City of Placerville

Placerville, California

Annual Financial Report
and Independent Auditor's Report

For the Year Ended June 30, 2025

Prepared By the
The Finance Department
of the City of Placerville

CITY OF PLACERVILLE
Annual Financial Report
For the Year Ended June 30, 2025

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Placerville, California (the "City"), as of and for the year ended June 30, 2025, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of a Matter

Change in Accounting Principle

As discussed in Note 14 to the financial statements, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 101, *Compensated Absences*, effective July 1, 2024. The implementation of this standard required the City to change its method of accounting for compensated absences and resulted in a restatement of beginning net position as of July 1, 2024. Our opinion is not modified with respect to this matter.

Correction of Error

As discussed in Note 14, the City has restated its beginning net position/fund balance of the government-wide governmental activities, business-type activities and the governmental funds, in order to correct an error in accounting for accounts receivable. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

The Pun Group, LLP

Walnut Creek, California
June 30, 2026

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE
FINANCIAL STATEMENTS

City of Placerville
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current assets:			
Cash and investments	$ 17,019,413	$ 8,768,955	$ 25,788,368
Receivable:			
Accounts	2,283,912	214,716	2,498,628
Interest	162,165	84,803	246,968
Grants	1,826,803	-	1,826,803
Utility billing, net	-	3,946,570	3,946,570
Inventories	22,653	-	22,653
Prepaid items	151,947	-	151,947
Total current assets	21,466,893	13,015,044	34,481,937
Cash and investments held by fiscal agents	434,949	297,648	732,597
Loans receivable	684,190	-	684,190
Capital assets:			
Non-depreciable	31,323,491	3,805,012	35,128,503
Depreciable, net	45,382,104	58,366,243	103,748,347
Total capital assets, net	76,705,595	62,171,255	138,876,850
Total noncurrent assets	77,824,734	62,468,903	140,293,637
Total Assets	99,291,627	75,483,947	174,775,574
Deferred Outflows of Resources			
Pension related deferred outflows of resources	6,294,873	1,228,786	7,523,659
OPEB related deferred outflows of resources	68,067	24,814	92,881
Total Deferred Outflows of Resources	6,362,940	1,253,600	7,616,540

City of Placerville
Statement of Net Position (Continued)
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities:			
Current liabilities:			
Accounts payable	1,605,700	811,136	2,416,836
Payroll and related taxes payable	381,628	-	381,628
Deposits	92,400	36,024	128,424
Interest payable	6,671	134,726	141,397
Unearned revenue	380,005	-	380,005
Compensated absences - due within one year	526,992	-	526,992
Long term debt - due within one year	76,073	2,404,469	2,480,542
Total OPEB liability - due within one year	84,089	31,046	115,135
Total current liabilities	3,153,558	3,417,401	6,570,959
Long-term liabilities:			
Compensated absences - due in more than one year	1,255,194	-	1,255,194
Claims payable - due in more than one year	454,781	-	454,781
Long term debt - due in more than one year	697,544	34,308,082	35,005,626
Total OPEB liability - due in more than one year	2,803,626	1,021,713	3,825,339
Aggregate net pension liability	20,869,661	3,878,422	24,748,083
Total long-term liabilities	26,080,806	39,208,217	65,289,023
Total Liabilities	29,234,364	42,625,618	71,859,982
Deferred Inflows of Resources			
Pension related deferred inflows of resources	739,995	233,166	973,161
OPEB related deferred inflows of resources	835,960	304,761	1,140,721
Total Deferred Inflows of Resources	1,575,955	537,927	2,113,882
Net Position:			
Net investment in capital assets	75,931,978	25,458,704	101,390,682
Restricted:			
Capital projects	8,806,683	1,530	8,808,213
Special projects and programs	6,344,202	-	6,344,202
Total restricted	15,150,885	1,530	15,152,415
Unrestricted (Deficit)	(16,238,615)	8,113,768	(8,124,847)
Total Net Position	$ 74,844,248	$ 33,574,002	$ 108,418,250

City of Placerville
Statement of Activities
For the Year Ended June 30, 2025

		Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
Primary government:					
Governmental activities:					
General government	$ 4,967,269	$ 872,387	$ 1,566,560	$ -	$ 2,438,947
Public safety	7,916,686	98,617	168,694	-	267,311
Highways and streets	4,372,524	1,652,790	645,667	3,741,965	6,040,422
Community development	971,207	451,540	185,536	-	637,076
Parks and recreation	3,024,597	953,266	-	-	953,266
Interest on long-term debt	22,447	-	-	-	-
Total governmental activities	21,274,730	4,028,600	2,566,457	3,741,965	10,337,022
Business-type activities:					
Water	3,834,683	2,594,824	-	-	2,594,824
Sewer	4,411,238	7,743,458	-	-	7,743,458
Total business-type activities	8,245,921	10,338,282	-	-	10,338,282
Total primary government	$ 29,520,651	$ 14,366,882	$ 2,566,457	$ 3,741,965	$ 20,675,304

City of Placerville
Statement of Activities (Continued)
For the Year Ended June 30, 2025

Functions/Programs	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Business-type Activities	Total
Primary government:			
Governmental activities:			
General government	$ (2,528,322)	$ -	$ (2,528,322)
Public safety	(7,649,375)	-	(7,649,375)
Highways and streets	1,667,898	-	1,667,898
Community development	(334,131)	-	(334,131)
Parks and recreation	(2,071,331)	-	(2,071,331)
Interest on long-term debt	(22,447)	-	(22,447)
Total governmental activities	(10,937,708)	-	(10,937,708)
Business-type activities:			
Water	-	(1,239,859)	(1,239,859)
Sewer	-	3,332,220	3,332,220
Total business-type activities	-	2,092,361	2,092,361
Total primary government	(10,937,708)	2,092,361	(8,845,347)
General revenues and transfers:			
Taxes:			
Property	401,482	-	401,482
Sales	10,337,771	1,384,866	11,722,637
Motor vehicle	1,214,469	-	1,214,469
Other	1,222,651	-	1,222,651
Total taxes	13,176,373	1,384,866	14,561,239
Interest and investment earnings	615,782	326,939	942,721
Miscellaneous	93,895	11,525	105,420
Transfers	57,811	(57,811)	-
Total general revenues and transfers	13,943,861	1,665,519	15,609,380
Changes in net position	3,006,153	3,757,880	6,764,033
Net Position:			
Beginning of year, as restated (Note 14)	71,838,095	29,816,122	101,654,217
End of year	$ 74,844,248	$ 33,574,002	$ 108,418,250

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FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

City of Placerville
Balance Sheet
Governmental Funds
June 30, 2025

	Major Funds			
	General Fund	Transportation Development Fund	Measure J Fund	Measure L Fund
ASSETS				
Cash and investments	$ 2,805,101	$ 659,103	$ 25,000	$ 7,363,730
Cash and investments held by fiscal agents	-	-	-	-
Receivables:				
Accounts	1,503,623	-	209,424	431,780
Interest	9,357	20,121	-	79,931
Grants	-	1,169,130	-	-
Loans	-	-	-	-
Prepaids	151,947	-	-	-
Inventories	22,653	-	-	-
Due from other funds	786,206	-	-	-
Total assets	$ 5,278,887	$ 1,848,354	$ 234,424	$ 7,875,441
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 520,168	$ 584,907	$ 934	$ -
Payroll and related liabilities	381,628	-	-	-
Due to other funds	-	-	-	-
Deposits payable	90,141	-	-	-
Unearned revenue	-	332,205	-	-
Advances from other funds	-	-	-	-
Total liabilities	991,937	917,112	934	-
Deferred inflows of resources:				
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	174,600	-	-	-
Restricted	-	931,242	233,490	7,875,441
Unassigned (deficit)	4,112,350	-	-	-
Total fund balances	4,286,950	931,242	233,490	7,875,441
Total liabilities, deferred inflows of resources and fund balances	$ 5,278,887	$ 1,848,354	$ 234,424	$ 7,875,441

(Continued)

City of Placerville
Balance Sheet (Continued)
Governmental Funds
June 30, 2025

	Major Funds		
	Grants Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and investments	$ 882,742	$ 4,296,055	$ 16,031,731
Cash and investments held by fiscal agents	-	434,949	434,949
Receivables:			
Accounts	21,498	117,587	2,283,912
Interest	12,410	40,346	162,165
Grants	67,657	590,016	1,826,803
Loans	684,190	-	684,190
Prepaids	-	-	151,947
Inventories	-	-	22,653
Due from other funds	-	-	786,206
Total assets	$ 1,668,497	$ 5,478,953	$ 22,384,556
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 110,056	$ 303,719	$ 1,519,784
Payroll and related liabilities	-	-	381,628
Due to other funds	-	786,206	786,206
Deposits payable	-	2,259	92,400
Unearned revenue	-	-	332,205
Advances from other funds	-	100,972	100,972
Total liabilities	110,056	1,193,156	3,213,195
Deferred inflows of resources:			
Unavailable revenues	688,172	-	688,172
Total deferred inflows of resources	688,172	-	688,172
Fund Balances:			
Nonspendable	-	-	174,600
Restricted	870,269	4,552,271	14,462,713
Unassigned (deficit)	-	(266,474)	3,845,876
Total fund balances	870,269	4,285,797	18,483,189
Total liabilities, deferred inflows of resources and fund balances	$ 1,668,497	$ 5,478,953	$ 22,384,556

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City of Placerville
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2025

Total Fund Balances - Total Governmental Funds	$ 18,483,189
Amounts reported for governmental activities in the Statement of Net Position were different because:	
Capital assets used in governmental activities were not financial resources and therefore were not reported in governmental funds	
Non-depreciable	31,323,491
Depreciable/amortizable	45,382,104
Total capital assets	76,705,595
Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet.	(6,671)
Long-term liabilities were not due and payable in the current period and therefore were not reported in the governmental funds.	
Amount reported in Government-Wide Statement of Net Position:	
Compensated absences - due within one year	(526,992)
Compensated absences - due in more than one year	(1,255,194)
Claims payable - due in more than one year	(454,781)
Long-term debt - due within one year	(76,073)
Long-term debt - due in more than one year	(697,544)
Total reported in Government-Wide Statement of Net Position	(3,010,584)
Plus: Amount reported in Internal Service Funds	
Claims payable - due in more than one year	454,781
Total reported in Internal Service Funds	454,781
Net long-term liabilities	(2,555,803)
Net pension liability is not due and payable in the current period and therefore is not reported in the governmental funds.	(20,869,661)
Total OPEB liability is not due and payable in the current period and therefore is not reported in the governmental funds.	(2,887,715)
Pension-related deferred outflows/inflows of resources in the governmental activities were not financial resources (uses) and therefore were not reported in the Governmental Funds Balance Sheet.	
Pension-related deferred outflows of resources	6,294,873
Pension-related deferred inflows of resources	(739,995)
OPEB-related deferred outflows/inflows of resources in the governmental activities were not financial resources (uses) and therefore were not reported in the Governmental Funds Balance Sheet.	
OPEB-related deferred outflows of resources	68,067
OPEB-related deferred inflows of resources	(835,960)
Deferred inflows and outflows of resources are not available for current period and, therefore, are deferred in the governmental funds or not recorded in the governmental funds:	
Unavailable revenues	688,172
Internal service funds were used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds were included in governmental activities in the Government-Wide Statement of Net Position.	500,157
Net Position of Governmental Activities	$ 74,844,248

City of Placerville
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	Major Funds			
	General Fund	Transportation Development Fund	Measure J Fund	Measure L Fund
REVENUES:				
Property taxes	$ 401,482	$ -	$ -	$ -
Sales tax	6,166,953	-	1,384,898	2,785,920
Transient occupancy taxes	215,923	-	-	-
Other taxes	502,840	-	-	-
Franchise fees	498,501	-	-	-
Licenses and permits	284,869	-	-	-
Fines and forfeitures	96,161	-	-	-
Use of money and property	138,075	65,537	(6,149)	336,330
Intergovernmental	1,219,855	3,496,362	-	-
Charges for services	1,175,082	-	-	-
Grant revenues	-	-	-	-
Other revenues	577,017	-	-	-
Total revenues	11,276,758	3,561,899	1,378,749	3,122,250
EXPENDITURES:				
Current:				
General government	2,909,431	-	13,819	-
Public safety	3,358,402	-	1,830,295	-
Highways and streets	1,316,670	296,834	-	-
Community development	792,463	-	-	-
Parks and recreation	2,098,975	-	-	-
Capital outlay	27,196	5,776,181	-	-
Debt service:				
Principal	110,968	-	-	-
Interest and fiscal charges	21,001	-	-	-
Total expenditures	10,635,106	6,073,015	1,844,114	-
REVENUES OVER (UNDER) EXPENDITURES	641,652	(2,511,116)	(465,365)	3,122,250
OTHER FINANCING SOURCES (USES):				
Transfers in	333,339	2,915,685	440,905	-
Transfers out	(713,765)	-	-	(3,452,722)
Total other financing sources (uses)	(380,426)	2,915,685	440,905	(3,452,722)
CHANGES IN FUND BALANCES	261,226	404,569	(24,460)	(330,472)
FUND BALANCES:				
Beginning of year, as restated (Note 14)	4,025,724	526,673	257,950	8,205,913
End of year	$ 4,286,950	$ 931,242	$ 233,490	$ 7,875,441

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City of Placerville
Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended June 30, 2025

