts Receivable			48,051		
Loans Receivable					
Total Assets	\$ -	\$ 10,912	\$ 1,002,399	\$ 404,292	\$ 14,607
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due To Other Funds					
Total Liabilities					
Deferred Inflows of Resources:					
Loan Related					
Total Deferred Inflows of Resources					
Total Liabilities and Deferred Inflows of Resources					
Fund Balances (Deficits)					
Restricted		10,912	1,002,399	404,292	14,607
Unassigned					
Total Fund Balances (Deficits)		10,912	1,002,399	404,292	14,607
Total Liabilities and Fund Balances	\$ -	\$ 10,912	\$ 1,002,399	\$ 404,292	\$ 14,607

Special Revenue Funds

Successor Housing	Public Safety Prop 172	COPS Grants	Asset Forfeiture	CDBG HOME Grant	Housing Rehab
\$ 246,920	\$ -	\$ 165,484	\$ 16,312	\$ 150,538	\$ 52,262
158,000	137,111			582,736	276,535
<u>\$ 404,920</u>	<u>\$ 137,111</u>	<u>\$ 165,484</u>	<u>\$ 16,312</u>	<u>\$ 733,274</u>	<u>\$ 328,797</u>
\$ -	\$ -	\$ 9,993	\$ 26	\$ -	\$ -
	57,465				
	57,465	9,993	26		
158,000				582,736	276,535
158,000				582,736	276,535
158,000	57,465	9,993	26	582,736	276,535
246,920	79,646	155,491	16,286	150,538	52,262
246,920	79,646	155,491	16,286	150,538	52,262
<u>\$ 404,920</u>	<u>\$ 137,111</u>	<u>\$ 165,484</u>	<u>\$ 16,312</u>	<u>\$ 733,274</u>	<u>\$ 328,797</u>

Continued

**CITY OF IMPERIAL
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023
(CONTINUED)**

	Special Revenue Funds				
	ED CDBG	RLA	Wildflower Landscape Lighting	Paseo Del Sol Landscape Lighting	Joshua Tree Street Improvement
Assets					
Cash and Investments	\$ 50	\$ 81,827	\$ 273,277	\$ 40,047	\$ 31,287
Accounts Receivable			271		
Loans Receivable		151,977			
Total Assets	\$ 50	\$ 233,804	\$ 273,548	\$ 40,047	\$ 31,287
Liabilities					
Accounts Payable	\$ -	\$ -	\$ 1,140	\$ 1,290	\$ -
Due To Other Funds					
Total Liabilities			1,140	1,290	
Deferred Inflows of Resources:					
Loan Related		151,977			
Total Deferred Inflows of Resources		151,977			
Total Liabilities and Deferred Inflows of Resources		151,977	1,140	1,290	
Fund Balances (Deficits)					
Restricted	50	81,827	272,408	38,757	31,287
Unassigned					
Total Fund Balances (Deficits)	50	81,827	272,408	38,757	31,287
Total Liabilities and Fund Balances	\$ 50	\$ 233,804	\$ 273,548	\$ 40,047	\$ 31,287

Special Revenue Funds

Library Donation	Sky Ranch District	Prop 1B	Library Literacy	Police Technology Grant	Austin Worthington
\$ 925	\$ 586,578 1,470	\$ -	\$ 102,843	\$ -	\$ 95,750
<u>\$ 925</u>	<u>\$ 588,048</u>	<u>\$ -</u>	<u>\$ 102,843</u>	<u>\$ -</u>	<u>\$ 95,750</u>
\$ -	\$ 3,636	\$ -	\$ 6,939	\$ -	\$ -
	<u>3,636</u>		<u>6,939</u>		
	<u>3,636</u>		<u>6,939</u>		
925	584,412		95,904		95,750
<u>925</u>	<u>584,412</u>		<u>95,904</u>		<u>95,750</u>
<u>\$ 925</u>	<u>\$ 588,048</u>	<u>\$ -</u>	<u>\$ 102,843</u>	<u>\$ -</u>	<u>\$ 95,750</u>

