

**CITY OF BIGGS,
California**

**Financial Statements
with
Independent Auditor's Report**

**For the Year Ended
June 30, 2021**

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CITY OF BIGGS, CALIFORNIA
CITY OFFICIALS
For the Year Ended June 30, 2021

Office	Name	Term
Mayor	James Sheppard	December 2022
Vice Mayor	John Busch	December 2022
Councilmember	Brian Bassett	December 2022
Councilmember	Chuck Nuchols	December 2022
Councilmember	Jerome Squires	December 2024

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FINANCIAL SECTION

Independent Auditor's Report
Basic Financial Statements
Required Supplementary Information
Combining Nonmajor Fund Statements

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INDEPENDENT AUDITOR'S REPORT

To The Honorable Mayor and Members of the City Council
City of Biggs
Biggs, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Biggs, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Biggs's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

RT DENNIS
ACCOUNTANCY

Opinion

In our opinion, the financial statements referred to previously 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 Biggs, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, the changes in net pension liabilities and related ratios, and schedule of pension plan contributions on pages 49 – 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Biggs's basic financial statements. The combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The combining and individual nonmajor fund financial statements has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report March 10, 2022 on our consideration of the City of Biggs's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Biggs's internal control over financial reporting and compliance.

March 10, 2022

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

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CITY OF BIGGS, CALIFORNIA
STATEMENT OF NET POSITION
June 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 2,855,852	\$ 5,757,967	\$ 8,613,819
Accrued receivables	1,052,537	594,704	1,647,241
Capital assets:			
Non-depreciable	345,684	3,105,003	3,450,687
Depreciable, net	6,274,914	14,053,157	20,328,071
Total capital assets	6,620,598	17,158,160	23,778,758
Total Assets	10,528,987	23,510,831	34,039,818
DEFERRED OUTFLOW OF RESOURCES	88,000	106,000	194,000
LIABILITIES			
Accrued payables	30,264	127,748	158,012
Unearned revenue	771,584	-	771,584
Deposits and retentions payable	-	145,881	145,881
Long-term liabilities:			
Due within one year	7,000	149,788	156,788
Due in more than one year	642,723	5,032,704	5,675,427
Total Liabilities	1,451,571	5,456,121	6,907,692
DEFERRED INFLOWS OF RESOURCES	17,000	24,000	41,000
NET POSITION			
Net investment in capital assets	6,402,598	12,544,560	18,947,158
Restricted for:			
Grants, taxes, and other	1,313,423	-	1,313,423
Energy scheduling services	-	2,222,982	2,222,982
Unrestricted	1,432,395	3,369,168	4,801,563
Total Net Position	\$ 9,148,416	\$ 18,136,710	\$ 27,285,126

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

CITY OF BIGGS, CALIFORNIA
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2021

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General Government	\$ 517,919	\$ 10,390	\$ 358,046	\$ -
Public Safety	335,681	6,734	232,062	-
Public Ways and Facilities	318,363	6,387	220,089	-
Electric	5,306	106	3,668	-
Interest	10,975	-	-	-
Total Governmental Activities	<u>1,188,244</u>	<u>23,617</u>	<u>813,865</u>	<u>-</u>
Business-type activities:				
Sewer	846,895	654,798	-	9,075,146
Electric	2,695,374	2,744,971	2,035	-
Water	477,672	493,279	-	-
Other Enterprise	-	222,452	-	-
Total Business-Type Activities	<u>4,019,941</u>	<u>4,115,500</u>	<u>2,035</u>	<u>9,075,146</u>
Total	<u>\$ 5,208,185</u>	<u>\$ 4,139,117</u>	<u>\$ 815,900</u>	<u>\$ 9,075,146</u>

General revenues:

Taxes:

Property taxes, levied for general purposes

Grants and contributions not restricted
to specific programs

Unrestricted investment earnings

Miscellaneous

Transfers

Total general revenues, special items, and transfers

Change in Net Position

Net position - beginning

Net position - ending

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

CITY OF BIGGS, CALIFORNIA
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION *(Continued)*
For the Year Ended June 30, 2021

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business Type Activities	Total
\$ (149,483)		\$ (149,483)
(96,885)		(96,885)
(91,887)		(91,887)
(1,532)		(1,532)
(10,975)		(10,975)
(350,762)	-	(350,762)
-	8,883,049	8,883,049
-	51,632	51,632
-	15,607	15,607
-	222,452	222,452
-	9,172,740	9,172,740
(350,762)	9,172,740	8,821,978
415,170	-	415,170
53,254	-	53,254
20,705	53,967	74,672
38,542	97,704	136,246
264,000	(264,000)	-
791,671	(112,329)	679,342
440,909	9,060,411	9,501,320
8,707,507	9,076,299	17,783,806
\$ 9,148,416	\$ 18,136,710	\$ 27,285,126

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

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BASIC FINANCIAL STATEMENTS

Fund Financial Statements

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CITY OF BIGGS, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021

	General Fund	Non-Major Governmental Funds	Total
ASSETS			
Cash and investments	\$ 927,827	\$ 1,928,025	\$ 2,855,852
Receivable (net of allowance)	27,804	1,024,733	1,052,537
Due from other funds	236,583	22,102	258,685
Total Assets	<u>\$ 1,192,214</u>	<u>2,974,860</u>	<u>4,167,074</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accrued payables	\$ 28,038	\$ 2,226	\$ 30,264
Due to other funds	-	258,685	258,685
Unearned revenue	-	771,584	771,584
Total Liabilities	<u>28,038</u>	<u>1,032,495</u>	<u>1,060,533</u>
FUND BALANCES			
Restricted	-	1,313,423	1,313,423
Assigned	-	843,423	843,423
Unassigned	1,164,176	(214,481)	949,695
Total Fund Balances	<u>1,164,176</u>	<u>1,942,365</u>	<u>3,106,541</u>
Total Liabilities and Fund Balances	<u>\$ 1,192,214</u>	<u>\$ 2,974,860</u>	<u>\$ 4,167,074</u>

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

CITY OF BIGGS, CALIFORNIA
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCES TO THE GOVERNMENT-WIDE
STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
June 30, 2021

Total Fund Balance - Total Governmental Funds \$3,106,541

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

Capital assets:

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

Capital assets relating to governmental activities, at historical cost:	\$8,520,291	
Accumulated depreciation:	<u>(1,899,693)</u>	6,620,598

Long-term liabilities:

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

Loans payable	218,000	
Net Pension Liability (Asset)	356,000	
Net OPEB Obligation	35,000	
Compensated absences payable	<u>40,723</u>	(649,723)

Deferred outflows and inflows of resources relating to pensions:

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

Deferred outflows of resources relating to pensions	88,000
Deferred inflows of resources relating to pensions	<u>(17,000)</u>

Total Net Position - Governmental Activities: \$9,148,416

CITY OF BIGGS, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	General Fund	Non-Major Governmental Funds	Total
REVENUES			
Taxes and assessments	\$ 256,795	\$ 158,375	\$ 415,170
Licenses and permits	49,049	-	49,049
Fines and forfeitures	4,205	-	4,205
Use of money	18,494	2,211	20,705
Intergovernmental	398,895	414,970	813,865
Charges for services	23,617	-	23,617
Other revenues	6,803	31,739	38,542
Total Revenues	757,858	607,295	1,365,153
EXPENDITURES			
Current:			
General Government	262,225	20,268	282,493
Public Safety	329,681	-	329,681
Public Works and Facilities	156,892	63,080	219,972
Electric	-	5,306	5,306
Debt service:			
Principal	6,000	-	6,000
Interest and other charges	10,975	-	10,975
Capital outlay	-	56,013	56,013
Total Expenditures	765,773	144,667	910,440
Excess of Revenues Over (Under) Expenditures	(7,915)	462,628	454,713
OTHER FINANCING SOURCES (USES)			
Transfers in	225,000	39,000	264,000
Net Change in Fund Balances	217,085	501,628	718,713
Fund Balances - Beginning	947,091	1,440,737	2,387,828
Fund Balances - Ending	\$ 1,164,176	\$ 1,942,365	\$ 3,106,541

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

CITY OF BIGGS, CALIFORNIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES
For the Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds \$ 718,713

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

Capital outlay:

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

Expenditures for capital outlay:	\$ 56,015	
Depreciation expense:	<u>(192,652)</u>	(136,637)

Debt service:

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

6,000

Compensated absences:

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

(6,167)

Pensions:

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

(139,000)

Postemployment benefits other than pensions ("OPEB"):

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

(2,000)

Change in net position of Governmental Activities

\$ 440,909

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

CITY OF BIGGS, CALIFORNIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2021