	Major Funds		
	Grants Fund	Non-major Governmental Funds	Total Governmental Funds
REVENUES:			
Property taxes	$ -	$ -	$ 401,482
Sales tax	-	-	10,337,771
Transient occupancy taxes	-	-	215,923
Other taxes	-	-	502,840
Franchise fees	-	-	498,501
Licenses and permits	-	-	284,869
Fines and forfeitures	-	44,477	140,638
Use of money and property	58,901	116,983	709,677
Intergovernmental	1,640,335	888,192	7,244,744
Charges for services	-	1,769,650	2,944,732
Grant revenues	31,752	245,604	277,356
Other revenues	81,344	-	658,361
Total revenues	1,812,332	3,064,906	24,216,894
EXPENDITURES:			
Current:			
General government	37,908	126,532	3,087,690
Public safety	854,713	-	6,043,410
Highways and streets	-	208,507	1,822,011
Community development	1,575	-	794,038
Parks and recreation	-	56,053	2,155,028
Capital outlay	608,609	1,331,765	7,743,751
Debt service:			
Principal	-	-	110,968
Interest and fiscal charges	-	1,446	22,447
Total expenditures	1,502,805	1,724,303	21,779,343
REVENUES OVER (UNDER) EXPENDITURES	309,527	1,340,603	2,437,551
OTHER FINANCING SOURCES (USES):			
Transfers in	-	75,096	3,765,025
Transfers out	-	(333,339)	(4,499,826)
Total other financing sources (uses)	-	(258,243)	(734,801)
CHANGES IN FUND BALANCES	309,527	1,082,360	1,702,750
FUND BALANCES:			
Beginning of year, as restated (Note 14)	560,742	3,203,437	16,780,439
End of year	$ 870,269	$ 4,285,797	$ 18,483,189

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City of Placerville

Reconciliation of the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position

For the Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds	$	1,702,750
Amounts reported for governmental activities in the Statement of Activities were different because:		
Governmental funds reported capital asset acquisitions as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Position, the cost of those assets was allocated over their estimated useful lives as depreciation expense. This was the amount of capital assets recorded in the current period.		7,804,229
Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities and Changes in Net Position, but they did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the Governmental Funds.		(3,138,617)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) decreased net position.		(1,011,584)
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities and Changes in Net Position, but it did not require the use of current financial resources. This amount represented the change in accrued interest from prior year.		1,043
Repayment of long-term liabilities was an expenditures in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.		
Principal payment of long-term debt		110,968
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Changes in compensated absences		(110,325)
Changes in net pension liability reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.		(1,523,085)
The net effect of various miscellaneous transactions involving pension plans (i.e. deferred inflow/outflow amortization, contributions after measurement date) increased net position.		(511,069)
Changes in total OPEB liability reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.		89,972
The net effect of various miscellaneous transactions involving OPEB plans (i.e. deferred inflow/outflow amortization, contributions after measurement date) increased net position.		(158,290)
Unavailable revenues were reported as deferred inflows of resources in the Governmental Funds but were reported as revenues in the Government-Wide Statement of Statement of Activities.		6,178
Internal service funds were used by management to charge the costs of certain activities to individual funds. The net revenue of internal service funds was reported with governmental activities.		(256,017)
Change in Net Position of Governmental Activities	$	3,006,153

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PROPRIETARY FUND FINANCIAL STATEMENTS

City of Placerville
Statement of Net Position
Proprietary Funds
June 30, 2025

	Major Funds				Governmental Activities
	Water Fund	Sewer Fund	Measure H Fund	Total	Internal Service Fund
ASSETS					
Current assets:					
Cash and investments	$ 2,304,991	$ 4,278,422	$ 2,185,542	$ 8,768,955	$ 987,682
Receivables:					
Accounts	2,116	-	212,600	214,716	-
Interest	19,742	32,147	32,914	84,803	-
Utility billings, net	995,425	2,951,145	-	3,946,570	-
Advances to other funds	-	-	-	-	100,972
Total current assets	3,322,274	7,261,714	2,431,056	13,015,044	1,088,654
Noncurrent assets:					
Cash and investments held by fiscal agents	148,059	149,589	-	297,648	-
Capital assets:					
Non-depreciable assets	603,965	3,201,047	-	3,805,012	-
Depreciable assets, net of accumulated depreciation	7,345,685	51,020,558	-	58,366,243	-
Total capital assets, net	7,949,650	54,221,605	-	62,171,255	-
Total noncurrent assets	8,097,709	54,371,194	-	62,468,903	-
Total assets	11,419,983	61,632,908	2,431,056	75,483,947	1,088,654
DEFERRED OUTFLOWS OF RESOURCES					
Pension-related deferred outflows of resources	614,393	614,393	-	1,228,786	-
OPEB-related deferred outflows of resources	7,653	17,161	-	24,814	-
Total deferred outflows of resources	622,046	631,554	-	1,253,600	-

City of Placerville
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2025

	Major Funds				Governmental Activities
	Water Fund	Sewer Fund	Measure H Fund	Total	Internal Service Fund
LIABILITIES					
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	180,638	630,498	-	811,136	85,916
Deposits payable	33,684	2,340	-	36,024	-
Interest payable	2,251	132,475	-	134,726	-
Unearned revenue	-	-	-	-	47,800
Long term debt - due within one year	13,182	2,391,287	-	2,404,469	-
Total OPEB liability - due within one year	9,206	21,840	-	31,046	-
Total current liabilities	238,961	3,178,440	-	3,417,401	133,716
Noncurrent liabilities:					
Claims payable - due in more than one year	-	-	-	-	454,781
Long term debt - due in more than one year	110,166	34,197,916	-	34,308,082	-
Total OPEB liability - due in more than one year	315,479	706,234	-	1,021,713	-
Aggregate net pension liability	1,939,211	1,939,211	-	3,878,422	-
Total noncurrent liabilities	2,364,856	36,843,361	-	39,208,217	454,781
Total liabilities	2,603,817	40,021,801	-	42,625,618	588,497
DEFERRED INFLOWS OF RESOURCES					
Pension-related deferred inflows of resources	116,583	116,583	-	233,166	-
OPEB-related deferred inflows of resources	93,992	210,769	-	304,761	-
Total deferred inflows of resources	210,575	327,352	-	537,927	-
Net Position:					
Net investment in capital assets	7,974,361	17,780,461	-	25,754,822	-
Restricted	-	1,530	-	1,530	-
Unrestricted	1,253,276	4,133,318	2,431,056	7,817,650	500,157
Total net position	$ 9,227,637	$ 21,915,309	$ 2,431,056	$ 33,574,002	$ 500,157

See accompanying Notes to the Basic Financial Statements.

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City of Placerville
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Major Funds				Governmental Activities
	Water Fund	Sewer Fund	Measure H Fund	Total	Internal Service Fund
OPERATING REVENUES:					
Charges for services	$ 2,498,417	$ 7,203,422	$ -	$ 9,701,839	$ 544,784
Sales tax	-	-	1,384,866	1,384,866	-
Other operating revenues	8,919	2,606	-	11,525	78,351
Total operating revenues	2,507,336	7,206,028	1,384,866	11,098,230	623,135
OPERATING EXPENSES:					
General and administrative	402,998	386,860	-	789,858	1,657,412
Maintenance and operations	2,134,396	2,828,203	-	4,962,599	14,352
Depreciation and amortization	1,228,195	825,064	-	2,053,259	-
Total operating expenses	3,765,589	4,040,127	-	7,805,716	1,671,764
OPERATING INCOME (LOSS)	(1,258,253)	3,165,901	1,384,866	3,292,514	(1,048,629)
NONOPERATING REVENUES (EXPENSES):					
Connection fees	96,407	540,036	-	636,443	-
Interest income	83,135	121,915	121,889	326,939	-
Interest expense and fiscal charges	(5,760)	(200,619)	-	(206,379)	-
Loss on disposal of capital assets	(63,334)	(170,492)	-	(233,826)	-
Total nonoperating revenues (expenses)	110,448	290,840	121,889	523,177	-
INCOME (LOSS) BEFORE TRANSFERS	(1,147,805)	3,456,741	1,506,755	3,815,691	(1,048,629)
TRANSFERS:					
Transfers in	366,792	1,915,821	-	2,282,613	792,612
Transfers out	(264,204)	(264,204)	(1,812,016)	(2,340,424)	-
Total transfers	102,588	1,651,617	(1,812,016)	(57,811)	792,612
CHANGES IN NET POSITION	(1,045,217)	5,108,358	(305,261)	3,757,880	(256,017)
NET POSITION:					
Beginning of year, as restated (Note 14)	10,272,854	16,806,951	2,736,317	29,816,122	756,174
End of year	$ 9,227,637	$ 21,915,309	$ 2,431,056	$ 33,574,002	$ 500,157

City of Placerville
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Major Funds				Governmental Activities
	Water Fund	Sewer Fund	Measure H Fund	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers and users	$ 2,445,966	$ 6,978,134	$ -	$ 9,424,100	$ 544,784
Cash received from sales taxes	-	-	1,382,022	1,382,022	-
Cash payments to suppliers and employees for goods and services	(2,531,460)	(4,110,075)	-	(6,641,535)	(1,585,360)
Cash received from (paid for) other activities	8,919	2,606	-	11,525	78,351
Net cash provided by (used in) operating activities	(76,575)	2,870,665	1,382,022	4,176,112	(962,225)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(638,120)	(2,070,886)	-	(2,709,006)	-
Principal paid on capital-related debt	(24,016)	(2,470,689)	-	(2,494,705)	-
Interest paid on capital-related debt	(6,114)	(207,959)	-	(214,073)	-
Connection fees	96,407	540,036	-	636,443	-
Net cash (used in) capital and related financing activities	(571,843)	(4,209,498)	-	(4,781,341)	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Interfund borrowings	-	-	-	-	593,648
Transfers in	366,792	1,915,821	-	2,282,613	792,612
Transfers (out)	(264,204)	(264,204)	(1,812,016)	(2,340,424)	-
Net cash provided by (used in) noncapital financing activities	102,588	1,651,617	(1,812,016)	(57,811)	1,386,260
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income	82,872	109,965	118,942	311,779	-
Net cash provided by investing activities	82,872	109,965	118,942	311,779	-
Net change in cash and cash equivalents	(462,958)	422,749	(311,052)	(351,261)	424,035
CASH AND CASH EQUIVALENTS:					
Beginning of year	2,916,008	4,005,262	2,496,594	9,417,864	563,647
End of year	$ 2,453,050	$ 4,428,011	$ 2,185,542	$ 9,066,603	$ 987,682
RECONCILIATION TO STATEMENT OF NET POSITION:					
Cash and investments	$ 2,304,991	$ 4,278,422	$ 2,185,542	$ 8,768,955	$ 987,682
Restricted cash and cash equivalents	148,059	149,589	-	297,648	-
Total cash and cash equivalents	$ 2,453,050	$ 4,428,011	$ 2,185,542	$ 9,066,603	$ 987,682

City of Placerville
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2025

	Major Funds				Governmental Activities
	Water Fund	Sewer Fund	Measure H Fund	Total	Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Operating income (loss)	$ (1,258,253)	$ 3,165,901	$ 1,384,866	$ 3,292,514	$ (1,048,629)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	1,228,195	825,064	-	2,053,259	-
Changes in operating assets and liabilities:					
Accounts receivable	726	2	(2,844)	(2,116)	-
Utility billings, net	(53,177)	(225,290)	-	(278,467)	-
Pension-related deferred outflows	30,964	961,701	-	992,665	-
OPEB-related deferred outflows	5,463	13,954	-	19,417	-
Accounts payable and accrued liabilities	(286,263)	278,947	-	(7,316)	(21,828)
Claims and judgments payable	-	-	-	-	108,232
Total OPEB liability	(1,307)	(45,292)	-	(46,599)	-
Aggregate net pension liability	296,680	(1,849,370)	-	(1,552,690)	-
Pension-related deferred inflows	(76,332)	(182,093)	-	(258,425)	-
OPEB-related deferred inflows	36,729	(72,859)	-	(36,130)	-
Total adjustments	1,181,678	(295,236)	(2,844)	883,598	86,404
Net cash provided by (used in) operating activities	$ (76,575)	$ 2,870,665	$ 1,382,022	$ 4,176,112	$ (962,225)

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FIDUCIARY FUND FINANCIAL STATEMENTS

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City of Placerville
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Custodial Funds		
	Public Financing Authority Custodial Fund	Other Custodial Funds	Total
ASSETS			
Cash and investments	$ 8,603	$ 1,976,003	$ 1,984,606
Receivables:			
Accounts	-	923	923
Interest	73	16,048	16,121
Total assets	8,676	1,992,974	2,001,650
LIABILITIES			
Accounts payable	-	353,503	353,503
Total liabilities	-	353,503	353,503
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	8,676	1,639,471	1,648,147
	$ 8,676	$ 1,639,471	$ 1,648,147

City of Placerville
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2025

	Custodial Funds		
	Public Financing Authority Custodial Fund	Other Custodial Funds	Total
ADDITIONS:			
Investment income	$ 313	$ 76,996	$ 77,309
Fee and deposits collected for others	-	2,375,503	2,375,503
Total additions	313	2,452,499	2,452,812
DEDUCTIONS:			
Payments and distributions to others	-	2,276,967	2,276,967
Total deductions	-	2,276,967	2,276,967
NET POSITION:			
Beginning of year	8,363	1,463,939	1,472,302
End of year	$ 8,676	$ 1,639,471	$ 1,648,147

NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Placerville
Index to the Notes to the Basic Financial Statements
For the Year Ended June 30, 2025

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Note 1 – Summary of Significant Accounting Policies

The basic financial statements of the City of Placerville, California, (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental agencies. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City was incorporated in 1854, as a municipal corporation operating under the general laws of the State of California. The City operates under a Council-Manager form of government and provides services including general government, public works, public safety, water, sewer treatment, and parks and recreation. Control or dependence is determined on the basis of budget adoption, selection of governing authority and designation of management, outstanding debt secured by revenues or general obligations of the City and ability to significantly influence operations.

The financial reporting entity, as defined by the GASB, consists of the primary government, the City, organizations for which the primary government is financially accountable, and any other organization for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City Council acts as the governing body and is able to impose its will on the following organizations, establishing financial accountability:

Placerville Public Financing Authority ("Authority") is a legal joint powers entity created by the City. The Authority's Board of Directors is comprised of the City's Council Members, City Manager, and Assistant City Manager/Director of Finance, and all accounting and administrative functions are performed by the City.

As a result, this organization is considered a component unit of the City and is included within the basic financial statements of the City using the blended method. The City does not issue separate audited financial statements for the Authority. However, separate financial information for this component unit can be obtained from the City's Finance Department. All entities included in this financial statement maintain June 30th as their fiscal year-end.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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 with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,* the Statement of Net Position and the Balance Sheet of Governmental Funds report separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net assets) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net assets) that apply to future periods and that, therefore, are not recognized as revenue until that time.