Continued

**CITY OF IMPERIAL
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023
(CONTINUED)**

	Special Revenue Funds				
	Community Services Grant	General Housing	Fire Impact Fees	Police Impact Fees	Admin Impact Fees
Assets					
Cash and Investments	\$ 45,958	\$ 545,742	\$ 223,498	\$ 1,067,353	\$ 1,027,943
Accounts Receivable					
Loans Receivable		108,143			
Total Assets	<u>\$ 45,958</u>	<u>\$ 653,885</u>	<u>\$ 223,498</u>	<u>\$ 1,067,353</u>	<u>\$ 1,027,943</u>
Liabilities					
Accounts Payable	\$ 103	\$ -	\$ -	\$ -	\$ -
Due to Other Funds					
Total Liabilities	<u>103</u>				
Deferred Inflows of Resources:					
Loan Related		108,143			
Total Deferred Inflows of Resources		<u>108,143</u>			
Total Liabilities and Deferred Inflows of Resources	<u>103</u>	<u>108,143</u>			
Fund Balances (Deficits)					
Restricted	45,855	545,742	223,498	1,067,353	1,027,943
Unassigned					
Total Fund Balances (Deficits)	<u>45,855</u>	<u>545,742</u>	<u>223,498</u>	<u>1,067,353</u>	<u>1,027,943</u>
Total Liabilities and Fund Balances	<u>\$ 45,958</u>	<u>\$ 653,885</u>	<u>\$ 223,498</u>	<u>\$ 1,067,353</u>	<u>\$ 1,027,943</u>

Special Revenue Funds

Library Impact Fees	Park Impact Fees	Circulation Impact Fees	STPL	EDA	SB 1
\$ 798,988	\$ 1,862,845	\$ 1,335,881	\$ -	\$ 602,085	\$ 548,321 43,088
<u>\$ 798,988</u>	<u>\$ 1,862,845</u>	<u>\$ 1,335,881</u>	<u>\$ -</u>	<u>\$ 602,085</u>	<u>\$ 591,409</u>
\$ -	\$ -	\$ 499,213	\$ -	\$ -	\$ -
		499,213			
		499,213			
798,988	1,862,845	836,668		602,085	591,409
<u>798,988</u>	<u>1,862,845</u>	<u>836,668</u>		<u>602,085</u>	<u>591,409</u>
<u>\$ 798,988</u>	<u>\$ 1,862,845</u>	<u>\$ 1,335,881</u>	<u>\$ -</u>	<u>\$ 602,085</u>	<u>\$ 591,409</u>

**CITY OF IMPERIAL
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2023
(CONTINUED)**

Special Revenue Funds				
	ARPA Utility	CARES	Early Learning Grant	Per Capita
Assets				
Cash and Investments	\$ 2,970	\$ 18,751	\$ 73,997	\$ -
Accounts Receivable				
Loans Receivable				
Total Assets	<u>\$ 2,970</u>	<u>\$ 18,751</u>	<u>\$ 73,997</u>	<u>\$ -</u>
Liabilities				
Accounts Payable	\$ -	\$ -	\$ 1,075	\$ -
Due to Other Funds				177,952
Total Liabilities			<u>1,075</u>	<u>177,952</u>
Deferred Inflows of Resources:				
Loan Related				
Total Deferred Inflows of Resources				
Total Liabilities and Deferred Inflows of Resources			<u>1,075</u>	<u>177,952</u>
Fund Balances (Deficits)				
Restricted	2,970	18,751	72,922	
Unassigned				(177,952)
Total Fund Balances (Deficits)	<u>2,970</u>	<u>18,751</u>	<u>72,922</u>	<u>(177,952)</u>
Total Liabilities and Fund Balances	<u>\$ 2,970</u>	<u>\$ 18,751</u>	<u>\$ 73,997</u>	<u>\$ -</u>