	Major Funds			Nonmajor Fund	Total
	Sewer	Electric	Water	Solid Waste	
ASSETS					
Cash and investments	\$ 2,685,761	\$ 2,222,982	\$ 846,095	\$ 3,129	\$ 5,757,967
Receivable (net of allowance)	85,995	412,653	66,248	29,808	594,704
Due from other funds	345,007	1,700,000	-	-	2,045,007
Capital assets:					
Non-depreciable	2,752,838	7,158	345,007	-	3,105,003
Depreciable, net	9,448,936	474,825	4,129,396	-	14,053,157
Total Assets	15,318,537	4,817,618	5,386,746	32,937	25,555,838
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows, pensions	31,000	40,000	31,000	4,000	106,000
LIABILITIES					
Payables	32,385	50,767	44,048	548	127,748
Due to other funds	1,700,000	-	345,007	-	2,045,007
Customer deposits	-	145,881	-	-	145,881
Long-term liabilities - current	84,788	-	65,000	-	149,788
Long-term liabilities - noncurrent	1,765,004	209,420	3,036,192	22,088	5,032,704
Total Liabilities	3,582,177	406,068	3,490,247	22,636	7,501,128
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows, pensions	7,000	9,000	7,000	1,000	24,000
NET POSITION					
Net investment in capital assets	10,523,174	481,983	1,539,403	-	12,544,560
Restricted for:					
Energy scheduling services	-	2,222,982	-	-	2,222,982
Unrestricted	1,237,186	1,737,585	381,096	13,301	3,369,168
Total Net Position	\$11,760,360	\$ 4,442,550	\$ 1,920,499	\$ 13,301	\$18,136,710

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

CITY OF BIGGS, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2021

	Major Funds			Nonmajor Fund	Total
	Sewer	Electric	Water	Solid Waste	
OPERATING REVENUES					
Charges for services	\$ 652,598	\$ 2,744,971	\$ 493,279	\$ 222,452	\$ 4,113,300
Miscellaneous services	-	98,591	682	-	99,273
Total Operating Revenue	652,598	2,843,562	493,961	222,452	4,212,573
OPERATING EXPENSES					
Personnel costs	123,688	160,774	121,082	15,000	420,544
Cost of contractual services	-	1,481,038	-	188,531	1,669,569
Utilities	5,818	6,824	12,166	-	24,808
Repair and maintenance	8,004	461,924	6,537	-	476,465
Supplies	90,673	13,264	23,010	-	126,947
Professional services	151,182	401,338	48,769	739	602,028
Other expenses	29,019	123,873	29,579	9,481	191,952
Depreciation	160,154	46,339	105,357	-	311,850
Total Operating Expenses	568,538	2,695,374	346,500	213,751	3,824,163
Operating Income	84,060	148,188	147,461	8,701	388,410
NON-OPERATING REVENUES (EXPENSES)					
Interest and penalties	1,432	52,085	450	-	53,967
Developer fees	2,200	-	-	-	2,200
Governmental grants	9,075,146	466	-	-	9,075,612
Interest expense	(64,606)	-	(131,172)	-	(195,778)
Total Non-Operating Revenues (Expenses)	9,014,172	52,551	(130,722)	-	8,936,001
Income Before Transfers	9,098,232	200,739	16,739	8,701	9,324,411
Transfers in	500	94,736	120,000	-	215,236
Transfers out	(500)	(351,236)	(120,000)	(7,500)	(479,236)
Total Transfers	-	(256,500)	-	(7,500)	(264,000)
Change in Net Position	9,098,232	(55,761)	16,739	1,201	9,060,411
Total Net Position - Beginning	2,662,128	4,498,311	1,903,760	12,100	9,076,299
Total Net Position - Ending	\$11,760,360	\$ 4,442,550	\$ 1,920,499	\$ 13,301	\$18,136,710

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

CITY OF BIGGS, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2021

	Major Funds			Nonmajor	Total
	Sewer	Electric	Water	Solid Waste	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 658,430	\$2,869,675	\$ 496,517	\$ 222,433	\$4,247,055
Payments to suppliers	(295,575)	(2,449,304)	(116,900)	(198,635)	(3,060,414)
Payments to employees	(150,836)	(195,094)	(148,911)	(18,945)	(513,786)
Net Cash Provided (Used) by Operating Activities	212,019	225,277	230,706	4,853	672,855
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Grants and other receipts	4,374,801	755	-	-	4,375,556
Interfund loans repaid/received	(2,046,520)	1,216,968	486,322	(10,220)	(353,450)
Net Cash Provided (Used) by Noncapital Financing Activities	2,328,281	1,217,723	486,322	(10,220)	4,022,106
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(460,631)	-	(168,310)	-	(628,941)
Proceeds from long-term debt	-	-	-	-	-
Principal paid on capital debt	(82,621)	-	(65,000)	-	(147,621)
Interest paid on capital debt	(48,476)	-	(131,906)	-	(180,382)
Net Cash Provided (Used) for Capital and Related Financing Activities	(591,728)	-	(365,216)	-	(956,944)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends and other	1,432	52,085	450	-	53,967
Net Cash Provided (Used) by Investing Activities	1,432	52,085	450	-	53,967
Net Increase (Decrease) in Cash and Cash Equivalents	1,950,004	1,495,085	352,262	(5,367)	3,791,984
Balances - Beginning of the Year	735,757	727,897	493,833	8,496	1,965,983
Balances - End of the Year	<u>\$2,685,761</u>	<u>\$2,222,982</u>	<u>\$ 846,095</u>	<u>\$ 3,129</u>	<u>\$5,757,967</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 84,060	\$ 148,188	\$ 147,461	\$ 8,701	\$ 388,410
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	160,154	46,339	105,357	-	311,850
Decrease (increase) in:					
Accounts receivable	5,832	(102,098)	2,556	(20)	(93,730)
Prepaid expenses	-	123,327	-	-	123,327
Increase (decrease) in:					
Accounts payable	(10,763)	39,460	3,280	(6)	31,971
Deposits payable	-	4,884	-	-	4,884
Compensated absences	(264)	2,177	52	178	2,143
OPEB liability	2,000	1,000	1,000	-	4,000
Net pension liability	(29,000)	(38,000)	(29,000)	(4,000)	(100,000)
Net Cash Provided (Used) by Operating Activities	<u>\$ 212,019</u>	<u>\$ 225,277</u>	<u>\$ 230,706</u>	<u>\$ 4,853</u>	<u>\$ 672,855</u>

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

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BASIC FINANCIAL STATEMENTS

Notes to Basic Financial Statements

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CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1: Financial Reporting Entity and Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Biggs was incorporated 1903. The City operates under a Council-Manager form of government and provides services to residents and businesses in many areas including police and fire protection (contracted with the county and state), street maintenance, planning and zoning, building construction inspection, parks and recreation, sewer, electricity (power supply contracted through a JPA), water, and general administrative services.

Joint Powers Authorities (“JPAs”)

The City is associated with three JPAs. These organizations do not meet the criteria for inclusion as a component unit of the City. Additional information is presented in Note 12 to the financial statements. These organizations are:

- ❖ Northern California Power Agency (NCPA)
- ❖ Small Cities Organized Risk Effort (SCORE)
- ❖ California Joint Powers Risk Management Authority (CJPRMA)

Basis of Presentation

Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities. They contain information on all the activities of the primary government. Most effects of interfund activities have been eliminated from these statements. The government-wide statements for the primary government are separated based on the predominance of the type of revenues that support them. Governmental activities are normally supported by taxes and intergovernmental revenues, while business-type activities receive a significant portion of revenues from fees and charges for services.

Interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government’s business-type activities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities is presented to show the extent that program revenues of a given activity support direct expenses. Direct expenses are those that can clearly be associated with a particular activity or program. Program revenues are: (1) charges to customers or others who purchase, use or directly benefit from the services or goods provided by a given activity or segment or (2) grants or other contributions that are restricted to operating or capital needs of a specific activity or segment. General revenues are those revenues like taxes and other items that are not properly reported as program revenues.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate self-balancing set of accounts for its assets, other debits, liabilities, other credits, equity, revenue and expenditures or expenses, as appropriate.

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1: Financial Reporting Entity and Summary of Significant Accounting Policies *(Continued)*

Basis of Presentation *(Continued)*

Governmental Funds – Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Proprietary Funds – account for operations

- (1) that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or
- (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Major Funds

The **General Fund** is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as public safety, community development, and recreation and culture services.