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Government-Wide Financial Statements

The City's government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These financial statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regards to interfund activities, payables and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. (In the statement of activities, internal service fund transactions have been eliminated.) However, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out

Governmental Funds Financial Statements

Governmental Funds Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in Fund Balances as presented in these statements to the Net Position presented in the Government-Wide Financial Statements. The City has presented all major funds that met the applicable criteria.

Governmental Fund Financial Statements are reported using the *current financial resources measurement focus and the modified accrual basis of accounting*. Revenues are recognized when 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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded in the accounting period in which the related liability is incurred.

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Governmental Fund Financial Statements (Continued)

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *Transportation Development Special Revenue Fund* is used to account for revenues and expenditures associated with the administration of the Transportation Development Act Funds and transportation grants.

The *Measure J Special Revenue Fund* is used to account for revenues and expenditures associated with the administration of the 0.25% add on sales tax to supplement the City's police services.

The *Measure L Special Revenue Fund* is used to account for revenues and expenditures associated with the administration of the 0.50% add on sales tax to supplement the maintenance of the City's streets, sewer system, and water system.

The *Grants Special Revenue Fund* is used to account for revenues and expenditures associated with the administration of federal, state, and local grants received by the City.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for each major Proprietary Fund.

The City reports the following major proprietary funds:

The *Water Fund* is used for the operation and maintenance of a water system consisting of acquisition, distribution pipeline, and pumps. The fund collects all user fees and disburses all expenditures for this purpose. The fund also collects fees resulting from new growth. These funds will be used in the future to expand capacity of the water distribution system required due to growth.

The *Sewer Fund* is responsible for the treatment of industrial and domestic wastewater. The fund collects all user fees and disburses all expenditures for this purpose. The fund also collects fees resulting from new growth. These funds will be used in the future to expand capacity of the water reclamation facility and collection system required due to growth.

The *Measure H Fund* is used to account for revenues and expenses associated with the administration of the 0.25% add-on sales tax that augments the Water and Sewer Funds in paying for related debt and infrastructure replacement costs.

Additionally, the City reports the following fund types:

Internal Service Funds are used to account for services provided to other departments of the government, or to other governments, on a cost reimbursement basis. The City has an Internal Service Fund for general liability insurance, property insurance, unemployment insurance, and worker's compensation insurance.

Custodial Funds are used to account for resources held by the government in a purely custodial capacity.

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Property Taxes

Property taxes, special assessments, sales tax, licenses, intergovernmental revenues, investment earnings, charges for services and fines and penalties associated with the current fiscal year are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal year. Property taxes attach as an enforceable lien on property. Secured and unsecured property taxes are levied on July 1st. The unsecured and secured property tax lien date is January 1. Unsecured property taxes become delinquent on August 31st. Secured property taxes are payable in two installments, on November 1st and February 1st of each year, and become delinquent on December 10th and April 10th, respectively. The County of El Dorado, California (County) bills and collects the property taxes and remits them to the City according to a payment schedule established by the County. City property tax revenues are recognized when received in cash except at year-end when they are accrued pursuant to the modified accrual basis of accounting. The County is permitted by State law to levy property taxes at 1% of full market value (at time of purchase) and can increase property assessed value no more than 2% per year.

D. Cash, Cash Equivalents, and Investments

The City pools cash resources from all funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

Certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

For purpose of the statement of cash flows, cash equivalents are defined as investments with original maturities of 90 days or less, which are readily convertible to known amounts of cash. The City considers all pooled cash and investments held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all cash and investments with fiscal agent as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

Note 1 – Summary of Significant Accounting Policies (Continued)

E. Fair Value Measurement

GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value, establishes a framework for measuring fair value, and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the Statements of Net Position, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, which are observable for the assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

F. Receivables

All receivables are shown net of an allowance for doubtful accounts. Service charges revenues (water and sewer) are recorded as billed to customers on a cyclical basis. All utility customers are billed bi-monthly.

G. Interfund Balances/Internal Balances

All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-Wide Financial Statements as "internal balances."

H. Compensated Absences

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

<u>Vacation</u>

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

<u>Sick Leave</u>

The City's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the City and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

Note 1 – Summary of Significant Accounting Policies (Continued)

I. Capital Assets

Capital assets, which include land, buildings, building improvements, equipment, intangible assets (e.g. purchased software) and infrastructure assets (e.g., streets, bridges, storm drains, sewer and water lines, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if historical cost is not available.

Donated capital assets are valued at their estimated acquisition value on the date donated. City policy has set the capitalization thresholds for reporting capital assets at the following:

General capital assets	$ 5,000
Infrastructure capital assets	100,000

Depreciation and amortization has been provided on a straight-line basis over the following estimated useful lives:

Asset Class	Years
General Capital Assets:	
Building, Improvements	40
Improvements, other than Buildings	25
Furniture and Fixtures	5
Machinery and Equipment	5-30
Vehicles	5
Intangible Asset (Purchased Software)	5
Infrastructure:	
Water / Sewer Lines	25
Streets	40

J. Unearned/Unavailable Revenue

In the Government-Wide Financial Statements, unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the Government-Wide Financial Statements are long-term assessments, long-term loans receivable, and prepaid charges for services.

In the Fund Financial Statements, unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which revenues have not been earned, or for which funds are not available to meet current financial obligations. Typical transactions for which unavailable revenue is recorded are grants received but not yet earned or available, interest on interfund advances receivable, long-term assessments and loans receivable.

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans (Note 8). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The following timeframes are used for pension reporting:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period:	July 1, 2023 to June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

K. Pensions (Continued)

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

L. Other Postemployment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's Retiree Benefits Plan ("OPEB Plan") and additions to/deductions from OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan (Note 9). For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are used for OPEB reporting:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2025
Measurement Period:	July 1, 2024 to June 30, 2025

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over 5 years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

M. Long-Term Liabilities

In the Government-Wide Financial Statements and Proprietary Fund Financial Statements the long-term debt and other financed obligations are reported as liabilities in the appropriate activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are expenses when incurred.

In the Fund Financial Statements, proprietary fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the 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.

Note 1 – Summary of Significant Accounting Policies (Continued)

N. Net Position and Fund Equity

Government-Wide Financial Statements and Proprietary Fund Financial Statements

In government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund Financial Statements

In the governmental fund financial statements, fund balances are classified in the following categories:

Nonspendable: Items that cannot be spent because they are not in spendable form, such as land held for development, long term portions of receivables, inventories, prepaid items, and also items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan fund.

Restricted: Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed: Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making (normally the governing body) and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City and all of its component units.

Assigned: Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has the authority to assign funds for the City of Placerville.

Unassigned: This category is for all balances that have no restrictions placed upon them. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than General Fund, if expenditures incurred for specific purposes exceed the amount that are restricted, committed or assigned to the purposes, it may be necessary to report a negative unassigned fund balance in that particular fund.

Spending Policy

For Government-Wide Financial Statements and Proprietary Fund Financial Statements, when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available, the City's policy is to apply restricted Net Position first.

Note 1 – Summary of Significant Accounting Policies (Continued)

N. Net Position and Fund Equity (Continued)

Spending Policy (Continued)

For Governmental Fund Financial Statements, the City's policy is to spend restricted fund balances first, before spending unrestricted fund balances, for expenditures incurred for purposes for which both restricted and unrestricted fund balances are available, except for instances wherein a City ordinance or resolutions specifies the fund balance. The City's policy is that committed and assigned fund balances are considered to have been spent first before unassigned fund balances have been spent, when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used, except for instances wherein a City ordinance specifies the fund balance.

O. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

P. Accounting Changes

Implementation of New GASB Pronouncements for the Year Ended June 30, 2025

The requirements of the following accounting standards are effective for the purpose of implementation, if applicable to the City, for the year ended June 30, 2025. The financial statements included herein apply the requirements and provisions of these statements, including necessary retroactive adjustments to financial statement classifications and presentations.

GASB Statement No. 101

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Implementation of this Statement had a moderate effect on the City's financial statements for the fiscal year ended June 30, 2025.

GASB Statement No. 102

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. That objective is achieved by requiring governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. The statement also requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2025.

Note 1 – Summary of Significant Accounting Policies (Continued)

P. Accounting Changes (Continued)

Upcoming Government Accounting Standards Implementation

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB statements:

GASB Statement No. 103

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. Application of this statement is effective for the City's fiscal year ending June 30, 2026.

GASB Statement No. 104

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. Application of this statement is effective for the City's fiscal year ending June 30, 2026.

GASB Statement No. 105

In December 2025, GASB issued Statement No. 105, *Subsequent Events*. This Statement establishes accounting and financial reporting requirements for events and transactions that occur after the financial statement date but before financial statements are issued. The Statement defines the types of subsequent events and requires disclosure of certain nonrecognized subsequent events. Application of this Statement is effective for the City's fiscal year ending June 30, 2027.

Note 2 – Cash and Investments

A. Summary of Cash and Investments

The following is a summary of cash and investments and restricted cash and investments at June 30, 2025:

	Primary Government				
	Governmental Activities	Business-Type Activities	Total	Fiduciary Funds	Total
Cash and investments	$ 17,019,413	$ 8,768,955	$ 25,788,368	$ 1,984,606	$ 27,772,974
Cash and investments with fiscal agent	434,949	297,648	732,597	-	732,597
Total	$ 17,454,362	$ 9,066,603	$ 26,520,965	$ 1,984,606	$ 28,505,571

Note 2 – Cash and Investments (Continued)

A. *Summary of Cash and Investments (Continued)*

Cash, cash equivalents, and investments, consisted of the following at June 30, 2025:

Cash and cash equivalents:	
Petty cash	$ 3,195
Demand deposits	5,881,913
Investments:	
Local Agency Investment Fund	21,887,866
Money market funds	732,597
Total	$ 28,505,571

B. *Cash Deposits*

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds, which the City invests to enhance interest earnings. The pooled interest earned is allocated to the funds quarterly, based on the average daily cash and investment balances in each fund.

At June 30, 2025, the carrying amount of the City's deposits was $5,881,913. Bank balances before reconciling items were $6,389,692 at that date, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

According to California law, the market value of pledged securities with banking institutions must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation. The City, however, has not waived the collateralization requirements.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on a quarterly basis to the various funds based on average daily cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

C. *Investments*

At June 30, 2025, cash and investments, excluding restricted cash and investments held by fiscal agent, consists of funds invested in the Local Agency Investment Fund (LAIF) and money market funds. These amounts are measured at amortized cost and not subject to the GASB 72 fair value hierarchy. The following table presents investments recognized in the accompanying statement of net position measured at amortized cost at June 30, 2025:

Investment Type	Total as of June 30, 2025	Percentage of Investments	Measurement Inputs
Local Agency Investment Fund	$ 21,887,866	96.76%	Not applicable
Money market funds	732,597	3.24%	Not applicable
Total	$ 22,620,463		

Note 2 – Cash and Investments (Continued)

C. Investments (Continued)

The Policy, in addition to State statutes, establishes that funds on deposit in banks must be federally insured or collateralized and investments shall (1) have maximum maturity not to exceed five years, (2) be laddered and based on cash flow forecasts; and (3) be subject to limitations to a certain percent of the portfolio for each of the authorized investments. The City's investments comply with the established policy.

The City's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates rise, the portfolio value will decline. If interest rates fall, the portfolio value will rise.

The portfolio, for year-end reporting purposes, is treated as if it were all sold. Therefore, fund balance reflects the portfolio's change in value. These portfolio value changes are unrealized unless sold. The City's policy is to buy and hold investments until their maturity dates.

The City is authorized by State statutes and in accordance with the City's Investment Policy (Policy) to invest in the following:

- Bankers Acceptances
- California Local Agency Investment Fund (LAIF)
- Certificates of Deposit
- Commercial Paper (Corporations)
- County Pooled Funds
- Medium-Term Corporate Notes
- Money Market Accounts
- Mutual Funds
- Negotiable Certificates of Deposit
- Passbook Savings and Demand Deposits Accounts
- Repurchase Agreements collateralized by U.S. Securities or U.S. Government Federal Agencies
- Reverse Purchase Agreements
- U.S. Treasury Securities

Investments held by Fiscal Agent. The investments held by fiscal agents in the amount of $732,597 are to be used only for specific capital outlay, payments of certain long-term debt and maintaining required reserves. These funds have been invested only as permitted by specific State statutes governing their investment or applicable City ordinances, resolutions, or bond indentures.

Note 2 – Cash and Investments (Continued)

D. Risk Disclosures

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity, the greater the sensitivity its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy provides that final maturities of securities cannot exceed five years. Specific maturities of investments depend on liquidity needs. At June 30, 2025, the City's pooled cash and investments had the following maturities:

	Amount	Maturities 1 year or less
Cash and cash equivalents:		
Petty cash	$ 3,195	$ 3,195
Demand deposits	5,881,913	5,881,913
Investments:		
Local Agency Investment Fund	21,887,866	21,887,866
Money market funds	732,597	732,597
Total	$ 28,505,571	$ 28,505,571

Credit Risk is the risk of loss due to failure of the security issuer. The risk can be identified thru the rating assigned by a nationally recognized statistical rating organization to the issuers of securities. The City minimizes this risk by investing only on type of investments allowed for municipalities by the Government Code as listed on the City's investment policy and investing only on instruments that are most credit worthy.

		Credit Quality Ratings	
	Amount	Moody's	Standard & Poor's
Investments:			
Local Agency Investment Fund	$ 21,887,866	Not Rated	Not Rated
Money market funds	732,597	Not Rated	Not Rated
Total	$ 22,620,463		

According to the City's investment policy, the aggregate investment in medium-term notes should not exceed 10% of the City's total portfolio.

Federal instrumentalities must have a rating of AAA or the equivalent by a NRSRO at the time of purchase. The Local Agency Investment Fund (LAIF), administered by the State of California, has a separate investment policy, governed by Government Code Sections 16480-16481.2, that provides credit standards for its investments.

The City's investments (excluding investments held by fiscal agents) are only in Local Agency Investment Fund which is not rated by a NRSRO.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are held by the counterparty. All of the City's investments in securities are held in the name of the City. The City's custodial agreement policy prohibits counterparties holding securities not in the City's name.