<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
Utility Assistance	SB 1383	
\$ 19,753	\$ 54,127	\$ 11,456,471
		229,991
		1,277,391
<u>\$ 19,753</u>	<u>\$ 54,127</u>	<u>\$ 12,963,853</u>
\$ -	\$ 54,127	\$ 577,542
		235,417
	54,127	812,959
		1,277,391
		1,277,391
	54,127	2,090,350
19,753		11,051,455
		(177,952)
<u>19,753</u>		<u>10,873,503</u>
<u>\$ 19,753</u>	<u>\$ 54,127</u>	<u>\$ 12,963,853</u>

CITY OF IMPERIAL
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2023

	Special Revenue Funds				
	Traffic Congestion Relief	Traffic Safety	Gas Tax	Local Transportation	Dial-A- Ride
Revenues:					
Use of Money and Property	\$ -	\$ 36	\$ 3,009	\$ 1,245	\$ -
Charges for Services		3,933			
Intergovernmental			503,053		
Other					
Total Revenues	<u> </u>	<u>3,969</u>	<u>506,062</u>	<u>1,245</u>	<u> </u>
Expenditures:					
Current:					
Community Development					
Public Safety					
Public Works				10,752	
Parks and Recreation					
Capital Outlay					
Total Expenditures	<u> </u>	<u> </u>	<u> </u>	<u>10,752</u>	<u> </u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u> </u>	<u>3,969</u>	<u>506,062</u>	<u>(9,507)</u>	<u> </u>
Other Financing Sources (Uses):					
Transfers In	29,996				
Transfers Out		(3,500)	(400,000)	(5,000)	
Total Other Financing Sources (Uses)	<u>29,996</u>	<u>(3,500)</u>	<u>(400,000)</u>	<u>(5,000)</u>	<u> </u>
Net Change in Fund Balances	<u>29,996</u>	<u>469</u>	<u>106,062</u>	<u>(14,507)</u>	<u> </u>
Fund Balances - June 30, 2022	(29,996)	10,443	896,337	418,799	14,607
Prior Period Adjustments					
Fund Balances - June 30, 2022, Restated	<u>(29,996)</u>	<u>10,443</u>	<u>896,337</u>	<u>418,799</u>	<u>14,607</u>
Fund Balances - June 30, 2023	<u>\$ -</u>	<u>\$ 10,912</u>	<u>\$ 1,002,399</u>	<u>\$ 404,292</u>	<u>\$ 14,607</u>

Special Revenue Funds

Successor Housing	Public Safety Prop 172	COPS Grants	Asset Forfeiture	CDBG HOME Grant	Housing Rehab
\$ 28,188	\$ 288	\$ 217	\$ 47	\$ 16,260	\$ 545
	137,111	84,305		3,496	3,162
<u>28,188</u>	<u>137,399</u>	<u>84,522</u>	<u>47</u>	<u>19,756</u>	<u>3,707</u>
		86,761	219		
		<u>86,761</u>	<u>219</u>		
<u>28,188</u>	<u>137,399</u>	<u>(2,239)</u>	<u>(172)</u>	<u>19,756</u>	<u>3,707</u>
	(97,942)	61,895 (76,720)			(5,000)
	<u>(97,942)</u>	<u>(14,825)</u>			<u>(5,000)</u>
<u>28,188</u>	<u>39,457</u>	<u>(17,064)</u>	<u>(172)</u>	<u>19,756</u>	<u>(1,293)</u>
218,732	40,189	172,555	16,458	130,782	53,555
<u>218,732</u>	<u>40,189</u>	<u>172,555</u>	<u>16,458</u>	<u>130,782</u>	<u>53,555</u>
<u>\$ 246,920</u>	<u>\$ 79,646</u>	<u>\$ 155,491</u>	<u>\$ 16,286</u>	<u>\$ 150,538</u>	<u>\$ 52,262</u>

Continued

CITY OF IMPERIAL
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2023
(CONTINUED)