The City reports the following major proprietary funds:

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

The **Electric Fund** is an enterprise fund used to account for activity related to providing customers with electricity service and billing for service provided by the City.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1: Financial Reporting Entity and Summary of Significant Accounting Policies *(Continued)*

Measurement Focus, Basis of Accounting, and Financial Statement Presentation *(Continued)*

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues as available if they are collected within sixty days of the end of the current fiscal period, except for sales tax which has a ninety-day availability period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, transient occupancy tax, grants, licenses, fees, charges and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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

Assets, Liabilities, and Fund Balance and Net Position

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

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

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

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1: Financial Reporting Entity and Summary of Significant Accounting Policies *(Continued)*

Assets, Liabilities, and Fund Balance and Net Position *(Continued)*

General Receivables and Property Taxes Receivable. The City records an allowance for doubtful accounts on general accounts receivable based on the experience method. Butte County Tax Calendar:

July 1	Beginning of fiscal year and mailing of unsecured property tax bills. Revised due date for 2020-21 Unsecured Property Taxes - The billing timeline for unsecured property taxes has been extended. For this year only, the unsecured property tax bills will be mailed in August and will be due by September 30th (as opposed to the traditional August 31st due date).
September 30	Unsecured property tax payment is due. Revised due date for 2020-21 Unsecured Property Taxes - The billing timeline for unsecured property taxes has been extended. For this year only, the unsecured property tax bills will be mailed in August and will be due by September 30th (as opposed to the traditional August 31st due date). A 10% penalty is added to total due after 5:00 p.m. Additionally, interest begins to accrue at 1.5% per month and additional fees are added to cover the cost of the lien process (\$21.00 for the courtesy lien notice and \$15.00 per lien notice recorded)
October	Secured property tax bills are mailed.
November 1	First secured property tax installment is due and delinquent unsecured accounts accrue additional monthly penalties of 1.5% until paid.
December 10	Final day to pay the first installment of secured property taxes. A 10% penalty is added after 5:00 p.m. Online payments, however, will be accepted as timely if paid by midnight on the final due date.
February 1	Second installment of secured property taxes is due.
April 10	Final day to pay the second installment of secured property taxes. A 10% penalty and an additional \$31.00 charge is added to the bill after 5:00 p.m. Online payments, however, will be accepted as timely if paid by midnight on the final due date. If you are on an Installment plan for defaulted taxes, this is the final day to make the annual 20% (plus interest) payment and any current or supplemental taxes due.
May	Reminder notices are mailed to property owners with outstanding current secured taxes.
June 30	End of the fiscal year and the last day to pay delinquent property taxes for the current fiscal year. Payments must be received by the Treasurer-Tax Collector's Office by 5:00 pm. June 30 Postmarks are not accepted.
July 1	Delinquent secured property tax accounts are transferred to delinquent tax rolls. Additional monthly penalties accrue at 1.5% per month on any unpaid prior year balance. A \$15.00 redemption fee is also added to the bill.

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1: Financial Reporting Entity and Summary of Significant Accounting Policies *(Continued)*

Assets, Liabilities, and Fund Balance and Net Position *(Continued)*

Capital Assets. Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, 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 government as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such depreciation has been provided over the estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	5 – 20 years
Structures and Improvements	60 years
Infrastructure	30-60 years

Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life 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.

Pension Plan. All full-time and certain part-time City employees are members of the State of California Public Employees' Retirement System (PERS), an agent multiple-employer defined benefit pension plan. The City's policy is to fund all pension costs accrued; such costs to be funded are determined annually as of June 30, by the PERS's actuary.

Vacation and Sick Pay. Vacation pay is vested to the employees as it accrues and is payable upon retirement or termination. Sick leave, however, does not vest to the employees and is payable only when sick leave is taken. Unused vacation and sick leave have been accrued in the accompanying government-wide financial statements and the accompanying proprietary fund financial statements.

Unearned Revenue. In the government-wide financial statements, unearned revenue is recorded for transactions for which revenues have not been earned. In the fund financial statements, unearned revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unearned revenues when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1: Financial Reporting Entity and Summary of Significant Accounting Policies *(Continued)*

Assets, Liabilities, and Fund Balance and Net Position *(Continued)*

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 statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method, which does not materially differ from the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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.

Other Postemployment Benefits (OPEB). The City of Biggs sponsors, under a defined benefit plan, retiree healthcare plan to qualifying employees retiring directly from the City. The benefit level is determined by date of hire and length of service and bargaining agreements. The City has contracted for medical coverage to be provided through an agent multiple-employer CalPERS Healthcare (PEMHCA) plan.

Fund Balance. In the fund financial statements, governmental funds aggregate amounts for five classification of fund balances based on the constraints imposed on the use of these resources. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications; restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Assigned fund balance. This classification reflects the amounts constrained by the City Council's "intent" to be used for specific purposes but are neither restricted nor committed. The City Council and City Manager have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General fund. It is also used to report negative fund balances in other governmental funds.

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1: Financial Reporting Entity and Summary of Significant Accounting Policies *(Continued)*

Assets, Liabilities, and Fund Balance and Net Position *(Continued)*

When both restricted and unrestricted resources are available for use, it is the City’s policy to use externally restricted resources first, the unrestricted resources—committed, assigned, and unassigned—in order as needed.

Net Position. For government-wide reporting as well as in proprietary funds, fund equity is called net position. Net position is comprised of three components: net investment in capital assets; restricted; and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes and other debt that are attributed to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows or resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Tap and similar fees have been reported as non-operating revenues in the City’s statement of revenue expense and changes in net position for proprietary funds and as capital grants and contributions in the statement of activities and changes in net position.

NOTE 2: Cash and Cash Equivalents

As of June 30, 2021, the City’s balances are as follows:

	Total
Cash on hand	\$ 400
Cash with financial institution	4,662,562
Cash with fiscal agent - Mid America - 125 Plan	14,350
Cash with fiscal agent - NCPA GOR Reserve	628,990
Cash with fiscal agent - CAISO Reserve	117,317
Local Agency Investment Fund ("LAIF")	3,190,200
Total Cash	\$ 8,613,819

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

Policies and Practices:

INVESTMENT TYPE	MAX. MATURITY	MAX % OF PORTFOLIO	MIN QUALITY	GOV'T CODE §s
Local Agency Investment Fund ("LAIF")	N/A	None	None	16429.1

Custodial Credit Risk. There is a risk that, in the event of a bank failure, the City's deposits may not be returned. The City's deposit policy requires that all deposits are covered by the Federal Depository Insurance Corporation ("FDIC") or are collateralized as required by Statutes of the State. As of June 30, 2021, the carrying amount of the City's bank deposits was \$2,280,872, and the respective bank balances totaled \$2,738,834. Of the total bank balance, \$258,399 was insured through the FDIC. The remaining \$2,480,435 was collateralized with pooled securities held by the financial institutions' trust departments. These securities are held in the name of the financial institution and not that of the City.

Credit Risk. As of June 30, 2021, the LAIF pool consisted of debt securities and the ratings ranged from A - AA+ by Standard & Poor's.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The effective duration of the LAIF portfolio at June 30, 2021 was 191 days.

NOTE 3: Accrued Receivables

	General Fund	Non-Major Govt Funds	Sewer	Electric	Water	Solid Waste	Total
Accounts receivable	\$ 3,439	\$ 8,508	\$ 86,696	\$ 406,836	\$ 66,773	\$ 30,044	\$ 602,296
Less: allowance for doubtful accounts	-	-	(701)	(2,691)	(525)	(236)	(4,153)
Interest	1,385	-	-	-	-	-	1,385
Sales tax	1,139	-	-	-	-	-	1,139
SCO	18,097	28,401	-	-	-	-	46,498
Tax delay	-	-	-	-	-	-	-
Franchise fee	3,468	-	-	-	-	-	3,468
ARPA	-	224,748	-	-	-	-	224,748
Other	276	-	-	-	-	-	276
Loans receivable	-	771,584	-	-	-	-	771,584
Total	27,804	1,033,241	85,995	404,145	66,248	29,808	1,647,241

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 4: Capital Assets

Capital assets activity for the year ended June 30, 2021, was as follows:

	Balance July 01, 2020	Additions	Deletions	Balance June 30, 2021
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 168,777	\$ -	\$ -	\$ 168,777
Construction in progress	235,715	18,157	(76,965)	176,907
Total Capital Assets, Not Being Depreciated	404,492	18,157	(76,965)	345,684
Capital Assets, Being Depreciated:				
Buildings and improvements	1,871,619	-	-	1,871,619
Machinery and equipment	136,149	31,103	-	167,252
Vehicles	219,744	-	-	219,744
Infrastructure	5,832,273	83,719	-	5,915,992
Total Capital Assets, Being Depreciated	8,059,785	114,822	-	8,174,607
Less Accumulated Depreciation For:				
Buildings and improvements	(730,236)	(55,225)	-	(785,461)
Machinery and equipment	(40,035)	(17,125)	-	(57,160)
Vehicles	(202,550)	(6,898)	-	(209,448)
Infrastructure	(734,221)	(113,403)	-	(847,624)
Total Accumulated Dep.	(1,707,042)	(192,651)	-	(1,899,693)
Total Capital Assets, Being Depreciated, Net	6,352,743	(77,829)	-	6,274,914
Total Gov. Activities, Net	\$ 6,757,235	\$ (59,672)	\$ (76,965)	\$ 6,620,598