Note 2 – Cash and Investments (Continued)

E. Investments in Local Agency Investment Fund

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. As of June 30, 2025, the City had $21,887,866 invested in LAIF. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. LAIF is reported at amortized cost, which approximates fair value.

Note 3 – Loans Receivable

At June 30, 2025, the City had the following loans receivable and related unavailable revenue:

	Loans Receivable Balance June 30, 2025	Allowance for Doubtful Accounts Balance June 30, 2025	Financial Statement Balance June 30, 2025	Unavailable Revenue Balance June 30, 2025
Housing Loans	$ 684,190	$ -	$ 684,190	$ 684,190
Mallard Lane Apartments LP Loans	1,454,735	(1,454,735)	-	-
Middletown Road Apartments LP Loans	1,656,782	(1,656,782)	-	-
Total	$ 3,795,707	$ (3,111,517)	$ 684,190	$ 684,190

The City administers the first time homebuyer, housing rehabilitation, and small business loan programs funded with various grants (i.e. CDBG, HOME, CalHome, NSP, etc.). Under these programs, individuals with incomes below certain levels are eligible to receive low interest loans. These low-interest loans are secured by deeds of trust on the properties. Maturities vary according to terms and disposition of property. Deferred payment loans receivable under these forgivable loans are not required to be paid back unless the participating homeowner sells, transfers title to the property, or discontinues residence in the dwelling at which time the full amount of the deferred loan is due. These deferred payment loans are "nonperforming loans" and are not recorded as loans receivable in the financial statements. These low interest-bearing loans are secured by deeds of trust.

Note 4 – Interfund Transactions

A. Due From and To Other Funds

At June 30, 2025, the City had the following short-term interfund receivables and payables:

	Due To Other Funds
	Governmental Activities
Due From Other Funds	Non-Major Governmental
Governmental Activities	
General Fund	$ 786,206

These balances resulted from short-term loans used to cover operating cash deficits at year-end. These amounts will be repaid in the following fiscal year.

Note 4 – Interfund Transactions (Continued)

B. Long-Term Advances

At June 30, 2025, the City had the following long-term interfund advances:

	Advances From Other Funds
	Governmental Activities
Advances To Other Funds	Non-Major Governmental
Governmental Activities	
Internal Service Funds	$ 100,972

These balances resulted from long-term loans used to cover operating cash deficits at year-end. These amounts will be repaid with future revenues.

C. Transfers In and Out

For the year ended June 30, 2025, the City had the following transfers:

	Transfers In							
	Governmental Activities					Business-Type Activities		
Transfers Out	General	Transportation Development	Measure J	Non-Major Governmental	Internal Service	Water	Sewer	Total
Governmental Activities								
General Fund	$ -	$ -	$ 440,905	$ 8,656	$ 264,204	$ -	$ -	$ 713,765
Measure L Fund	-	2,915,685	-	28,820	-	366,792	141,425	3,452,722
Non-Major Funds	333,339	-	-	-	-	-	-	333,339
Business-Type Activities								
Water Fund	-	-	-	-	264,204	-	-	264,204
Sewer Fund	-	-	-	-	264,204	-	-	264,204
Measure H Fund	-	-	-	37,620	-	-	1,774,396	1,812,016
Totals	$ 333,339	$ 2,915,685	$ 440,905	$ 75,096	$ 792,612	$ 366,792	$ 1,915,821	$ 6,840,250

Transfers are contributions to other funds to finance various programs in accordance with budgetary authorizations.

Note 5 – Capital Assets

A. Government-Wide Financial Statements

At June 30, 2025, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-Depreciable Assets:			
Land and improvements	$ 12,959,322	$ 2,328,974	$ 15,288,296
Construction in progress	18,364,169	1,476,038	19,840,207
Total non-depreciable assets	31,323,491	3,805,012	35,128,503
Depreciable/Amortizable Assets:			
Building and structures	13,403,096	75,723,766	89,126,862
Machinery and equipment	4,098,312	3,293,552	7,391,864
Intangible assets	44,900	12,292	57,192
Infrastructure	45,584,023	60,622,040	106,206,063
Total depreciable/amortizable assets	63,130,331	139,651,650	202,781,981
Less accumulated depreciation/amortization	(17,748,227)	(81,285,407)	(99,033,634)
Total depreciable/amortizable assets, net	45,382,104	58,366,243	103,748,347
Total capital assets	$ 76,705,595	$ 62,171,255	$ 138,876,850

In fiscal year ended June 30, 2025, the City counted, valued and reported its capital assets, including infrastructure for its governmental activities and business-type activities, as shown in the following tables.

Governmental Activities

The following is a summary of changes in capital assets for governmental activities for the fiscal year ended June 30, 2025:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Non-Depreciable Assets:					
Land and improvements	$ 12,959,322	$ -	$ -	$ -	$ 12,959,322
Construction in progress	32,876,823	7,609,379	(197,019)	(21,925,014)	18,364,169
Total non-depreciable assets	45,836,145	7,609,379	(197,019)	(21,925,014)	31,323,491
Depreciable/Amortizable Assets:					
Building and structures	12,995,085	-	-	408,011	13,403,096
Machinery and equipment	4,728,834	194,850	(825,372)	-	4,098,312
Intangible assets	-	-	-	44,900	44,900
Infrastructure	24,111,920	-	-	21,472,103	45,584,023
Total depreciable/amortizable assets	41,835,839	194,850	(825,372)	21,925,014	63,130,331
Less accumulated depreciation/amortization	(14,620,417)	(3,138,617)	10,807	-	(17,748,227)
Total depreciable/amortizable assets, net	27,215,422	(2,943,767)	(814,565)	21,925,014	45,382,104
Total capital assets	$ 73,051,567	$ 4,665,612	$ (1,011,584)	$ -	$ 76,705,595

Note 5 – Capital Assets (Continued)

A. *Government-Wide Financial Statements (Continued)*

Governmental Activities (Continued)

Depreciation and amortization expense in governmental activities for capital assets for the year ended June 30, 2025 was as follows:

General government	$ 275,111
Public safety	609,501
Highways and street	1,856,173
Community development	2,441
Parks and recreation	395,391
Total	$ 3,138,617

Business-Type Activities

The following is a summary of changes in capital assets for business-type activities for the fiscal year ended June 30, 2025:

	Balance July 1, 2024	Additions	Deletions	Reclassifications/ Transfers	Balance June 30, 2025
Non-Depreciable Assets:					
Land and improvements	$ 2,328,974	$ -	$ -	$ -	$ 2,328,974
Construction in progress	2,924,244	2,562,197	(233,826)	(3,776,577)	1,476,038
Total non-depreciable assets	5,253,218	2,562,197	(233,826)	(3,776,577)	3,805,012
Depreciable/Amortizable Assets:					
Building and structures	75,723,766	-	-	-	75,723,766
Machinery and equipment	3,070,852	146,809	-	75,891	3,293,552
Intangible assets	-	-	-	12,292	12,292
Infrastructure	56,933,646	-	-	3,688,394	60,622,040
Total depreciable/amortizable assets	135,728,264	146,809	-	3,776,577	139,651,650
Less accumulated depreciation/amortization	(79,232,148)	(2,053,259)	-	-	(81,285,407)
Total depreciable/amortizable assets, net	56,496,116	(1,906,450)	-	3,776,577	58,366,243
Total capital assets	$ 61,749,334	$ 655,747	$ (233,826)	$ -	$ 62,171,255

Business-type activities depreciation and amortization expense for capital assets for the year ended June 30, 2025, were as follows:

Water	$ 1,228,195
Sewer	825,064
Total	$ 2,053,259

B. *Fund Financial Statements*

The fund financial statements do not present general government capital assets but they are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position. The capital assets of the enterprise funds in the Proprietary Fund Financial Statements are the same as those shown in the business-type activities of the Government-Wide Financial Statements. Internal Service Funds' capital assets are combined with governmental activities.

Note 6 – Long-Term Debt

A. Government-Wide Financial Statements

Following is a summary of all long-term debt balances at June 30, 2025:

	Governmental Activities	Business-Type Activities	Total
Long-term debt, due within one year	$ 76,073	$ 2,404,469	$ 2,480,542
Noncurrent portion of long-term debt			
2006 State Revolving Loan	-	21,400,838	21,400,838
2019 CEC Loan	373,937	124,911	498,848
2022 Sewer Revenue Bonds	-	12,562,000	12,562,000
2023 Equipment Finance Purchase	323,607	220,333	543,940
Total noncurrent portion of long-term debt	697,544	34,308,082	35,005,626
Total long-term debt	$ 773,617	$ 36,712,551	$ 37,486,168

Governmental Activities

Following is a summary of governmental activity long-term debt transactions during the fiscal year ended June 30, 2025:

	Balance July 1, 2024	Additions	Retirements	Balance June 30, 2025	Due within one year	Due in more than one year
2015 Equipment Finance Purchase	$ 36,905	$ -	$ 36,905	$ -	$ -	$ -
2019 CEC Loan	448,248	-	36,970	411,278	37,341	373,937
2023 Equipment Finance Purchase	399,432	-	37,093	362,339	38,732	323,607
Total	$ 884,585	$ -	$ 110,968	$ 773,617	$ 76,073	$ 697,544

Business-Type Activities

Following is a summary of business-type activity long-term debt transactions during the fiscal year ended June 30, 2025:

	Balance July 1, 2024	Additions	Retirements	Balance June 30, 2025	Due within one year	Due in more than one year
2006 State Revolving Loan	$ 24,649,695	$ -	$ 1,720,226	$ 22,929,469	$ 1,528,631	$ 21,400,838
2015 Equipment Finance Purchase	25,186	-	25,186	-	-	-
2019 CEC Loan	149,735	-	12,350	137,385	12,474	124,911
2022 Sewer Revenue Bonds	14,110,700	-	711,700	13,399,000	837,000	12,562,000
2023 Equipment Finance Purchase	271,940	-	25,243	246,697	26,364	220,333
Total	$ 39,207,256	$ -	$ 2,494,705	$ 36,712,551	$ 2,404,469	$ 34,308,082

Note 6 – Long-Term Debt (Continued)

A. *Government-Wide Financial Statements (Continued)*

Finance Purchase Agreements

In February 2015, the City secured a finance purchase agreement in the amount of $706,518 in order to finance 13 pieces of equipment ranging from a folder/inserter machine to a street sweeper truck. The interest rate for equipment with a five-year useful life is 2.65% and equipment with a ten-year useful life is 3.00%. The finance purchase agreement payable is allocated between the governmental activities, 59.44%, and business-type activities, 40.56%. Net revenues from the General Fund, Sewer Enterprise Fund, and Water Enterprise Fund have been pledged for the lease payments. The 13 pieces of equipment that were purchased with the lease proceeds are secured in the borrowing, and should a default in payment occur or budget appropriations fail to be made for the annual lease payments, the said equipment could be repossessed. Principal and interest payments are due in August and February each year. The 2015 Equipment Finance Purchase was paid in full during the year ended June 30, 2025.

In January 2023, the City secured a finance purchase agreement in the amount of $731,065 in order to finance 12 pieces of equipment ranging from software to a vacuum truck. The annual interest rate 4.38%. The finance purchase agreement payable is allocated between the governmental activities, 59.44%, and business-type activities, 40.56%. Principal and interest payments are due in January and July each year. Net revenues from the General Fund, Sewer Enterprise Fund, and Water Enterprise Fund have been pledged for the lease payments. The 12 pieces of equipment that were purchased with the lease proceeds are secured in the borrowing, and should a default in payment occur or budget appropriations fail to be made for the annual lease payments, the said equipment could be repossessed. The annual debt service requirements for the 2025 Equipment Finance Purchase are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 65,096	$ 25,971	$ 91,067
2027	67,979	23,088	91,067
2028	70,989	20,078	91,067
2029	74,132	16,935	91,067
2030	77,415	13,652	91,067
2031-2033	253,425	19,776	273,201
Total	$ 609,036	$ 119,500	$ 728,536

The City entered into three finance-purchase agreements whereby the lessor acquired certain capital assets and leased them to the City with the option to purchase. The finance-purchased assets are included in capital assets and are summarized by major asset class below:

Machinery and equipment	$ 1,689,776
Accumulated depreciation	(1,246,650)
Assets under finance purchase agreement	$ 443,126

Sewer Revenue Bonds Payable

On March 14, 2006, the Placerville PFA issued the Series 2006 Wastewater System Refinancing and Improvement Project Revenue Bonds in the amount of $17,215,000 pursuant to an Indenture by and between the Placerville PFA and Union Bank of California, N.A. as Trustee. A portion of the proceeds from the Bonds were used to refinance the Series 1994 Sewer Revenue Refunding and Phase II Improvement Bonds. The remainder of the Bond proceeds were used to partially finance State mandated improvements to the City's Wastewater Treatment Plant, relocate and replace a section of sewer line along Hangtown Creek, and construct other capital projects related to the Wastewater System.

Note 6 – Long-Term Debt (Continued)

A. *Government-Wide Financial Statements (Continued)*

Sewer Revenue Bonds Payable (Continued)

On May 1, 2022, the City Council issued the 2022 Wastewater Revenue Refunding Bonds and refinanced the Series 2006 Wastewater System Refinancing and Improvement Project Revenue Bonds. The 2022 Wastewater Revenue Refunding Bonds are payable solely from wastewater net revenues and are payable through 2035. The total remaining principal to be paid on the bonds is $13,399,000. Principal payments are due September 1 of each year beginning in 2023 and interest payments at a rate of 2.99% are due March 1 and September 1 of each year.

The 2022 Wastewater Revenue Refunding Bonds are secured by and payable from net revenues from the City's Sewer Enterprise Fund, amounts that are derived from user rates collected by the City for wastewater collection and treatment services. Application of amounts in the enterprise fund is governed by the requirements of Article XIIID, Section 6 of the California Constitution, which provides that the enterprise fund may only be used for the wastewater enterprise and may not be used for general governmental purposes.