	Special Revenue Funds				
	ED CDBG	RLA	Wildflower Landscape Lighting	Paseo Del Sol Landscape Lighting	Joshua Tree Street Improvement
Revenues:					
Use of Money and Property	\$ -	\$ 1,747	\$ 725	\$ 819	\$ -
Charges for Services			63,880	68,175	
Intergovernmental		2,108			
Other					
Total Revenues	<u> </u>	<u>3,855</u>	<u>64,605</u>	<u>68,994</u>	<u> </u>
Expenditures:					
Current:					
Community Development					
Public Safety					
Public Works			17,208	6,181	
Parks and Recreation					
Capital Outlay					
Total Expenditures	<u> </u>	<u> </u>	<u>17,208</u>	<u>6,181</u>	<u> </u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u> </u>	<u>3,855</u>	<u>47,397</u>	<u>62,813</u>	<u> </u>
Other Financing Sources (Uses):					
Transfers In					
Transfers Out		(5,000)	(17,124)	(69,578)	
Total Other Financing Sources (Uses)	<u> </u>	<u>(5,000)</u>	<u>(17,124)</u>	<u>(69,578)</u>	<u> </u>
Net Change in Fund Balances	<u> </u>	<u>(1,145)</u>	<u>30,273</u>	<u>(6,765)</u>	<u> </u>
Fund Balances - June 30, 2022	50	82,972	242,135	45,522	31,287
Prior Period Adjustments	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund Balances - June 30, 2022, Restated	<u>50</u>	<u>82,972</u>	<u>242,135</u>	<u>45,522</u>	<u>31,287</u>
Fund Balances - June 30, 2023	<u>\$ 50</u>	<u>\$ 81,827</u>	<u>\$ 272,408</u>	<u>\$ 38,757</u>	<u>\$ 31,287</u>

Special Revenue Funds

Library Donation	Sky Ranch District	Prop 1B	Library Literacy	Police Technology Grant	Austin Worthington
\$ -	\$ 2,274 216,861	\$ -	\$ 160	\$ -	\$ -
			133,091		
152					
<u>152</u>	<u>219,135</u>		<u>133,251</u>		
	187,112		46,790		
	<u>187,112</u>		<u>46,790</u>		
152	32,023		86,461		
	(99,243)	164,419	(42,856)	112,075	
	<u>(99,243)</u>	<u>164,419</u>	<u>(42,856)</u>	<u>112,075</u>	
152	(67,220)	164,419	43,605	112,075	
773	651,632	(164,419)	52,299	(112,075)	95,750
<u>773</u>	<u>651,632</u>	<u>(164,419)</u>	<u>52,299</u>	<u>(112,075)</u>	<u>95,750</u>
<u>\$ 925</u>	<u>\$ 584,412</u>	<u>\$ -</u>	<u>\$ 95,904</u>	<u>\$ -</u>	<u>\$ 95,750</u>

Continued

CITY OF IMPERIAL
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2023
(CONTINUED)

	Special Revenue Funds				
	Community Services Grant	General Housing	Fire Impact Fees	Police Impact Fees	Admin Impact Fees
Revenues:					
Use of Money and Property	\$ 17	\$ 1,701	\$ 555	\$ 2,906	\$ 2,782
Charges for Services		17,224	22,255	45,502	47,650
Intergovernmental	44,880				
Other					
Total Revenues	<u>44,897</u>	<u>18,925</u>	<u>22,810</u>	<u>48,408</u>	<u>50,432</u>
Expenditures:					
Current:					
Community Development					991
Public Safety			990	992	
Public Works					
Parks and Recreation	155				
Capital Outlay					
Total Expenditures	<u>155</u>		<u>990</u>	<u>992</u>	<u>991</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>44,742</u>	<u>18,925</u>	<u>21,820</u>	<u>47,416</u>	<u>49,441</u>
Other Financing Sources (Uses):					
Transfers In					
Transfers Out		(5,000)			
Total Other Financing Sources (Uses)		<u>(5,000)</u>			
Net Change in Fund Balances	<u>44,742</u>	<u>13,925</u>	<u>21,820</u>	<u>47,416</u>	<u>49,441</u>
Fund Balances - June 30, 2022	1,113	531,817	201,678	1,019,937	978,502
Prior Period Adjustments					
Fund Balances - June 30, 2022, Restated	<u>1,113</u>	<u>531,817</u>	<u>201,678</u>	<u>1,019,937</u>	<u>978,502</u>
Fund Balances - June 30, 2023	<u>\$ 45,855</u>	<u>\$ 545,742</u>	<u>\$ 223,498</u>	<u>\$ 1,067,353</u>	<u>\$ 1,027,943</u>