Depreciation was charged as follows:

General government	\$ 10,997
Public works	44,906
Culture and recreation	23,345
Streets	113,403
Total -- Governmental Functions	<u>\$ 192,651</u>

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 4: Capital Assets, (Continued)

Business-Type Activities	Balance July 01, 2020	Additions	Adjustments/ Transfers	Balance June 30, 2021
Capital Assets,				
Not Being Depreciated:				
Land	\$ 2,759,996	\$ -	\$ -	\$ 2,759,996
Construction in progress	8,736,556	628,941	(9,020,490)	345,007
Total Capital Assets, Not Being Depreciated	<u>11,496,552</u>	<u>628,941</u>	<u>(9,020,490)</u>	<u>3,105,003</u>
Capital Assets, Being Depreciated:				
Buildings and improvements	167,000	-	-	167,000
Machinery and equipment	1,564,938	-	-	1,564,938
Vehicles	51,318	-	-	51,318
Infrastructure	7,708,162	9,020,490	-	16,728,652
Total Capital Assets, Being Depreciated	<u>9,491,418</u>	<u>9,020,490</u>	<u>-</u>	<u>18,511,908</u>
Less Accumulated Depreciation For:				
Buildings and improvements	(106,588)	-	-	(106,588)
Machinery and equipment	(1,130,380)	(46,339)	-	(1,176,719)
Vehicles	(24,190)	-	-	(24,190)
Infrastructure	(2,885,743)	(265,511)	-	(3,151,254)
Total Accumulated Depreciation	<u>(4,146,901)</u>	<u>(311,850)</u>	<u>-</u>	<u>(4,458,751)</u>
Total Capital Assets, Being Depreciated, Net	<u>5,344,517</u>	<u>8,708,640</u>	<u>-</u>	<u>14,053,157</u>
Total Business-Type Activities, Net	<u>\$16,841,069</u>	<u>\$ 9,337,581</u>	<u>\$ (9,020,490)</u>	<u>\$17,158,160</u>

Depreciation was charged as follows:

Sewer	\$ 78,512
Electric	46,339
Water	<u>105,357</u>
Total -- Business-Type Functions	<u>\$ 230,208</u>

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 5: Interfund Balances and Activity

Due To/From Other Funds

The City interfund balances are a result of covering negative cash as well as budget activity. The following are due from and due to balances as of June 30, 2021:

	Due From Other Funds	Due To Other Funds	Explanation
Governmental Funds			
General Fund	\$ 236,583	\$ -	Negative cash balance
14 SR2S Project	-	250	Negative cash balance
TDA LTF /SB-325	-	22,102	Budget allocations
17 SR2S Cycle 2	-	27,600	Negative cash balance
19 SR2S Cycle 4	-	33,817	Negative cash balance
2nd St CMAQ Con	-	150,289	Negative cash balance
TDA STA /SB-620	-	22,102	Negative cash balance
TDA STA /SB-620	22,102	-	Budget allocations
Bridge Reserve	-	2,525	Negative cash balance
Total	<u>\$ 258,685</u>	<u>\$ 258,685</u>	
Enterprise Funds			
Sewer Imp Fund	-	200,000	Negative cash balance and cash flow needs of the WWTP project
WWTP Phase Two	345,007	-	Negative cash balance and cash flow needs of the WWTP project
WWTP Phase Two	-	1,500,000	Cash flow needs of the WWTP project
Sewer Fund Total	<u>345,007</u>	<u>1,700,000</u>	
Electric Fund	1,500,000	-	Negative cash balance and cash flow needs of the WWTP project
Electric Imp.	200,000	-	Budget allocations
Electricity Fund Total	<u>1,700,000</u>	<u>-</u>	
Water Tank	-	345,007	Negative cash balance
Water Fund Total	<u>-</u>	<u>345,007</u>	
Total	<u>\$ 2,045,007</u>	<u>\$ 2,045,007</u>	

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 5: Interfund Balances and Activity, (Continued)

Transfers

Transfers are a result of indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations and reallocations of special revenues. The following are the interfund transfers for fiscal year ended June 30, 2021:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Explanation</u>
Governmental Funds			
General Fund	\$ 225,000	\$ -	Budget allocation
'39 Fire Truck	1,000	-	Budget allocation
Blding / Equipmnt	7,500	-	Budget allocation
Fire Engine Rpl	18,000	-	Budget allocation
St Maint Reserv	12,500	-	Budget allocation
Total Governmental Funds	264,000	-	
Proprietary Funds			
Sewer Fund	-	500	Budget allocation
SWRCB Ln Reserv	500	-	Budget allocation
NCPA GOR Reserv	-	10,248	Budget allocation
CAISO Reserve	10,248	-	Budget allocation
Electric Fund	-	340,988	Budget allocation
Electric Imp.	84,488	-	Budget allocation
Water Fund	-	120,000	Budget allocation
Water Imp.	120,000	-	Budget allocation
Solid Waste	-	7,500	Budget allocation
Total Proprietary Funds	215,236	479,236	
Total	\$ 479,236	\$ 479,236	

NOTE 6: Accrued Payables

	<u>General Fund</u>	<u>Non-Major Govt Funds</u>	<u>Govt Activities</u>	<u>Sewer</u>	<u>Electric</u>	<u>Water</u>	<u>Solid Waste</u>	<u>Total</u>
Vendors	\$ 20,561	\$ 406	\$ -	\$ 10,834	\$ 46,172	\$ 7,986	\$ 213	\$ 86,172
Payroll	4,752	1,820	-	3,796	4,595	3,796	335	19,094
Interest	2,725	-	-	17,755	-	32,266	-	52,746
Total	\$ 28,038	\$ 2,226	\$ -	\$ 32,385	\$ 50,767	\$ 44,048	\$ 548	\$ 158,012

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 7: Unearned Revenue

At June 30, 2021, the components of unearned revenue reported were as follows:

94 CDBG	\$ 12,711
01 STBG Loans	181,695
2004 HOME 0707	454,543
2004 HOME 3073	121,765
Curb/Gutter Ln	870
	<u>\$ 771,584</u>

NOTE 8: Long-Term Liabilities

Long-term debt for the year ended June 30, 2021, was as follows:

	Restated				
	Balance			Balance	
	July 01, 2020	Additions	Deletions	June 30, 2021	Due in
					One Year
Governmental Activities					
Loans	\$ 224,000	\$ -	\$ (6,000)	\$ 218,000	\$ 7,000
OPEB Liability	33,000	2,000	-	35,000	-
Net Pension Liability					
Safety plan	137,000	5,000	-	142,000	-
Miscellaneous Plan	44,000	170,000	-	214,000	-
Compensated Absences	34,556	6,167	-	40,723	-
Total Government Activities	<u>\$ 472,556</u>	<u>\$ 183,167</u>	<u>\$ (6,000)</u>	<u>\$ 649,723</u>	<u>\$ 7,000</u>
Business-Type Activities					
Loans	\$ 9,446,765	\$ -	\$ (4,833,165)	\$ 4,613,600	\$ 149,788
OPEB Liability	46,000	4,000	-	50,000	-
Net Pension Liability, Miscellaneous	552,000	-	(112,000)	440,000	-
Compensated Absences	76,749	2,143	-	78,892	-
Total Business-Type Activities	<u>\$10,121,514</u>	<u>\$ 6,143</u>	<u>\$ (4,945,165)</u>	<u>\$ 5,182,492</u>	<u>\$ 149,788</u>

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

At June 30, 2021, loans consisted of the following:

	Government Activities	Business-Type Activities
United States Department of Agriculture Loan, issued in the amount of \$160,530, dated February 9, 2000, payable in annual installments of \$1,530 to \$8,400, with an interest rate of 4.50% and maturity of September 1, 2039. Loan proceeds were used for wastewater system improvements.	\$ -	\$ 109,800
United States Department of Agriculture Loan, issued in the amount of \$133,000, dated February 9, 2000, payable in annual installments of \$1,700 to \$5,900, with an interest rate of 3.25% and maturity of September 1, 2039. Loan proceeds were used for wastewater system improvements.	-	83,900
United States Department of Agriculture Loan, issued in the amount of \$3,660,000, dated November 9, 2006, payable in annual installments of \$35,000 to \$190,000, with an interest rate of 4.375% and maturity of April 1, 2046. Loan proceeds were used for wastewater system improvements.	-	2,935,000
United States Department of Agriculture Loan, issued in the amount of \$480,000, dated February 9, 2000, payable in annual installments of \$4,500 to \$25,000, with an interest rate of 4.50% and maturity of September 1, 2039. Loan proceeds were used for wastewater system improvements.	-	328,500
State Water Resources Control Board Capital Lease Agreement, in the approved amount of \$1,469,102, as amended September 11, 2015, payable in one annual installment of \$75,690 and 19 annual installments of \$90,672, with an interest rate of 2.10% and a maturity date of May 31, 2035. Loan proceeds are and will be used for wastewater system improvements.	-	1,156,400
United States Department of Agriculture Loan, issued in the amount of \$300,000, dated January 12, 2001, payable in annual installments of \$2,000 to \$17,000, with an interest rate of 5.00% and maturity of September 1, 2040. Loan proceeds were used for the purchase of property for a public works facility.	218,000	-
Total Loans	\$ 218,000	\$ 4,613,600