Net revenues from the Sewer Enterprise Fund are pledged toward settlement payments with the Bond insurer for the 2022 Bonds. There is a covenant to set rates such that they will provide net coverage for Operation and Maintenance of 1.20% coverage. The City is in compliance with its covenants in connection with its obligations, including covenants on the current rates and charges, and the Sewer Enterprise Fund has sufficient revenues to meet the operation and maintenance costs of the wastewater utility, scheduled debt service, and required debt service coverage.

Events of default with finance related consequences are included in section 8.01 of the indenture for the bond. In the event of unresolved payment default, the Trustee would pull from funds on hand under the separate section of the agreement, and then upon court order from net revenues of the system held by the City.

The annual debt service requirements for the Series 2022 Wastewater Revenue Refunding Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 837,000	$ 388,117	$ 1,225,117
2027	962,500	361,214	1,323,714
2028	1,087,100	330,573	1,417,673
2029	1,219,800	296,085	1,515,885
2030	1,356,400	257,571	1,613,971
2031-2035	7,936,200	607,182	8,543,382
Total	$ 13,399,000	$ 2,240,742	$ 15,639,742

Loans

In 2006, the City secured a State Revolving Loan in the amount of $42,864,638 with an interest rate of 0.00% to partially finance improvements to the Wastewater Treatment Plant in order to comply with State mandated requirements at that time. The loan is payable solely from wastewater net revenues and are payable through 2040. Annual principal payments on the loan for the fiscal year ended June 30, 2025, required 36.84% of net revenues. The total remaining principal to be paid on the loan is $24,649,695. Principal paid for the current year and total net revenues were $1,528,631 and $3,963,819 respectively. Principal payments are due in September and March of each year. The City pledged Sewer Enterprise Fund net revenues as collateral for the loan. There is a covenant to set rates such that they will provide net coverage for Operation and Maintenance of 1.20% coverage. The City is in compliance with its covenants in connection with its obligations, including covenants on the current rates and charges, and the Sewer Enterprise Fund has sufficient revenues to meet the operation and maintenance costs of the wastewater utility, scheduled debt service, and required debt service coverage.

Note 6 – Long-Term Debt (Continued)

A. *Government-Wide Financial Statements (Continued)*

Loans (Continued)

The annual debt service requirements for the 2006 State Revolving Loan are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,528,631	$ -	$ 1,528,631
2027	1,528,631	-	1,528,631
2028	1,528,631	-	1,528,631
2029	1,528,631	-	1,528,631
2030	1,528,631	-	1,528,631
2031-2035	7,643,157	-	7,643,157
2036-2040	7,643,157	-	7,643,157
Total	$ 22,929,469	$ -	$ 22,929,469

On July 29, 2019, the City secured a California Energy Commission (CEC) Loan in the amount of $732,846 with an interest rate of 1.00% to finance interior and exterior lighting and heating and cooling improvements to various City facilities in order to achieve greater energy efficiency. The loan is payable through 2035. The loan payable is allocated between the governmental activities, 74.69%, and business-type activities, 25.31%. Principal and interest payments are due in June and December each year. The City pledged savings in energy costs or other legally available funds from the General Fund, Parking District Fund, and the Sewer Enterprise Fund as collateral for the loan. The loan is secured by the lighting and HVAC equipment that was financed by the loan. A default on the loan would require immediate payment of the remaining loan balance. The annual debt service requirements for the 2019 CEC loan are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 49,815	$ 5,363	$ 55,178
2027	50,314	4,863	55,177
2028	50,807	4,371	55,178
2029	51,328	3,850	55,178
2030	51,842	3,335	55,177
2031-2035	267,106	8,781	275,887
2036	27,451	138	27,589
Total	$ 548,663	$ 30,701	$ 579,364

Annual debt service requirements for all bonds, loans, and finance purchase agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 2,480,542	$ 419,451	$ 2,899,993
2027	2,609,424	389,165	2,998,589
2028	2,737,527	355,022	3,092,549
2029	2,873,891	316,870	3,190,761
2030	3,014,288	274,558	3,288,846
2031-2035	16,099,888	635,739	16,735,627
2036-2040	7,670,608	138	7,670,746
Total	$ 37,486,168	$ 2,390,943	$ 39,877,111

Note 6 – Long-Term Debt (Continued)

B. Fund Financial Statements

The fund financial statements do not present general government long-term debt but it is shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

Note 7 – Compensated Absences

The City records a liability to recognize the financial effect of unused vacation and other compensated leaves. The total of vacation and other compensated leaves is $1,782,186.

	Balance July 1, 2024, as restated	Increase (Decrease)	Balance June 30, 2025	Classification: Due within one year	Classification: Due in more than one year
Governmental Activities:					
Compensated Absences	$ 1,671,861	$ 110,325	$ 1,782,186	$ 526,992	$ 1,255,194

Note 8 – Public Employees' Retirement System

The following is a summary of net pension liabilities and related deferred outflows and inflows of resources and expenses as of and for the year ended June 30, 2025:

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Pension contribution made after measurement date:			
CalPERS Miscellaneous	$ 1,227,711	$ 430,131	$ 1,657,842
CalPERS Safety	1,170,132	-	1,170,132
Total pension contribution made after measurement date	2,397,843	430,131	2,827,974
Change in assumption:			
CalPERS Miscellaneous	284,524	99,683	384,207
CalPERS Safety	241,442	-	241,442
Total change in assumption	525,966	99,683	625,649
Projected earnings on pension plan investments in excess of actual earnings:			
CalPERS Miscellaneous	637,290	223,276	860,566
CalPERS Safety	473,668	-	473,668
Total projected earnings on pension plan investments in excess of actual earnings	1,110,958	223,276	1,334,234
Difference between expected and actual experience:			
CalPERS Miscellaneous	919,763	322,241	1,242,004
CalPERS Safety	773,731	-	773,731
Total difference between expected and actual experience	1,693,494	322,241	2,015,735
Employer contributions in excess of proportionate share of contribution:			
CalPERS Miscellaneous	438,001	153,455	591,456
CalPERS Safety	128,611	-	128,611
Total employer contributions in excess of proportionate share of contribution	566,612	153,455	720,067
Total deferred outflows of resources:			
CalPERS Miscellaneous	3,507,289	1,228,786	4,736,075
CalPERS Safety	2,787,584	-	2,787,584
Total deferred outflows of resources	$ 6,294,873	$ 1,228,786	$ 7,523,659

Note 8 – Public Employees' Retirement System (Continued)

	Governmental Activities	Business-Type Activities	Total
Net pension liabilities:			
CalPERS Miscellaneous	$ 11,070,065	$ 3,878,422	$ 14,948,487
CalPERS Safety	9,799,596	-	9,799,596
Total net pension liabilities	$ 20,869,661	$ 3,878,422	$ 24,748,083
Deferred inflows of Resources:			
Adjustment due to difference in proportions:			
CalPERS Miscellaneous	$ 665,518	233,166	$ 898,684
CalPERS Safety	74,477	-	74,477
Total adjustment due to difference in proportions	739,995	233,166	973,161
Total deferred inflows of resources:			
CalPERS Miscellaneous	665,518	233,166	898,684
CalPERS Safety	74,477	-	74,477
Total deferred inflows of resources	$ 739,995	$ 233,166	$ 973,161
Pension expenses:			
CalPERS Miscellaneous	$ 1,668,210	$ 454,420	$ 2,122,630
CalPERS Safety	1,433,687	-	1,849,455
Total net pension expense	$ 3,101,897	$ 454,420	$ 3,972,085

Pension Plans

Plan Description

Substantially all City employees working the equivalent of 1,000 hours or more per fiscal year are required to participate in the Miscellaneous Classic, Safety Classic, Miscellaneous Second-Tier, Safety Second-Tier, Miscellaneous PEPRA or Safety PEPRA cost-sharing multiple employer defined benefit plans administered by California Public Employees Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. The Classic Plans are closed to new entrants only eligible for employees hired prior to January 1, 2013. Employees hired after January 1, 2013 are eligible to enroll in the PEPRA plans. Benefit Provisions under the Plans are established by State statutes within the Public Employee's Retirement Law. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office – 400 P Street, Sacramento, CA 95814.

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A classic safety and miscellaneous CalPERS member becomes eligible for Service Retirement upon attainment of age 50 and 55, respectively, with at least 5 years of credited service. Public Employee Pension Reform Act (PEPRA) safety and miscellaneous members become eligible for service retirement upon attainment of age 57 and 62, respectively, with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 full-time equivalent monthly pay.

Retirement benefits for classic safety and miscellaneous employees are calculated as 3% and 2.5 %, respectively, of the average final 36 months compensation. Retirement benefits for PEPRA safety and miscellaneous employees are calculated as 2.7% and 2%, respectively, of the average final 36 months compensation.

Participant is eligible for non-industrial disability retirement if becomes disabled and has at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service.

Note 8 – Public Employees' Retirement System (Continued)

<u>Pension Plans (Continued)</u>

Employees Covered by Benefit Terms

At June 30, 2024 measurement date, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Miscellaneous PEPRA	Safety	Safety PEPRA
Active employees	16	45	5	13
Transferred and terminated employees	54	41	21	10
Retired employees and beneficiaries	110	6	62	3
Total	180	92	88	26

Benefits Provided

An employee's beneficiary may receive the basic death benefit if the employee dies while actively employed. The employee must be actively employed with the City to be eligible for this benefit. An employee's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee's accumulated contributions, where interest is currently credited at 7.5% per year, plus a lump sum in the amount of one month's salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 36 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of $500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%.

Following are the benefit provisions for each plan:

	Miscellaneous	Miscellaneous Second Tier	Miscellaneous PEPRA	Safety	Safety Second Tier	Safety PEPRA
Benefit formula	2.5% @ 55	2.0% @ 55	2.0% @ 62	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	55	55	62	50	55	50-57
Monthly benefits, as a % of eligible compensation	2.5%	2.0%	2.0%	3.0%	3.0%	2.7%
Required employee contribution rate	8.000%	7.000%	7.000%	9.000%	9.000%	13.000%
Required employer contribution rate	13.690%	12.170%	7.940%	25.860%	23.000%	13.760%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Note 8 – Public Employees' Retirement System (Continued)

Pension Plans (Continued)

Contributions (Continued)

For the year ended June 30, 2025, the plan's employer contributions made for each Plan was as follows:

Miscellaneous	$	1,657,842
Safety		1,170,132
	$	2,827,974

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

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2024, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan's proportionate share of the risk pool collective net pension liability over the measurement period:

	Plan Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Miscellaneous			
Balance at: 6/30/23 (Valuation date)	$ 39,831,301	$ 24,853,209	$ 14,978,092
Balance at: 6/30/24 (Measurement date)	41,360,989	26,412,502	14,948,487
Net changes during 2023-2024	1,529,688	1,559,293	(29,605)
Safety			
Balance at: 6/30/23 (Valuation date)	30,477,515	20,558,661	9,918,854
Balance at: 6/30/24 (Measurement date)	32,027,274	22,227,678	9,799,596
Net changes during 2023-2024	1,549,759	1,669,017	(119,258)
Total net changes during 2023-2024	3,079,447	3,228,310	(148,863)

Proportionate Share of Net Pension Liability and Pension Expense

The City's net pension liability/(asset) for each Plan is measured as the proportionate share of the net pension liability/(asset). The net pension liability/(asset) of each of the Plans is measured as of June 30, 2024, and the total pension liability/(asset) for each Plan used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. The City's proportion of the net pension liability/(asset) was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability/(asset) for each Plan as of June 30, 2023 and 2024 was as follows:

	Miscellaneous	Safety	Total
Proportion - June 30, 2023	0.29954%	0.13269%	0.43223%
Proportion - June 30, 2024	0.30907%	0.13441%	0.44348%
Change - Increase/(Decrease)	0.00953%	0.00171%	0.01125%

Note 8 – Public Employees' Retirement System (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

For the year ended June 30, 2025, the City recognized pension expense of $2,122,630 and $1,849,455, for the Miscellaneous and Safety plans, respectively. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Plans

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made subsequent to measurement date	$ 1,657,842	$ -
Difference between projected and actual earning on pension plan investments	860,566	-
Adjustment due to differences in proportions	-	898,684
Changes in assumptions	384,207	-
Difference between actual and expected experience	1,242,004	-
Difference between employer's actual contributions and proportionate share of contributions	591,456	-
Total	$ 4,736,075	$ 898,684

Safety Plans

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made subsequent to measurement date	$ 1,170,132	$ -
Difference between projected and actual earning on pension plan investments	473,668	-
Adjustment due to differences in proportions	-	74,477
Changes in assumptions	241,442	-
Difference between actual and expected experience	773,731	-
Difference between employer's actual contributions and proportionate share of contributions	128,611	-
Total	$ 2,787,584	$ 74,477

Aggregate Total

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made subsequent to measurement date	$ 2,827,974	$ -
Difference between projected and actual earning on pension plan investments	1,334,234	-
Adjustment due to differences in proportions	-	973,161
Changes in assumptions	625,649	-
Difference between actual and expected experience	2,015,735	-
Difference between employer's actual contributions and proportionate share of contributions	720,067	-
Total	$ 7,523,659	$ 973,161

Note 8 – Public Employees' Retirement System (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

For the Miscellaneous Plan and Safety Plan, $ 1,657,842 and $ 1,170,132, respectively, was reported as deferred outflows of resources related to pensions resulting from City's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year (June 30, 2026). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Miscellaneous Plans	Safety Plans	Total
2026	$ 443,528	$ 567,627	$ 1,011,155
2027	1,993,197	1,132,676	3,125,873
2028	37,729	4,739	42,468
2029	(294,905)	(162,067)	(456,972)
2030	-	-	-
Thereafter	-	-	-
	$ 2,179,549	$ 1,542,975	$ 3,722,524

Actuarial Assumptions

The total pension liabilities in the June 30, 2023 actuarial valuations were determined using the following actuarial assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.75%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Tables[1]	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter.

[1] The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Change in Assumptions

In the current year, the actuarial report did not have any changes in assumptions.

Discount Rate

The discount rate used to measure the total pension liability was 6.90% for the plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90% is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB 68 Section.