Special Revenue Funds

Library Impact Fees	Park Impact Fees	Circulation Impact Fees	STPL	EDA	SB 1
\$ 2,161	\$ 4,900	\$ 2,047	\$ -	\$ -	\$ 1,384
46,450	80,698	83,436			468,214
<u>48,611</u>	<u>85,598</u>	<u>85,483</u>			<u>469,598</u>
		991			139
15,865	991				
<u>15,865</u>	<u>991</u>	<u>991</u>			<u>139</u>
<u>32,746</u>	<u>84,607</u>	<u>84,492</u>			<u>469,459</u>
	(25,625)		615,001		(499,213)
	(25,625)		615,001		(499,213)
<u>32,746</u>	<u>58,982</u>	<u>84,492</u>	<u>615,001</u>		<u>(29,754)</u>
766,242	1,803,863	800,333	(615,001)	602,085	621,163
		(48,157)			
<u>766,242</u>	<u>1,803,863</u>	<u>752,176</u>	<u>(615,001)</u>	<u>602,085</u>	<u>621,163</u>
<u>\$ 798,988</u>	<u>\$ 1,862,845</u>	<u>\$ 836,668</u>	<u>\$ -</u>	<u>\$ 602,085</u>	<u>\$ 591,409</u>

CITY OF IMPERIAL
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2023
(CONTINUED)

	Special Revenue Funds			
	ARPA Utility	CARES	Early Learning Grant	Per Capita
Revenues:				
Use of Money and Property	\$ 308	\$ 71	\$ 58	\$ -
Charges for Services				
Intergovernmental			76,260	
Other				
Total Revenues	308	71	76,318	
Expenditures:				
Current:				
Community Development		2,000	15,382	
Public Safety				
Public Works				
Parks and Recreation				42,453
Capital Outlay				
Total Expenditures		2,000	15,382	42,453
Excess (Deficiency) of Revenues over (Under) Expenditures	308	(1,929)	60,936	(42,453)
Other Financing Sources (Uses):				
Transfers In				41,368
Transfers Out				
Total Other Financing Sources (Uses)				41,368
Net Change in Fund Balances	308	(1,929)	60,936	(1,085)
Fund Balances - June 30, 2022	2,662	20,680	11,986	(176,867)
Prior Period Adjustments				
Fund Balances - June 30, 2022, Restated	2,662	20,680	11,986	(176,867)
Fund Balances - June 30, 2023	\$ 2,970	\$ 18,751	\$ 72,922	\$ (177,952)

<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
Utility Assistance	SB 1383	
\$ -	\$ -	\$ 74,450
		696,064
	5,119	1,460,799
		152
	<u>5,119</u>	<u>2,231,465</u>
	5,119	23,492
		88,962
		222,383
		106,254
	<u>5,119</u>	<u>441,091</u>
		<u>1,790,374</u>
		1,024,754
		<u>(1,351,801)</u>
		<u>(327,047)</u>
		<u>1,463,327</u>
19,753		9,458,333
		<u>(48,157)</u>
<u>19,753</u>		<u>9,410,176</u>
<u>\$ 19,753</u>	<u>\$ -</u>	<u>\$ 10,873,503</u>