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 8: Long-Term Liabilities (Continued)

Long-Term Liabilities (Continued)

The annual maturities for the years subsequent to June 30, 2021, are as follows:

Year Ending June 30,	USDA Loan 92-07		
	Principal	Interest	Total
2022	\$ 7,000	\$ 10,725	\$ 17,725
2023	7,000	10,375	17,375
2024	7,000	10,025	17,025
2025	8,000	9,650	17,650
2026	8,000	9,250	17,250
2027 - 2031	46,000	39,750	85,750
2032 - 2036	59,000	26,625	85,625
2037 - 2041	76,000	9,900	85,900
	<u>\$ 218,000</u>	<u>\$ 126,300</u>	<u>\$ 344,300</u>

Year Ending June 30,	USDA Loans									
	91-08		92-01		92-03		92-05		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2022	\$ 65,000	\$ 129,063	\$ 11,300	\$ 14,528	\$ 3,800	\$ 4,856	\$ 3,300	\$ 2,673	\$ 234,520	
2023	65,000	126,219	11,800	14,009	4,000	4,680	3,400	2,564	231,672	
2024	70,000	123,375	12,300	13,466	4,100	4,498	3,500	2,452	233,691	
2025	75,000	120,313	12,900	12,899	4,300	4,309	3,600	2,337	235,658	
2026	75,000	117,031	13,500	12,305	4,500	4,111	3,700	2,218	232,365	
2027 - 2031	455,000	530,688	77,100	51,640	25,700	17,260	20,400	9,172	1,186,960	
2032 - 2036	560,000	421,750	95,900	32,254	32,100	10,780	23,900	5,582	1,182,266	
2037 - 2041	700,000	287,656	93,700	8,665	31,300	2,900	22,100	1,464	1,147,785	
2042 - 2046	870,000	120,750	-	-	-	-	-	-	990,750	
	<u>\$2,935,000</u>	<u>\$1,976,845</u>	<u>\$ 328,500</u>	<u>\$ 159,766</u>	<u>\$ 109,800</u>	<u>\$ 53,394</u>	<u>\$ 83,900</u>	<u>\$ 28,462</u>	<u>\$5,675,667</u>	

Year Ending June 30,	State Water Resource Control Board		
	Principal	Interest	Total
2022	\$ 66,388	\$ 24,284	\$ 90,672
2023	67,782	22,890	90,672
2024	69,205	21,467	90,672
2025	70,658	20,014	90,672
2026	72,142	18,530	90,672
2027 - 2031	384,083	69,277	453,360
2032 - 2036	426,142	27,219	453,361
	<u>\$1,156,400</u>	<u>\$ 203,681</u>	<u>\$1,360,081</u>

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

Note 9: Defined Benefit Pension Plan

Plan Description

The Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan or PERF C) is administered by the CalPERS. The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. Each individual employer rate plan generally has less than 100 active members.

The Plan was established to provide retirement, death and disability benefits to public agency rate plans with generally less than 100 active members. The benefit provisions for PERF C employees are established by statute. A full description regarding the number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information for the respective rate plan is listed in the respective rate plan's June 30, 2019 Annual Valuation Report ("funding valuation"). Details of the benefits provided can be obtained in Appendix B of the funding valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be found on CalPERS' website at <https://www.calpers.ca.gov/page/forms-publications>.

Benefits Provided and Contributions

Per the City of Biggs June 30, 2018 Annual Actuarial Valuation Reports for the respective pension plans, the following are the benefits and employee and employer contribution requirements

Member Category	Benefit Group		
	Misc. – Classic	Misc. – PEPRA	Safety – Classic
Benefit Formula	2% @ 60	2% @ 62	2% @ 55
Social Security	Yes	Yes	Yes
(Full/Modified)	Modified	Full	Modified
Employee Contribution Rate	7.00%	6.25%	N/A
Final Avg. Comp Period	3 Yr.	3 Yr.	3 Yr.
Sick Leave Credit	Yes	Yes	Yes
Non-Industrial Disability	Standard	Standard	Standard
Industrial Disability	No	No	Yes
Pre-Retirement Death Benefits			
Optional Settlement 2	Yes	Yes	Yes
Special	No	No	Yes
Post-Retirement Death Benefits			
Lump Sum	\$500	\$500	\$500
COLA	2%	2%	2%
Employer Contribution Rate	8.794%	7.732%	0.0%
Employer Unfunded Liability	\$38,696	\$797	\$18,528
Total Employer Contributions:	\$73,210	\$4,175	\$18,528

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9: Employees' Retirement Plan (Continued)

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

At June 30, 2021, the District reported a liability of \$796,000 for its proportionate share of the net pension liability. The schedule of employer allocations for components of net pension liability provides allocation factors by employer for rate plans within the miscellaneous and safety risk pools based on the following allocation methodology: The schedule of employer allocations for components of net pension liability includes two ratios:

- 1) Actuarial Accrued Liability – Determined based on the actuarial accrued liability from the most recent actuarial valuation report as of June 30, 2019 used for funding purposes.
- 2) Market Value of Assets – Determined based on the sum of the market value of assets from the most recent actuarial valuation report as of June 30, 2019 used for funding purposes plus supplemental payments made by employers during the current measurement period to reduce their unfunded actuarial accrued liabilities.

The schedule of employer allocations for components of net pension liability is based on actuarial valuation reports that are one year in arrears. As such, there will be a one year lag between the time an employer enters the Plan and the fiscal year the employer is first included on the schedule of employer allocations for components of net pension liability. Employers joining the Plan during the fiscal year ended June 30, 2020, will be included in the schedule of employer allocations for components of net pension liability as of and for the fiscal year ended June 30, 2021.

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

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

- 1) Total Pension Liability (TPL) – Allocate based on the employer's share of the actuarial accrued liability.
- 2) Fiduciary Net Position (FNP) – Allocate based on the employer's share of the market value of assets plus additional payments.
- 3) Net Pension Liability (NPL) – After completing the above calculations, subtract FNP from TPL to calculate the employer's NPL.
- 4) Deferred Outflows of Resources, Deferred Inflows of Resources – Allocate based on the employer's share of the net pension liability as noted in 3) above.
- 5) Pension Expense – After completing the above calculations, calculate the employer's share of collective pension expense based on the employer's share of changes in net pension liability, changes in deferred outflows and deferred inflows of resources, and the employer's contributions for the fiscal year ended June 30, 2020. The schedule of collective pension amounts does not reflect employer-specific amounts such as changes in proportion and employer contributions to PERF C subsequent to the measurement date. Appropriate treatment of such amounts is the responsibility of the employers.

An employer's proportionate share of pension amounts for PERF C equals the sum of the employer's proportionate shares of pension amounts for the respective miscellaneous and safety risk pools. At June 30, 2021, the District's proportion was:

	<u>Jun. 30, 2020</u>	<u>Jun. 30, 2019</u>	<u>Difference</u>
Misc. Net Pension Liability Allocation Basis	0.0001548	0.0001493	0.0000055
Safety Net Pension Liability Allocation Basis	0.0000214	0.0000219	(0.0000006)

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9: Employees' Retirement Plan (Continued)

For the year ended June 30, 2021, the City recognized pension expense of \$40,858. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous	Safety	Total
Changes of Assumptions	\$ (5,000)	\$ -	\$ (5,000)
Differences between Expected and Actual Experience	34,000	11,000	45,000
Differences between Projected and Actual Investment Earnings	19,000	3,000	22,000
Differences between Employer's Contributions and Proportionate Share of Contributions	(31,000)	4,000	(27,000)
Change in Employer's Proportion	27,000	(5,000)	22,000
Pension Contributions Made Subsequent to Measurement Date	77,000	19,000	96,000
Total	\$ 121,000	\$ 32,000	\$ 153,000

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

Year ended June 30:	Miscellaneous	Safety	Total
2022	82,000	\$ 21,000	\$ 103,000
2023	16,000	5,000	21,000
2024	14,000	4,000	18,000
2025	9,000	2,000	11,000
Total	\$ 121,000	\$ 32,000	\$ 153,000

Actuarial Methods and Assumptions. The collective total pension liability for the June 30, 2020 measurement period was determined by an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the total pension liability to June 30, 2020. The collective total pension liability was based on the following assumptions:

Investment rate of return	7.15%
Inflation	2.50%
Salary increases	Varies by Entry Age and Service
Mortality rate table ¹	Derived using CalPERS' Membership Data for all Funds Contract COLA up to 2.50% until Purchasing Power
Post-Retirement Benefit Increase	Protection Allowance Floor on Purchasing Power applies

¹ The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9: Employees' Retirement Plan (Continued)

Actuarial Methods and Assumptions

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for 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 above and adjusted to account for assumed administrative expenses.