Note 8 – Public Employees' Retirement System (Continued)

Discount Rate (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class[1]	Assumed Asset Allocation	Real Return Years 1-10[2]
Global Equity - Cap-weighted	30.00%	4.45%
Global Equity - Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

[1]An expected inflation of 2.30% used for this period.
[2]Figures are based on the 2021 Asset Liability Management study.

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

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

	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Miscellaneous	$ 20,529,755	$ 14,948,487	$ 10,354,282
Safety	$ 14,174,491	$ 9,799,596	$ 6,221,548
Total	$ 34,704,246	$ 24,748,083	$ 16,575,830

Note 8 – Public Employees' Retirement System (Continued)

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

Pension Plan Fiduciary Net Position

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

Payable to the Pension Plan

At June 30, 2025, the City had no outstanding amounts owed to the pension plan for contributions for the year ended June 30, 2025.

Deferred Compensation Plan

In 1983, the City established a deferred compensation plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plans permit all eligible employees to execute an individual agreement with the City for amounts earned by them, to be paid at a future date when certain circumstances are met. These circumstances include termination by reason of retirement, death, disability or other events as provided for in the Plans. Employees may contribute up to $22,500 of their annual compensation into the deferred compensation plan.

During the fiscal year ended June 30, 1999, the City amended its deferred compensation plan to comply with subsection (g) of the Internal Revenue Code Section 457, which states that assets of the plan are held for exclusive benefit of participants and their beneficiaries. Accordingly, the assets and related liabilities for the ICMA Plan, which amounted to $4,701,365 at June 30, 2025, have been removed from the basic financial statements of the City, with no impact on fund equity.

During fiscal year 2016/2017, the City established an additional IRS 457 Plan with the California Public Employees Retirement System (CalPERS). The CalPERS IRC Plan had a balance in the amount of $815,850 as of June 30, 2025.

Note 9 – Post-Retirement Medical Care Benefits

A. Summary

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of Resources:			
Changes in assumptions	$ 68,067	$ 24,814	$ 92,881
Total deferred outflows of resources	$ 68,067	$ 24,814	$ 92,881
Total OPEB Liability	$ 2,887,715	$ 1,052,759	$ 3,940,474
Deferred inflows of Resources:			
Changes in assumptions	$ 335,270	$ 122,228	$ 457,498
Difference between actual and expected experience	500,690	182,533	683,223
Total deferred inflows of resources	$ 835,960	$ 304,761	$ 1,140,721
OPEB Expense	$ 68,584	$ 188,126	$ 256,710

Note 9 – Post-Retirement Medical Care Benefits (Continued)

B. Plan Description

The City provides a retiree medical insurance contribution benefit in accordance with employee Memorandums of Understanding, for retired employees. This is a single employer defined benefit OPEB plan. The benefit is applicable to employees who retire from the City of Placerville and,

- Are 53 years of age or older; and
- Have 10 or more years of service with the City of Placerville.

The City contributes an amount each month towards the purchase of medical insurance for the retiree on a pay as you go basis. The monthly amount is determined by the applicable Memorandum of Understanding or salary and benefit provisions for the retired employee. The contribution is based upon the employees' years of service up to a maximum of 20 years, multiplied by the maximum benefit for the respective employee unit. The City pays the contribution amount until the retiree reaches age 65 or dies, whichever occurs first. Although this benefit ends at age 65, retirees who reach 65 or older continue to receive a monthly minimum contribution in the amount $80.80 until death or disenrollment from the Plan.

Membership in the plan consisted of the following at June 30, 2023, the valuation date:

Active employees	53
Inactive plan members or beneficiaries currently receiving benefit payments	14
Total	67

C. Funding Policy

The City currently participates in a retiree medical plan through the Special Districts Risk Management Authority (SDRMA). There is no requirement to contribute any amount beyond the pay-as-you-go contributions. If a retiree elects medical insurance coverage through the City, the retiree is responsible for paying the difference between the medical insurance premium and the medical benefit.

The City is evaluating various options for funding the post-retirement medical benefits liability. The City has not established a trust for purposes of funding the required retiree medical insurance contribution but has elected to continue funding the benefit on a pay-as-you-go basis in the current year. The City plans on funding a portion or all of the OPEB Expense each year based upon projections from the July 1, 2023, actuarial valuation study performed by Foster & Foster Actuaries and Consultants.

D. Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2025. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The total OPEB liability at June 30, 2025 was $3,940,474.

Note 9 – Post-Retirement Medical Care Benefits (Continued)

E. Actuarial Assumptions

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

Actuarial Cost Method	Entry Age, Level Percent of Pay
Actuarial Assumptions:	
Discount Rate	5.20%
Inflation	2.50%
Aggregate payroll increases	3.00%
Expected long-term investment Rate of Return	n/a
Mortality Post-retirement	Post-retirement Mortality Rates for Public Agency Miscellaneous from CalPERS Experience Study (2000-2019). Post-retirement Mortality Rates for Public Agency Police and Fire from CalPERS Experience Study (2000-2019).
Pre-retirement turnover	Preretirement Mortality Rates for Public Agency Miscellaneous from CalPERS Experience Study (2000-2019). Preretirement Mortality Rates for Public Agency Police and Fire from CalPERS Experience Study (2000-2019).
Healthcare Trend Rate	5.50% for 2024, 5.25% for 2025-2029, 5.00% for 2030-2039, 4.75% for 2040-2049, 4.50% for 2050-2069, and 4.00% for 2070 and later years; Medicare ages: 4.50% for 2024-2029 and 4.00% for 2030 and later years.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2000 through June 30, 2019.

F. Change in Assumption

The discount rate increased from 3.97% in 2024 to 5.90% in 2025.

G. Discount Rate

The discount rate used to measure the total OPEB liability was 5.90% percent. This discount rate is a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

H. Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2024 (measurement date)	$ 4,077,045
Changes Recognized for the Measurement Period:	
Service Cost	310,277
Interest on the total OPEB liability	170,636
Difference between expected and actual experience	-
Changes in assumptions	(437,375)
Benefit payments	(180,109)
Net changes during July 1, 2024 to June 30, 2025	(136,571)
Balance at June 30, 2025 (measurement date)	$ 3,940,474

Note 9 – Post-Retirement Medical Care Benefits (Continued)

H. Change in the Total OPEB Liability (Continued)

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 (4.90 percent) or 1-percentage- point higher (6.90 percent) than the current discount rate:

Total OPEB Liability/(Asset)		
Discount Rate - 1% (4.90%)	**Current Discount Rate (5.90%)**	**Discount Rate + 1% (6.90%)**
$ 4,291,788	$ 3,940,474	$ 3,623,997

Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates

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 healthcare cost trend rates that are 1-percentage-point lower (5.50 percent decreasing to 3.00 percent) or 1-percentage-point higher (7.50 percent decreasing to 5.00 percent) than the current healthcare cost trend rates:

Total OPEB Liability/(Asset)		
1% Decrease (5.50% for 2022, 3.00% ultimate)	**Trend Rate (6.50% for 2022, 4.00% ultimate)**	**1% Increase (7.50% for 2022, 5.00% ultimate)**
$ 3,516,402	$ 3,940,474	$ 4,443,362

I. Contributions

The contribution requirements of plan members and the City are established and may be amended by City Council. The contribution required to be made under City Council and labor agreement requirements is based on a pay-as-you-go basis (i.e., as medical insurance premiums become due). For fiscal year 2025, the City contributed $101,544 to the plan for current premiums.

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

For the fiscal year ended June 30, 2025, the City recognized OPEB expense of $256,710. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 683,223
Changes in assumptions	92,881	457,498
	$ 92,881	$ 1,140,721

The remaining gains and losses are amortized over the expected average remaining service life. The expected average remaining service life is 8.5 years, which was determined as of June 30, 2024, the beginning of the measurement period, for employees covered by the OPEB plan benefit terms as of the valuation date.

Note 9 – Post-Retirement Medical Care Benefits (Continued)

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

Amount reported as deferred outflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Year Ending June 30	Amount
2026	$ (224,203)
2027	(180,338)
2028	(191,699)
2029	(191,699)
2030	(137,272)
Thereafter	(122,628)
Total	$ (1,047,840)

Note 10 – Classification of Fund Balance and Other Fund Disclosures

In governmental funds, fund balances are classified as follows:

	Major Funds						
	General Fund	Transportation Development Fund	Measure J Fund	Measure L Fund	Grants Fund	Non-Major Funds	Total
Nonspendable:							
Prepaid items	$ 151,947	$ -	$ -	$ -	$ -	$ -	$ 151,947
Advances to other funds	-	-	-	-	-	-	-
Inventories	22,653	-	-	-	-	-	22,653
Total	174,600	-	-	-	-	-	174,600
Restricted:							
Transportation	-	931,242	-	7,875,441	-	-	8,806,683
Police services	-	-	233,490	-	-	-	233,490
Gas Tax	-	-	-	-	-	908,040	908,040
Development Impact	-	-	-	-	-	3,014,417	3,014,417
Parking District	-	-	-	-	-	24,869	24,869
Grants	-	-	-	-	870,269	-	870,269
BAD, CFD, & LLMD	-	-	-	-	-	467,980	467,980
Park Development	-	-	-	-	-	136,965	136,965
Total	-	931,242	233,490	7,875,441	870,269	4,552,271	14,462,713
Unassigned (deficit)	4,112,350	-	-	-	-	(266,474)	3,845,876
Total fund balances	$ 4,286,950	$ 931,242	$ 233,490	$ 7,875,441	$ 870,269	$ 4,285,797	$ 18,483,189

Encumbrances

The City utilizes encumbrance accounting as a means of controlling expenditures. Under this method, funds are encumbered when purchase orders, contracts and other commitments are signed or approved by authorized City officials. Such outstanding commitments at year-end do not constitute expenditures or liabilities.

Note 10 – Classification of Fund Balance and Other Fund Disclosures (Continued)

Encumbrances (Continued)

GASB Statement No. 54 provides additional guidance on the classification within the fund balances section of amounts that have been encumbered. Encumbrances of balances within the governmental funds are classified as either nonspendable, committed, restricted or assigned and are included in the respective functional categories. These encumbrances are not separately classified in the financial statements, and are summarized at June 30, 2025 as follows:

Fund	Amount
Governmental Activities	
Transportation Development Fund	$ 3,451,191
Non-Major Funds	24,430,569
Business Type Activities	
Water Fund	14,500
Sewer Fund	349,626
Total encumbrances	$ 28,245,885

Capital Commitments

The City is undertaking a number of capital improvement projects. However, there are no capital project commitments at June 30, 2025.

Fund Balance/Net Position Deficit

The City's governmental activities had an unrestricted net position (deficit) of $(16,238,615) as of June 30, 2025. This is mainly due to reporting of net pension liability of $(20,869,661) as required under GASB Statement No. 68 (Note 8) and reporting of Total OPEB liability of $(2,887,715) as required under GASB Statement No. 75 (Note 9).

At June 30, 2025, the Capital Projects Special Revenue Fund had a fund balance deficit of $266,474, which will be eliminated through the reduction in future expenditures, the use of new funding sources, or transfers from the General Fund.

Expenditures in Excess of Appropriations

The following funds report expenditures in excess of appropriations for the year ended June 30, 2025.

Fund	Excess
Grants	$ 1,087,527
Capital Projects	16,555

Note 11 – Net Investment in Capital Assets

Net Investment in Capital Assets at June 30, 2025, consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Total capital assets, net	$ 76,705,595	$ 62,171,255	$138,876,850
Less related debt:			
2006 State Revolving Loan	-	(22,929,469)	(22,929,469)
2019 CEC Loan	(411,278)	(137,385)	(548,663)
2022 Sewer Revenue Bonds	-	(13,399,000)	(13,399,000)
2023 Equipment Finance Purchase	(362,339)	(246,697)	(609,036)
Net investment in capital assets	$ 75,931,978	$ 25,458,704	$101,390,682

Note 12 – Risk Management

The City is a member of joint powers authorities for general liability, property, and workers compensation insurance programs as described below. The purpose of the authorities is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

Each member city has a representative on the Board of Directors. Officers of the authorities are elected annually by the Board of Directors.

The following provides a reconciliation of claims payable, which are recorded as an Internal Service Fund, for the three years ended June 30, 2023, 2024, and 2025:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claims Payments For Current and Prior Years	End of Year Liability
2022-2023	$ 297,987	$ 192,602	$ (106,064)	$ 384,525
2023-2024	384,525	19,460	(57,436)	346,549
2024-2025	346,549	509,639	(401,407)	454,781

Northern California Cities Self Insurance Fund

Northern California Cities Self Insurance Fund (Authority) is a joint powers authority created by certain Northern California cities to provide claims processing administrative services, risk management service and actuarial studies for the Authority as a whole. The Workers Compensation Program comprises a banking layer for claims up to $100,000 and a Shared Risk Pool for claims from $100,000 to $500,000. Excess commercial insurance coverage is provided for claims over the shared risk layers. The Authority is governed by a Board of Directors comprised of officials appointed by each member. The activities of the Authority include setting and collecting premiums, administering and paying claims and related expenses and investing the Authority's excess funds.

Shared Risk Pool - Each member is assessed a contribution which is intended to cover its share of the Authority's claims, operating costs and claim settlement expenses. Contributions are based on an actuarially determined rate for each coverage layer (pool), based on an estimate of the probable losses and expenses to be borne by that pool for the claim year. Additional cash contributions may be assessed on the basis of adverse loss experience. Refunds to members may be made if funds are determined to be surplus as a result of an actuarial study. Losses are allocated on the basis of each participant's share of cash contributions. All contributions are recognized as revenues when earned, based on the period covered by the contribution.