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

Asset Class ¹	Assumed Asset Allocation	Real Return Years 1 – 10 ²	Real Return Years 11+ ³
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	-	(0.92)%

¹ In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

² An expected inflation rate of 2.00% used for this period.

³ An expected inflation rate of 2.92% used for this period.

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

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

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

The following presents the collective net pension liability calculated using a discount rate of 7.15%, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15%) or 1-percentage-point higher (8.15%) than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
District's misc. proportionate share of the net pension liability	\$ 1,029,000	\$ 654,000	\$ 342,000
District's safety proportionate share of the net pension liability	191,000	142,000	103,000

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report at <https://www.calpers.ca.gov/docs/forms-publications/cafr-2019.pdf>.

NOTE 10: Post-Employment Health Care Benefits

Plan Description

The City provides employees and retirees and their surviving family members the health benefits plan provided pursuant to the Public Employees' Medical and Hospital Care Act ("PEMHCA"), as set forth in Government Code §22750 – 22948. The plan is a single-employer, defined benefit OPEB plan administered by the City. Government Code §22777 provides that "health benefit plan" means any program or entity that provides, arranges, pays for, or reimburses the cost of health benefits for employees and retirees and their surviving family members with health benefits provided through the California Public Employee's Pension System ("CalPERS"). ***No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.***

Benefits Provided

The plan provides healthcare benefits for retirees and their dependents. The benefit terms provide for payment of the statutory minimum, \$139 per month as of June 30, 2021, of health insurance premiums for retirees.

Employees covered by benefit terms

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	2
Active employees	8
Total	10

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 10: Post-Employment Health Care Benefits *(Continued)*

Total OPEB Liability

The City's total OPEB liability of \$79,000 was measured as of June 30, 2020, and was determined in place of an actuarial valuation, the total OPEB liability was measured using the alternative measurement method discussed in GASB, Statement, 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, paragraphs 225 and 226.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate ¹	2.18%
Benefit Increase Rate ²	2.20%
Inflation (prior 5-year average of CalPERS minimum contribution increases)	1.20%

¹ <https://www.spglobal.com/spdji/en/indices/fixed-income/sp-municipal-bond-20-year-high-grade-rate-index/#data>

² https://data.bls.gov/timeseries/CUUR0000SA0L1E?output_view=pct_12mths

Mortality rates and probability rates were based on the CalPERS tables (as appropriate to respective risk pools) located at <https://www.calpers.ca.gov/docs/public-agencies-schools-assumption-methods.xlsx>.

Changes in the Total OPEB Liability

Balances at July 01, 2020	\$	79,000
Changes for the year:		
Service cost		5,000
Interest		2,000
Benefit payments		(1,000)
Net changes		<u>6,000</u>
Balances at June 30, 2021	\$	<u>85,000</u>

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.0 percent) or 1-percentage-point higher (5.0 percent) than the current discount rate:

	1% Decrease (1.18%)	Discount Rate (2.18%)	1% Increase (3.18%)
District's proportionate share of the net pension liability	\$ 84,000	\$ 85,000	\$ 85,000

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 11: Fund Balance

	General Fund	Non-Major Govt Funds	Total
Restricted			
ARPA	\$ -	\$ 224,748	\$ 224,748
Gas Tax 2032	-	117,040	117,040
Gas Tax	-	117,325	117,325
Drainage-Develo	-	149,234	149,234
TDA LTF /SB-325	-	129,454	129,454
RSTP/STIP Excha	-	168,051	168,051
HOME Grant	-	108,988	108,988
'39 Fire Truck	-	10,451	10,451
82-CDBG Grant	-	929	929
86-HUD Grant	-	24,551	24,551
CDBG Unrestrict	-	15,733	15,733
CDGB ProgInclIII	-	134,296	134,296
01 STBG-1797	-	78,733	78,733
CFD N BIGGS EST	-	8,903	8,903
SunWest Packagi	-	4,803	4,803
Betzler/Summit	-	8,857	8,857
HomeTown Cele	-	31	31
SunWest Expans	-	11,296	11,296
Restricted Total	-	1,313,423	1,313,423
Assigned			
Blding/Equipmnt	-	14,797	14,797
Fire Engine Rpl	-	262,006	262,006
Detention Basin	-	16,834	16,834
St Maint Reserv	-	281,634	281,634
Pub Wks Fac Res	-	18,019	18,019
Traffic Congest	-	6,712	6,712
Roads-Dev Impac	-	116,515	116,515
Parks-Rec, Dev.	-	97,180	97,180
Gen Govt-Dev Im	-	10,782	10,782
Police-Dev Impa	-	4,126	4,126
Fire-Dev Impact	-	14,818	14,818
Assigned Total	-	843,423	843,423
Unassigned			
Unassigned fund balance	1,164,176	-	1,164,176
Deficit fund balance			
14 SR2S Project	-	(250)	(250)
17 SR2S Cycle 2	-	(27,600)	(27,600)
19 SR2S Cycle 4	-	(33,817)	(33,817)
2nd St CMAQ Con	-	(150,289)	(150,289)
Bridge Reserve	-	(2,525)	(2,525)
Unassigned Total	1,164,176	(214,481)	949,695
Total	\$ 1,164,176	\$ 1,942,365	\$ 3,106,541

CITY OF BIGGS, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 12: JPAs

The City is a member of three JPAs. The first is the NCPA, a California Joint Action Agency, was established in 1968 by a consortium of locally owned electric utilities to make joint investments in energy resources that would ensure a supply of electricity for customers in its member communities. The second is SCORE for general liability, vehicle liability, workers' compensation, crime, and errors and omissions purposes. The third is CJPRMA to provide excess coverage for its members.

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

During the year ended June 30, 2021, the City made payments of \$1,482,881 and \$112,477 to NCPA and SCORE, respectively, CJPRMA paid through SCORE, no separate amount.

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CITY OF BIGGS, CALIFORNIA
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
 GENERAL FUND
 For the year ended June 30, 2021

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 196,180	\$ 196,180	\$ 256,795	\$ 60,615
Licenses and permits	27,300	27,300	49,049	21,749
Fines and forfeitures	12,150	12,150	4,205	(7,945)
Use of money	16,200	16,200	18,494	2,294
Intergovernmental	341,000	341,000	398,895	57,895
Charges for services	25,500	25,500	23,617	(1,883)
Other revenues	22,170	22,170	6,803	(15,367)
Total Revenues	640,500	640,500	757,858	117,358
EXPENDITURES				
Current:				
General Government	220,980	220,980	262,225	(41,245)
Public Safety	382,744	382,744	329,681	53,063
Public Ways and Facilities	166,046	166,046	156,892	9,154
Debt service:				
Principal	17,700	17,700	6,000	11,700
Interest and other charges	-	-	10,975	(10,975)
Capital outlay	4,200	4,200	-	4,200
Total Expenditures	791,670	791,670	765,773	25,897
Excess of Revenues Over (Under) Expenditures	(151,170)	(151,170)	(7,915)	143,255
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	225,000	75,000
Net Change in Fund Balances	(1,170)	(1,170)	217,085	218,255
Fund Balances - Beginning	947,091	947,091	947,091	
Fund Balances - Ending	\$ 945,921	\$ 945,921	\$ 1,164,176	

CITY OF BIGGS, CALIFORNIA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CalPERS RETIREMENT PLAN

	2021	2020	2019	2018	2017	2016	2015
Miscellaneous Plan:							
Plan's proportion of the PERF C Net Pension Liability	0.0155%	0.0149%	0.0145%	0.0143%	0.0139%	0.0128%	0.0163%
Plan's Proportionate Share of Net Pension Liability	\$ 654,000	\$ 596,000	\$ 545,369	\$ 563,753	\$ 481,247	\$ 349,977	\$ 403,165
Plan's Covered-Employee Payroll	\$ 419,284	\$ 409,606	\$ 382,835	\$ 400,223	\$ 521,330	\$ 508,363	\$ 492,302
Plan's Proportionate Share of the Net Pension Liability / (Asset) as a Percentage of its Covered-Employee Payroll	156%	146%	142%	141%	92%	69%	82%
 Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	 78%	 78%	 78%	 75%	 76%	 80%	 81%
Safety Plan:							
Plan's proportion of the PERF C Net Pension Liability	0.0021%	0.0022%	0.0023%	0.0022%	0.0023%	0.0023%	0.0021%
Plan's Proportionate Share of Net Pension Liability	\$ 142,000	\$ 137,000	\$ 135,318	\$ 133,432	\$ 118,420	\$ 95,603	\$ 80,327
Plan's Covered-Employee Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan's Proportionate Share of the Net Pension Liability / (Asset) as a Percentage of its Covered-Employee Payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a
 Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	 73%	 73%	 73%	 72%	 73%	 77%	 79%