Note 12 – Risk Management (Continued)

Northern California Cities Self Insurance Fund (Continued)

Banking Layer - The banking layer is the members' deductible portion of each claim. As part of its services to members, a portion of their contributions is used to pay their deductibles. If a member's balance is insufficient, the Authority advances the necessary amount and bills the member in the following year. Excess balances may likewise be used to offset subsequent year contributions. The following is a summary of financial information of the Authority as of and for the year ended June 30, 2025:

Total Assets (Primary Investments)	$ 99,273,463
Total Liability	$ 64,027,943
Net Position	$ 35,245,520
Total Revenues	$ 47,909,237
Total Expenses	$ 39,012,199
Net Income	$ 8,897,038

Public Agency Risk Sharing Authority of California

Public Agency Risk Sharing Authority of California (PARSAC) is a joint powers authority created by certain California Cities and special districts to provide claims processing administrative services, risk management services and actuarial studies for PARSAC as a whole. The City of Placerville is a member of PARSAC. The following is a summary of audited financial information of PARSAC as of and for the year ended June 30, 2025:

Total Assets (Primary Investments)	$ 35,920,975
Total Liability	$ 8,674,114
Net Position	$ 27,246,861
Total Revenues	$ 2,009,037
Total Expenses	$ 2,132,465
Net Income (Loss)	$ (123,428)

California Intergovernmental Risk Authority

Effective July 1, 2021, the member agencies of PARSAC joined the member agencies of the Redwood Empire Municipal Insurance Fund (REMIF) to form the California Intergovernmental Risk Authority (CIRA). The General Liability program, a shared risk pool, total coverage of $40 million. The first one million dollar layer, in excess of the City's $50,000 retention, per occurrence is covered by CIRA. The second layer of thirty-nine million dollars is insured by PRISM. The ultimate cost of the program to the City depends on the catastrophic losses of all members, as well as the City's own loss experience. The following is a summary of audited financial information of CIRA as of and for the year ended June 30, 2025:

Total Assets (Primary Investments)	$ 72,940,206
Total Liability	$ 59,672,240
Net Position	$ 13,267,966
Total Revenues	$ 66,596,611
Total Expenses	$ 59,038,813
Net Income	$ 7,557,798

Note 13 – City Agreements with Certain Other Governmental Units

El Dorado County Fire Protection District

The City entered into an agreement with the El Dorado County Fire Protection District (District) under which the District will provide fire protection and emergency medical services for the City. These services had been previously provided by the City Fire Department in the early 1990s.

The District is governed by its own Board of Directors and is not governed by the local government agencies that are serviced by it. All City Fire Department personnel, vehicles and equipment have been transferred to the District.

Effective with Fiscal Year 1993/1994 and all future years, the City's obligation for fire protection and emergency medical services shall be satisfied by District's receipt of the City's property tax revenue, even if such amount is reduced by future shifts to the State of California.

For the year ended June 30, 2025, City property tax revenue assigned to the District amounted to $2,303,285.

El Dorado County Transit Authority

El Dorado County Transit Authority was formed in November, 1993, as a joint powers authority to own, operate, and/or maintain a public transit system.

El Dorado County Transportation Commission

El Dorado County Transportation Commission is a joint powers agency formed, in April 1995, for the purpose of engaging in regional transportation planning and the allocation of funds for transportation purposes.

Note 14 – Restatements of Beginning Balances

During the current year, the City implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the City now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the "Restatement – GASB 101 implementation" column in the table below.

During the current year, it was noted that the City's beginning fund balances and net position have been restated to reflect prior period adjustments made to correct previous years' accounting related to reimbursable expenditures and related Accounts Receivable. Previously, the City offset expenditures estimated to be reimbursable to a Grants Receivable account. It was determined that certain amounts recorded as receivables in prior years will not be reimbursable and will require the aforementioned, prior period adjustment. This correction required a retroactive restatement to write off uncollectible receivables. The effects of the change in accounting principle are summarized below in the "Error Correction – Revenue Recognition" column in the table below.

Note 14 – Restatements of Beginning Balance (Continued)

	June 30, 2024, As Previously Reported	Restatement - GASB 101 implementation	Error Correction - Accounts Receivable Revenue Recognition	June 30, 2024, As Restated
Government-wide				
Governmental activities	$ 72,320,865	$ (364,887)	$ (117,883)	$ 71,838,095
Business-type activities	29,892,268	-	(76,146)	29,816,122
Total government-wide	$ 102,213,133	$ (364,887)	$ (194,029)	$ 101,654,217
Governmental funds				
Major funds:				
General Fund	$ 4,025,724	$ -	$ -	$ 4,025,724
Transportation Development Fund	526,673	-	-	526,673
Measure J Fund	257,950	-	-	257,950
Measure L Fund	8,205,913	-	-	8,205,913
Grants Fund	582,774	-	(22,032)	560,742
Nonmajor funds	3,299,288	-	(95,851)	3,203,437
Total governmental funds	$ 16,898,322	$ -	$ (117,883)	$ 16,780,439
Proprietary funds				
Enterprise funds				
Major funds:				
Water Fund	$ 10,272,854	$ -	$ -	$ 10,272,854
Sewer Fund	16,883,097	-	(76,146)	16,806,951
Measure H Fund	2,736,317	-	-	2,736,317
Total enterprise funds	$ 29,892,268	$ -	$ (76,146)	$ 29,816,122

Note 15 – Contingencies

A. *Legal Actions*

There are various claims and legal actions pending against the City for which no provision has been made in the accompanying general-purpose financial statements. In the opinion of the City Attorney and City Management, liabilities arising from these claims and legal actions, if any, will not have an adverse material effect on the financial position of the City. The City is self-insured and participates in public entity risk pools (See Note 12).

B. *Federal Grants*

The City has received federal grants for specific purposes that are subject to review and audit by the federal government. Although such audits could result in expenditure disallowance under grant terms, any required reimbursements are not expected to be material.

REQUIRED
SUPPLEMENTARY INFORMATION
(UNAUDITED)

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City of Placerville
Required Supplementary Information (Unaudited)
Budget Comparison Schedules – General Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Property taxes	$ 380,414	$ 380,414	$ 401,482	$ 21,068
Sales tax	6,475,817	6,475,817	6,166,953	(308,864)
Transient occupancy taxes	218,032	218,032	215,923	(2,109)
Other taxes	516,267	516,267	502,840	(13,427)
Franchise fees	520,688	520,688	498,501	(22,187)
Licenses and permits	180,000	180,000	284,869	104,869
Fines and forfeitures	82,050	82,050	96,161	14,111
Use of money and property	75,860	75,860	138,075	62,215
Intergovernmental	1,189,308	1,189,308	1,219,855	30,547
Charges for services	1,086,835	1,086,835	1,175,082	88,247
Other revenues	577,491	577,491	577,017	(474)
Total Revenues	11,302,762	11,302,762	11,276,758	(26,004)
EXPENDITURES:				
Current:				
General government	2,834,548	2,834,548	2,909,431	(74,883)
Public safety	3,668,599	3,668,599	3,358,402	310,197
Highways and streets	963,198	963,198	1,316,670	(353,472)
Community development	808,154	808,154	792,463	15,691
Parks and recreation	2,424,092	2,424,092	2,098,975	325,117
Capital outlay	-	-	27,196	(27,196)
Debt service:				
Principal	-	-	110,968	110,968
Interest and fiscal charges	131,674	131,674	21,001	(110,673)
Total Expenditures	10,830,265	10,830,265	10,635,106	195,159
REVENUES OVER (UNDER) EXPENDITURES	472,497	472,497	641,652	169,155
OTHER FINANCING SOURCES (USES):				
Transfers in	404,384	404,384	333,339	(71,045)
Transfers out	(876,881)	(876,881)	(713,765)	163,116
Total Other Financing Sources (Uses)	(472,497)	(472,497)	(380,426)	92,071
Change in Fund Balance	$ -	$ -	261,226	$ 261,226
Fund Balance:				
Beginning of year			4,025,724	
End of year			$ 4,286,950	

City of Placerville
Required Supplementary Information (Unaudited) (Continued)
Budget Comparison Schedules – Measure J Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Sales tax	$ 1,406,035	$ 1,406,035	$ 1,384,898	$ (21,137)
Use of money and property	1,000	1,000	(6,149)	(7,149)
Total Revenues	1,407,035	1,407,035	1,378,749	(28,286)
EXPENDITURES:				
Current:				
General government	14,060	14,060	13,819	241
Public safety	2,009,418	2,009,418	1,830,295	179,123
Total Expenditures	2,023,478	2,023,478	1,844,114	179,364
REVENUES OVER (UNDER EXPENDITURES)	(616,443)	(616,443)	(465,365)	151,078
OTHER FINANCING SOURCES (USES):				
Transfers in	616,443	616,443	440,905	(175,538)
Total Other Financing Sources (Uses)	616,443	616,443	440,905	(175,538)
Change in Fund Balance	$ -	$ -	(24,460)	$ (24,460)
Fund Balance:				
Beginning of year			257,950	
End of year			$ 233,490	

City of Placerville
Required Supplementary Information (Unaudited) (Continued)
Budget Comparison Schedules – Measure L Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Sales tax	$ 2,812,069	$ 2,812,069	$ 2,785,920	$ (26,149)
Use of money and property	100,000	100,000	336,330	236,330
Total Revenues	2,912,069	2,912,069	3,122,250	210,181
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(3,452,722)	(3,452,722)
Total Other Financing Sources (Uses)	-	-	(3,452,722)	(3,452,722)
Change in Fund Balance	$ 2,912,069	$ 2,912,069	(330,472)	$ (3,242,541)
Fund Balance:				
Beginning of year			8,205,913	
End of year			$ 7,875,441	

City of Placerville
Required Supplementary Information (Unaudited) (Continued)
Budget Comparison Schedules – Grants Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Use of money and property	$ 3,000	$ 3,000	$ 58,901	$ 55,901
Intergovernmental	192,704	192,704	1,640,335	1,447,631
Grant revenues	-	-	31,752	31,752
Other revenues	83,145	83,145	81,344	(1,801)
Total Revenues	278,849	278,849	1,812,332	1,533,483
EXPENDITURES:				
Current:				
General government	24,162	24,162	37,908	(13,746)
Public safety	188,947	188,947	854,713	(665,766)
Community development	-	-	1,575	(1,575)
Parks and recreation	1,176	1,176	-	1,176
Capiatl outlay	200,993	200,993	608,609	(407,616)
Total Expenditures	415,278	415,278	1,502,805	(1,087,527)
REVENUES OVER (UNDER EXPENDITURES)	(136,429)	(136,429)	309,527	2,621,010
Change in Fund Balance	$ (136,429)	$ (136,429)	309,527	$ 2,621,010
Fund Balance:				
Beginning of year			560,742	
End of year			$ 870,269	

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

1. The annual budget adopted by the City Council provides for the general operation of the City. The annual budget is adopted by the City Council in June of each year for all funds. The resolution sets a combined appropriation of the funds for the operation of the City.

2. The City Manager is authorized to transfer budgeted amounts between departments and line items to assure adequate and proper standards of service. Budgetary revisions, including supplemental appropriations which increase appropriations in individual funds and transfers between funds, must be approved by the City Council. The budgetary level of control is at the fund level. The budgeted figures used in the financial statements are the final amended amounts.

3. The budget is formally integrated into the accounting system and employed as a management control device during the year for all funds.

4. Budgets for the governmental fund types are adopted and recorded on the modified basis of accounting on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budget appropriations lapse at the end of the fiscal year. Supplemental appropriations were adopted by the City Council and have been included in the statements of revenues, expenditures, and changes in fund balance – budget to actual. Budgets are also prepared for proprietary fund types, which include debt service principal payments, capital outlay, but do not include depreciation.

Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations, and if certain proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or refunded to the taxpayers through revised tax rates or revised fee schedules. For the fiscal year ended June 30, 2025, proceeds of taxes did not exceed allowable appropriations.

The accompanying Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual for the General and all Major Special Revenue funds present comparisons of the legally-adopted budget with actual data on a basis consistent with GAAP. The City did not adopt an operating budget for the Transportation Development Special Revenue Fund for the year ended June 30, 2025.

City of Placerville

Required Supplementary Information (Unaudited) (Continued)

Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios

For the Year Ended June 30, 2025

Miscellaneous Plan

Measurement period, year ended	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2019
Plan's proportion of the net pension liability	0.3090698%	0.2995368%	0.3045321%	0.5126582%	0.3023200%
Plan's proportionate share of the net pension liability	$ 14,948,487	$ 14,978,092	$ 14,249,750	$ 9,734,367	$ 12,106,299
Plan's covered payroll	$ 4,041,675	$ 3,923,956	$ 3,809,666	$ 3,698,705	$ 3,486,384
Plan's proportionate share of the net pension liability as a percentage of covered payroll	369.86%	381.71%	374.04%	263.18%	338.81%
Plan's fiduciary net position	$ 26,412,502	$ 24,853,209	$ 23,572,856	$ 25,810,596	$ 21,858,639
Plan's fiduciary net position as a percentage of the total pension liability	63.86%	62.40%	62.32%	72.61%	64.36%
Plan's proportionate share of aggregate employer contributions	$ 1,504,770	$ 1,468,696	$ 1,324,470	$ 1,209,148	$ 993,063

Measurement period, year ended	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Plan's proportion of the net pension liability	0.3023200%	0.3024169%	0.2922869%	0.1180300%	0.1279368%
Plan's proportionate share of the net pension liability	$ 12,106,299	$ 11,397,227	$ 11,522,089	$ 10,213,253	$ 8,781,468
Plan's covered payroll	$ 3,486,384	$ 3,573,174	$ 3,469,101	$ 3,368,059	$ 3,269,960
Plan's proportionate share of the net pension liability as a percentage of covered payroll	338.81%	318.97%	332.13%	303.24%	268.55%
Plan's fiduciary net position	$ 21,858,639	$ 21,834,428	$ 20,599,097	$ 18,384,211	$ 18,751,097
Plan's fiduciary net position as a percentage of the total pension liability	64.36%	65.70%	64.13%	64.29%	68.11%
Plan's proportionate share of aggregate employer contributions	$ 993,063	$ 892,071	$ 821,706	$ 758,296	$ 563,533

City of Placerville
Required Supplementary Information (Unaudited) (Continued)
Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios (Continued)
For the Year Ended June 30, 2025