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

CITY OF BIGGS, CALIFORNIA
SCHEDULE OF PENSION PLAN CONTRIBUTIONS

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Miscellaneous Plan:							
Actuarially determined contributions	\$ 77,385	\$ 77,444	\$ 67,226	\$ 57,271	\$ 50,147	\$ 43,518	\$ 39,693
Actual contributions during the measurement period	(77,385)	(77,444)	(67,226)	(57,271)	(50,147)	(43,518)	(39,693)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 436,448	\$ 419,284	\$ 409,606	\$ 382,835	\$ 400,223	\$ 334,620	\$ 366,141
Contributions as a percentage of covered-employee	18%	18%	16%	15%	13%	13%	11%
Safety Plan:							
Actuarially determined contributions	\$ 18,528	\$ 16,811	\$ 12,099	\$ 10,188	\$ 5,500	\$ 4,569	\$ 3,801
Actual contributions during the measurement period	(18,528)	(16,811)	(12,099)	(10,188)	(5,500)	(4,569)	(3,801)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered-employee	n/a	n/a	n/a	n/a	n/a	n/a	n/a

CITY OF BIGGS, CALIFORNIA
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Changes for the year:				
Service cost	\$ 5,000	\$ 67,968	\$ 15,514	\$ 15,514
Interest	2,000	-	-	-
Changes of benefit terms	-	2,101	-	-
Benefit payments	(1,000)	(3,336)	(15,514)	(15,026)
Net Changes in Total OPEB Liability	6,000	66,733	-	488
Total OPEB Liability - Beginning	79,000	12,267	12,267	11,779
Total OPEB Liability - Ending	<u>\$ 85,000</u>	<u>\$ 79,000</u>	<u>\$ 12,267</u>	<u>\$ 12,267</u>
Covered Payroll	\$ 436,448	\$ 409,606	\$ 382,835	\$ 400,223
Total OPEB liability as a percentage of covered payroll	19%	19%	3%	3%

District Has No Assets Accumulated in a Trust to Pay Related Benefits

COMBINING NONMAJOR FUND STATEMENTS

Unaudited

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CITY OF BIGGS, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2021

	ARPA	Gas Tax 2032	Gas Tax	Drainage- Develo	14 SR2S Project	TDA LTF /SB- 325	17 SR2S Cycle 2	19 SR2S Cycle 4	2nd St CMAQ Con	TDA STA /SB- 620
ASSETS										
Cash and investments	\$ -	\$ 110,783	\$ 113,629	\$ 149,234	\$ -	\$ 152,532	\$ -	\$ -	\$ -	\$ -
Accounts receivable (net of allowance)	224,748	6,257	4,225	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	22,102
Total Assets	\$ 224,748	\$ 117,040	\$ 117,854	\$ 149,234	\$ -	\$ 152,532	\$ -	\$ -	\$ -	\$ 22,102
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accrued liabilities	\$ -	\$ -	\$ 529	\$ -	\$ -	\$ 976	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	250	22,102	27,600	33,817	150,289	22,102
Total Liabilities	-	-	529	-	250	23,078	27,600	33,817	150,289	22,102
FUND BALANCES										
Restricted	224,748	117,040	117,325	149,234	-	129,454	-	-	-	-
Unassigned	-	-	-	-	(250)	-	(27,600)	(33,817)	(150,289)	-
Total Fund Balances	224,748	117,040	117,325	149,234	(250)	129,454	(27,600)	(33,817)	(150,289)	-
Total Liabilities and F	\$ 224,748	\$ 117,040	\$ 117,854	\$ 149,234	\$ -	\$ 152,532	\$ -	\$ -	\$ -	\$ 22,102

CITY OF BIGGS, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
June 30, 2021

	RSTP/STIP Excha	HOME Grant	'39 Fire Truck	82-CDBG Grant	86-HUD Grant	CDBG Unrestrict	CDGB ProgrIncll	01 STBG- 1797	CFD N BIGGS EST	SunWest Packagi
ASSETS										
Cash and investments	\$ 150,173	\$ 108,988	\$ 10,451	\$ 929	\$ 24,551	\$ 15,733	\$ 134,296	\$ 78,733	\$ 9,583	\$ 4,803
Accounts receivable (net of allowance)	17,919	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 168,092	\$ 108,988	\$ 10,451	\$ 929	\$ 24,551	\$ 15,733	\$ 134,296	\$ 78,733	\$ 9,583	\$ 4,803
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accrued liabilities	\$ 41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 680	\$ -
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	41	-	-	-	-	-	-	-	680	-
FUND BALANCES										
Restricted	168,051	108,988	10,451	929	24,551	15,733	134,296	78,733	8,903	4,803
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	168,051	108,988	10,451	929	24,551	15,733	134,296	78,733	8,903	4,803
Total Liabilities and F	\$ 168,092	\$ 108,988	\$ 10,451	\$ 929	\$ 24,551	\$ 15,733	\$ 134,296	\$ 78,733	\$ 9,583	\$ 4,803

CITY OF BIGGS, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
June 30, 2021

	Betzler/Sum mit	HomeTown Cele	SunWest Expans	94 CDBG	01 STBG Loans	2004 HOME 0707	2004 HOME 3073	Curb/Gutter Ln	Non-Major Special Revenue Funds
ASSETS									
Cash and investments	\$ 8,857	\$ 31	\$ 11,296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,084,602
Accounts receivable (net of allowance)	-	-	-	12,711	181,695	454,543	121,765	870	1,024,733
Due from other funds	-	-	-	-	-	-	-	-	22,102
Total Assets	\$ 8,857	\$ 31	\$ 11,296	\$ 12,711	\$ 181,695	\$ 454,543	\$ 121,765	\$ 870	\$ 2,131,437
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,226
Due to Other Funds	-	-	-	-	-	-	-	-	256,160
Unearned Revenue	-	-	-	12,711	181,695	454,543	121,765	870	771,584
Customer Deposits	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	12,711	181,695	454,543	121,765	870	1,029,970
FUND BALANCES									
Restricted	8,857	31	11,296	-	-	-	-	-	1,313,423
Unassigned	-	-	-	-	-	-	-	-	(211,956)
Total Fund Balances	8,857	31	11,296	-	-	-	-	-	1,101,467
Total Liabilities and Fund Balances	\$ 8,857	\$ 31	\$ 11,296	\$ 12,711	\$ 181,695	\$ 454,543	\$ 121,765	\$ 870	\$ 2,131,437

CITY OF BIGGS, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
June 30, 2021

	ARPA	Gas Tax 2032	Gas Tax	Drainage- Develo	14 SR2S Project	TDA LTF /SB- 325	17 SR2S Cycle 2	19 SR2S Cycle 4	2nd St CMAQ Con	TDA STA /SB- 620
REVENUES										
Taxes and assesments	\$ -	\$ 34,333	\$ 45,624	\$ -	\$ -	\$ 55,484	\$ -	\$ -	\$ -	\$ -
Use of money	-	118	124	179	-	168	-	-	-	-
Intergovernmental	224,748	-	-	-	-	-	-	57,227	41,515	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	31,790	-
Total Revenues	224,748	34,451	45,748	179	-	55,652	-	57,227	73,305	-
EXPENDITURES										
Current:										
General Government	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Ways and Facilities	-	-	18,858	-	-	37,223	6,753	-	-	-
Electric	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	16,023	39,990	-
Total Expenditures	-	-	18,858	-	-	37,223	6,753	16,023	39,990	-
Net Change in Fund Balances	224,748	34,451	26,890	179	-	18,429	(6,753)	41,204	33,315	-
Fund Balances - Beginning	-	82,589	90,435	149,055	(250)	111,025	(20,847)	(75,021)	(183,604)	-
Fund Balances - Ending	\$ 224,748	\$ 117,040	\$ 117,325	\$ 149,234	\$ (250)	\$ 129,454	\$ (27,600)	\$ (33,817)	\$ (150,289)	\$ -

CITY OF BIGGS, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
June 30, 2021

	RSTP/STIP Excha	HOME Grant	'39 Fire Truck	82-CDBG Grant	86-HUD Grant	CDBG Unrestrict	CDGB ProgIncll	01 STBG- 1797	CFD N BIGGS EST	SunWest Packagi
REVENUES										
Taxes and assesments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,934	\$ -
Use of money	179	130	12	1	29	19	159	61	4	6
Intergovernmental	17,919	3,240	-	-	-	-	15,314	55,007	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-	-
Total Revenues	18,098	3,370	12	1	29	19	15,473	55,068	22,938	6
EXPENDITURES										
Current:										
General Government	-	-	-	-	-	-	-	-	17,649	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Ways and Facilities	246	-	-	-	-	-	-	-	-	-
Electric	-	-	-	-	-	-	-	-	5,306	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	246	-	-	-	-	-	-	-	22,955	-
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	1,000	-	-	-	-	-	-	-
Net Change in Fund Balances	17,852	3,370	1,012	1	29	19	15,473	55,068	(17)	6
Fund Balances - Beginning	150,199	105,618	9,439	928	24,522	15,714	118,823	23,665	8,920	4,797
Fund Balances - Ending	\$ 168,051	\$ 108,988	\$ 10,451	\$ 929	\$ 24,551	\$ 15,733	\$ 134,296	\$ 78,733	\$ 8,903	\$ 4,803

CITY OF BIGGS, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
June 30, 2021

	Betzler/Sum mit	HomeTown Cele	SunWest Expans	86 CDBG	94 CDBG	01 STBG Loans	2004 HOME 0707	2004 HOME 3073	Curb/Gutter Ln	Non-Major Special Revenue Funds
REVENUES										
Taxes and assesments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 158,375
Use of money	10	-	13	-	-	-	-	-	-	1,212
Intergovernmental	-	-	-	-	-	-	-	-	-	414,970
Charges for services	-	-	-	-	-	-	-	-	-	-
Other revenues	-	(51)	-	-	-	-	-	-	-	31,739
Total Revenues	10	(51)	13	-	-	-	-	-	-	606,296
EXPENDITURES										
Current:										
General Government	-	-	-	-	-	-	-	-	-	17,649
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-	-	-	-	-	63,080
Electric	-	-	-	-	-	-	-	-	-	5,306
Capital outlay	-	-	-	-	-	-	-	-	-	56,013
Total Expenditures	-	-	-	-	-	-	-	-	-	142,048
Net Change in Fund Balances	10	(51)	13	-	-	-	-	-	-	465,248
Fund Balances - Beginning	8,847	82	11,283	-	-	-	-	-	-	636,219
Fund Balances - Ending	\$ 8,857	\$ 31	\$ 11,296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,101,467

CITY OF BIGGS, CALIFORNIA
BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
June 30, 2021

	Blding/Equipm nt	Fire Engine Rpl	Bridge Reserve	Detention Basin	St Maint Reserv	Pub Wks Fac Res	Traffic Congest
ASSETS							
Cash and investments	\$ 14,797	\$ 262,006	\$ -	\$ 16,834	\$ 281,634	\$ 18,019	\$ 6,712
Due from other funds	-	-	-	-	-	-	-
Total Assets	<u>\$ 14,797</u>	<u>\$ 262,006</u>	<u>\$ -</u>	<u>\$ 16,834</u>	<u>\$ 281,634</u>	<u>\$ 18,019</u>	<u>\$ 6,712</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	2,525	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>2,525</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Assigned	14,797	262,006	-	16,834	281,634	18,019	6,712
Unassigned	-	-	(2,525)	-	-	-	-
Total Fund Balances	<u>14,797</u>	<u>262,006</u>	<u>(2,525)</u>	<u>16,834</u>	<u>281,634</u>	<u>18,019</u>	<u>6,712</u>
Total Liabilities and Fund Balances	<u>\$ 14,797</u>	<u>\$ 262,006</u>	<u>\$ -</u>	<u>\$ 16,834</u>	<u>\$ 281,634</u>	<u>\$ 18,019</u>	<u>\$ 6,712</u>

CITY OF BIGGS, CALIFORNIA
BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS (Continued)
June 30, 2021

	Roads-Dev Impac	Parks-Rec, Dev.	Gen Govt-Dev Im	Police-Dev Impa	Fire-Dev Impact	Non-Major Capital Projects Funds
ASSETS						
Cash and investments	\$ 116,515	\$ 97,180	\$ 10,782	\$ 4,126	\$ 14,818	\$ 843,423
Due from other funds	-	-	-	-	-	-
Total Assets	<u>\$ 116,515</u>	<u>\$ 97,180</u>	<u>\$ 10,782</u>	<u>\$ 4,126</u>	<u>\$ 14,818</u>	<u>843,423</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	2,525
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,525</u>
FUND BALANCES						
Assigned	116,515	97,180	10,782	4,126	14,818	843,423
Unassigned	-	-	-	-	-	(2,525)
Total Fund Balances	<u>116,515</u>	<u>97,180</u>	<u>10,782</u>	<u>4,126</u>	<u>14,818</u>	<u>840,898</u>
Total Liabilities and Fund Balances	<u>\$ 116,515</u>	<u>\$ 97,180</u>	<u>\$ 10,782</u>	<u>\$ 4,126</u>	<u>\$ 14,818</u>	<u>\$ 843,423</u>

CITY OF BIGGS, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS (Continued)
June 30, 2021

	Blding / Equipmnt	Fire Engine Rpl	Bridge Reserve	Detention Basin	St Maint Reserv	Pub Wks Fac Res	Traffic Congest
REVENUES							
Use of money	\$ 15	\$ 310	\$ -	\$ 21	\$ 332	\$ 21	\$ 8
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Total Revenues	15	310	-	21	332	21	8
EXPENDITURES							
Current:							
General Government	2,619	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total Expenditures	2,619	-	-	-	-	-	-
Excess of Revenues Over (Under) Expenditures	(2,604)	310	-	21	332	21	8
OTHER FINANCING SOURCES (USES)							
Transfers in	7,500	18,000	-	-	12,500	-	-
Net Change in Fund Balances	4,896	18,310	-	21	12,832	21	8
Fund Balances - Beginning	9,901	243,696	(2,525)	16,813	268,802	17,998	6,704
Fund Balances - Ending	\$ 14,797	\$ 262,006	\$ (2,525)	\$ 16,834	\$ 281,634	\$ 18,019	\$ 6,712

CITY OF BIGGS, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS (Continued)
June 30, 2021

	Roads-Dev Impac	Parks-Rec, Dev.	Gen Govt-Dev Im	Police-Dev Impa	Fire-Dev Impact	Non-Major Capital Projects Funds
REVENUES						
Use of money	\$ 140	\$ 117	\$ 13	\$ 5	\$ 17	\$ 999
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Total Revenues	140	117	13	5	17	999
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	2,619
Capital outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	2,619
Excess of Revenues Over (Under) Expenditures	140	117	13	5	17	(1,620)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	38,000
Net Change in Fund Balances	140	117	13	5	17	36,380
Fund Balances - Beginning	116,375	97,063	10,769	4,121	14,801	804,518
Fund Balances - Ending	\$ 116,515	\$ 97,180	\$ 10,782	\$ 4,126	\$ 14,818	\$ 840,898

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
&
SUMMARY OF AUDITOR'S RESULTS

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CITY OF BIGGS, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2021

Federal Grantor/Program or Cluster	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
United States Department of Agriculture (USDA)			
Community Facilities Loans and Grants [1]	10.780	*	\$ 2,684,349
Department of Treasury (TREAS)			
Coronavirus Relief Fund	21.019	*	50,000
Department of Transportation (DOT)			
Safe Routes to Schools	20.200	*	22,777
CMAQ	20.200	*	<u>39,990</u>
		Total DOT	<u>62,767</u>
Total Federal Expenditures			<u>\$ 2,797,116</u>

[1] - Major Program

No amount provided to subrecipients

* - Direct funded

The Schedule of Expenditures of Federal Awards includes the Federal grant activity of the City and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, as applicable.

There are no balances of loan or loan guarantee programs ("loans") outstanding at the end of the audit period. The District has not elected to use the 10% de minimis cost rate.

CITY OF BIGGS, CALIFORNIA
SUMMARY OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITOR'S RESULTS
For the year ended June 30, 2021

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

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

<u>AL Number</u>	<u>Name of Federal Program of Cluster</u>
10.780	Community Facilities Loans and Grants

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

There were no prior year audit findings, as there was no Uniform Guidance audit in the prior year.

OTHER INDEPENDENT AUDITORS REPORTS

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

To The Honorable Mayor and Members of the City Council
of the City of Biggs
Biggs, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Biggs as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Biggs's basic financial statements, and have issued our report thereon dated March 10, 2022.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in blue ink that reads 'RT Dennis Accountancy'.

March 10, 2022

RT DENNIS
ACCOUNTANCY



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

To The Honorable Mayor and Members of the City Council
of the City of Biggs
Biggs, California

Report on Compliance for Each Major Federal Program

We have audited the City of Biggs's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Biggs's major federal programs for the year ended June 30, 2021. The City of Biggs's major federal programs are identified in the summary of auditor's results section.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Biggs's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Biggs's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Biggs's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Biggs complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance


Management of the City of Biggs is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Biggs's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Biggs's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

A handwritten signature in blue ink that reads "N.J. Dennis Accountancy". The signature is written in a cursive, flowing style.

March 10, 2022

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