Safety Plan

Measurement period, year ended	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Plan's proportion of the net pension liability	0.134410%	0.132695%	0.134640%	0.155635%	0.121160%
Plan's proportionate share of the net pension liability	$ 9,799,596	$ 9,918,854	$ 9,251,912	$ 5,461,995	$ 8,071,829
Plan's covered payroll	$ 1,545,379	$ 1,500,368	$ 1,456,668	$ 1,414,240	$ 1,373,049
Plan's proportionate share of the net pension liability as a percentage of covered payroll	634.12%	661.09%	635.14%	386.21%	587.88%
Plan's fiduciary net position	$ 22,227,678	$ 20,558,661	$ 19,764,713	$ 21,377,402	$ 17,734,181
Plan's fiduciary net position as a percentage of the total pension liability	69.40%	67.46%	68.12%	79.65%	68.72%
Plan's proportionate share of aggregate employer contributions	$ 1,017,221	$ 972,483	$ 850,316	$ 799,484	$ 762,764

Measurement period, year ended	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Plan's proportion of the net pension liability	0.119580%	0.118760%	0.115576%	0.070494%	0.073132%
Plan's proportionate share of the net pension liability	$ 7,464,858	$ 6,968,396	$ 6,905,882	$ 6,099,938	$ 5,019,871
Plan's covered payroll	$ 1,333,057	$ 1,294,230	$ 1,256,534	$ 1,219,936	$ 1,184,404
Plan's proportionate share of the net pension liability as a percentage of covered payroll	559.98%	538.42%	549.60%	500.02%	423.83%
Plan's fiduciary net position	$ 16,504,858	$ 16,101,982	$ 14,268,522	$ 12,997,857	$ 13,914,172
Plan's fiduciary net position as a percentage of the total pension liability	68.86%	69.80%	67.39%	68.06%	73.49%
Plan's proportionate share of aggregate employer contributions	$ 668,141	$ 568,532	$ 488,725	$ 457,324	$ 332,478

City of Placerville
Required Supplementary Information (Unaudited) (Continued)
Schedule of Contributions
For the Year Ended June 30, 2025

Miscellaneous Plan

Fiscal Year Ended June 30:	2024-25	2023-24	2022-23	2021-22	2020-21
Actuarially determined contribution	$ 1,657,842	$ 1,504,770	$ 1,468,696	$ 1,324,470	$ 1,209,148
Contributions in relation to the actuarially determined contribution	(1,657,842)	(1,504,770)	(1,468,696)	(1,324,470)	(1,209,148)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 4,162,925	$ 4,041,675	$ 3,923,956	$ 3,809,666	$ 3,698,705
Contributions as a percentage of covered payroll	0.398239716	37.23%	37.43%	34.77%	32.69%

Fiscal Year Ended June 30:	2019-20	2018-19	2017-18	2016-17	2015-16
Actuarially determined contribution	$ 1,126,569	$ 993,063	$ 892,071	$ 821,706	$ 758,296
Contributions in relation to the actuarially determined contribution	(1,126,569)	(993,063)	(892,071)	(821,706)	(758,296)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 3,590,976	$ 3,486,384	$ 3,573,174	$ 3,469,101	$ 3,368,059
Contributions as a percentage of covered payroll	31.37%	28.48%	24.97%	23.69%	22.51%

Notes to Schedule:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2025 were derived from the June 30, 2022 funding valuation report.

Methods and assumptions used to determine contribution rates for the fiscal year ended June 30, 2025:

Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method/period	Level percentage of payroll
Asset valuation method	Fair Market Value
Inflation	2.30%
Salary increases	Varies by entry age and service
Payroll growth	2.80%
Investment rate of return	6.80% net of pension plan investment and administrative expenses.
Retirement age	The probabilities of retirement are based on the 2021 CalPERS Experience Study for the period from 2000 and 2019.
Mortality	The probabilities of mortality are based on the 2021 experience study report. The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries.

City of Placerville
Required Supplementary Information (Unaudited) (Continued)
Schedule of Contributions
(Continued)
For the Year Ended June 30, 2025

Safety Plan

Fiscal Year Ended June 30:	2024-25	2023-24	2022-23	2021-22	2020-21
Actuarially determined contribution	$ 1,170,132	$ 1,017,221	$ 972,483	$ 850,316	$ 799,484
Contributions in relation to the actuarially determined contribution	(1,170,132)	(1,017,221)	(972,483)	(850,316)	(799,484)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 1,591,740	$ 1,545,379	$ 1,500,368	$ 1,456,668	$ 1,414,240
Contributions as a percentage of covered payroll	73.51%	65.82%	64.82%	58.37%	56.53%

Fiscal Year Ended June 30:	2019-20	2018-19	2017-18	2016-17	2015-16
Actuarially determined contribution	$ 762,764	$ 668,141	$ 568,532	$ 488,725	$ 457,324
Contributions in relation to the actuarially determined contribution	(762,764)	(668,141)	(568,532)	(488,725)	(457,324)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 1,373,049	$ 1,294,230	$ 1,256,534	$ 1,219,936	$ 1,219,936
Contributions as a percentage of covered payroll	55.55%	51.62%	45.25%	40.06%	37.49%

Notes to Schedule:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2025 were derived from the June 30, 2022 funding valuation report.

<u>Methods and assumptions used to determine contribution rates for the fiscal year ended June 30, 2025:</u>

Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method/period	Level percentage of payroll
Asset valuation method	Fair Market Value
Inflation	2.30%
Salary increases	Varies by entry age and service
Payroll growth	2.80%
Investment rate of return	6.80% net of pension plan investment and administrative expenses.
Retirement age	The probabilities of retirement are based on the 2021 CalPERS Experience Study for the period from 2000 and 2019.
Mortality	The probabilities of mortality are based on the 2021 experience study report. The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries.

City of Placerville
Required Supplementary Information (Unaudited) (Continued)
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2025

Measurement period, year ending:	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Total OPEB liability							
Service cost	$ 310,277	$ 306,533	$ 324,262	$ 417,308	$ 367,057	$ 320,283	$ 275,001
Interest	170,636	156,821	151,807	87,589	101,733	112,667	124,596
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	-	(241,144)	-	(741,377)	-	(735,966)	-
Changes of assumptions	(437,375)	(40,132)	(60,054)	(20,633)	192,870	297,706	189,551
Benefit payments, including refunds of member contributions	(180,109)	(204,215)	(211,250)	(209,163)	(171,420)	(108,058)	(93,565)
Net change in total OPEB liability	(136,571)	(22,137)	204,765	(466,276)	490,240	(113,368)	495,583
Total OPEB liability - beginning	4,077,045	4,099,182	3,894,417	4,360,693	3,870,453	3,983,821	3,488,238
Total OPEB liability - ending (a)	$ 3,940,474	$ 4,077,045	$ 4,099,182	$ 3,894,417	$ 4,360,693	$ 3,870,453	$ 3,983,821
OPEB fiduciary net position							
Contributions - employer	$ 180,109	$ 204,215	$ 211,250	$ 209,163	$ 171,420	$ 108,058	$ 93,565
Net investment income	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(180,109)	(204,215)	(211,250)	(209,163)	(171,420)	(108,058)	(93,565)
Administrative expense	-	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	-	-	-	-	-	-	-
Plan net OPEB liability - ending (a) - (b)	$ 3,940,474	$ 4,077,045	$ 4,099,182	$ 3,894,417	$ 4,360,693	$ 3,870,453	$ 3,983,821
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	$ 7,862,103	$ 5,767,690	$ 7,474,959	$ 6,603,614	$ 6,585,298	$ 6,585,298	$ 6,783,602
Plan net OPEB liability as a percentage of covered payroll	50.12%	70.69%	54.84%	58.97%	66.22%	58.77%	58.73%

[1]Information only presented from the implementation year.

SUPPLEMENTARY INFORMATION

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NON-MAJOR GOVERNMENTAL FUNDS

City of Placerville
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Gas Tax	Parking District	Development Impact	BAD, CFD, & LLMD
ASSETS				
Restricted:				
Cash and investments	$ 816,903	$ 140,499	$ 2,867,143	$ 471,510
Cash and investments held by fiscal agents	-	-	-	-
Receivables:				
Accounts	80,244	26,761	9,100	841
Interest	10,893	-	25,798	3,655
Loans	-	-	315,363	-
Total assets	$ 908,040	$ 167,260	$ 3,217,404	$ 476,006
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ 39,160	$ 202,987	$ 8,026
Due to other funds	-	-	-	-
Deposits payable	-	2,259	-	-
Advances from other funds	-	100,972	-	-
Total liabilities	-	142,391	202,987	8,026
Fund Balances:				
Restricted	908,040	24,869	3,014,417	467,980
Unassigned (deficit)	-	-	-	-
Total fund balances	908,040	24,869	3,014,417	467,980
Total liabilities and fund balances	$ 908,040	$ 167,260	$ 3,217,404	$ 476,006

(Continued)

City of Placerville
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2025

	Special Revenue Funds		Total
	Capital Projects	Park Development	Non-major Governmental Funds
ASSETS			
Restricted:			
Cash and investments	$ -	$ -	$ 4,296,055
Cash and investments held by fiscal agents	434,949	-	434,949
Receivables:			
Accounts	-	641	117,587
Interest	-	-	40,346
Loans	96,701	177,952	590,016
Total assets	$ 531,650	$ 178,593	$ 5,478,953
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 53,546	$ -	$ 303,719
Due to other funds	744,578	41,628	786,206
Deposits payable	-	-	2,259
Advances from other funds	-	-	100,972
Total liabilities	798,124	41,628	1,193,156
Fund Balances:			
Restricted	-	136,965	4,552,271
Unassigned (deficit)	(266,474)	-	(266,474)
Total fund balances	(266,474)	136,965	4,285,797
Total liabilities and fund balances	$ 531,650	$ 178,593	$ 5,478,953

(Concluded)

City of Placerville
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Gas Tax	Parking District	Development Impact	BAD, CFD, & LLMD
REVENUES:				
Fines and forfeitures	$ -	$ 44,477	$ -	$ -
Use of money and property	40,641	(2,753)	110,481	14,648
Intergovernmental	645,667	-	-	-
Charges for services	-	178,664	1,346,493	117,730
Grant revenues	-	-	245,604	-
Total revenues	686,308	220,388	1,702,578	132,378
EXPENDITURES:				
Current:				
General government	-	80,088	-	1,650
Highways and streets	-	155,176	21,529	31,802
Parks and recreation	-	-	-	54,357
Capital outlay	222,456	36,827	675,219	-
Debt service:				
Interest and fiscal charges	-	1,446	-	-
Total expenditures	222,456	273,537	696,748	87,809
REVENUES OVER (UNDER) EXPENDITURES	463,852	(53,149)	1,005,830	44,569
OTHER FINANCING SOURCES (USES):				
Transfers in	-	8,656	66,440	-
Transfers out	(333,339)	-	-	-
Total other financing sources (uses)	(333,339)	8,656	66,440	-
CHANGE IN FUND BALANCES	130,513	(44,493)	1,072,270	44,569
FUND BALANCES:				
Beginning of year, as restated (Note 14)	777,527	69,362	1,942,147	423,411
End of year	$ 908,040	$ 24,869	$ 3,014,417	$ 467,980

(Continued)

City of Placerville
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds		Total Non-major Governmental Funds
	Capital Projects	Park Development	
REVENUES:			
Fines and forfeitures	$ -	$ -	$ 44,477
Use of money and property	(42,837)	(3,197)	116,983
Intergovernmental	242,525	-	888,192
Charges for services	-	126,763	1,769,650
Grant revenues	-	-	245,604
Total revenues	199,688	123,566	3,064,906
EXPENDITURES:			
Current:			
General government	44,794	-	126,532
Highways and streets	-	-	208,507
Parks and recreation	1,102	594	56,053
Capital outlay	358,434	38,829	1,331,765
Debt service:			
Interest and fiscal charges	-	-	1,446
Total expenditures	404,330	39,423	1,724,303
REVENUES OVER (UNDER) EXPENDITURES	(204,642)	84,143	1,340,603
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	75,096
Transfers out	-	-	(333,339)
Total other financing sources (uses)	-	-	(258,243)
CHANGE IN FUND BALANCES	(204,642)	84,143	1,082,360
FUND BALANCES:			
Beginning of year, as restated (Note 14)	(61,832)	52,822	3,203,437
End of year	$ (266,474)	$ 136,965	$ 4,285,797

(Concluded)

City of Placerville
Schedule of Revenues, Expenditures and Change in Fund Balance
Budget Comparison Schedules-Gas Tax Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Use of money and property	$ 12,000	$ 12,000	$ 40,641	$ 28,641
Intergovernmental	602,542	602,542	645,667	43,125
Total Revenues	614,542	614,542	686,308	71,766
EXPENDITURES:				
Current:				
Highways and streets	4,450	325,862	-	325,862
Capital outlay	284,230	288,680	222,456	66,224
Total Expenditures	288,680	614,542	222,456	392,086
REVENUES OVER (UNDER) EXPENDITURES	325,862	-	463,852	463,852
OTHER FINANCING SOURCES (USES):				
Transfers out	(325,862)	(325,862)	(333,339)	(7,477)
Total Other Financing Sources (Uses)	(325,862)	(325,862)	(333,339)	(7,477)
Change in Fund Balance	$ -	$ (325,862)	130,513	$ 456,375
Fund Balance:				
Beginning of year			777,527	
End of year			$ 908,040	

City of Placerville

Schedule of Revenues, Expenditures and Change in Fund Balance
Budget Comparison Schedules-Parking District Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Fines and forfeitures	$ 44,554	$ 44,554	$ 44,477	$ (77)
Use of money and property	1,360	1,360	(2,753)	(4,113)
Charges for services	188,196	188,196	178,664	(9,532)
Total Revenues	234,110	234,110	220,388	(13,722)
EXPENDITURES:				
Current:				
General government	92,946	92,685	80,088	12,597
Highways and streets	134,211	134,211	155,176	(20,965)
Capital outlay	-	-	36,827	(36,827)
Debt service:				
Interest and fiscal charges	1,440	1,440	1,446	(6)
Total Expenditures	228,597	228,336	273,537	(45,201)
REVENUES OVER (UNDER) EXPENDITURES	5,513	5,774	(53,149)	31,479
OTHER FINANCING SOURCES (USES):				
Transfers in	8,656	8,656	8,656	-
Transfers out	(8,395)	(8,395)	-	8,395
Total Other Financing Sources (Uses)	261	261	8,656	8,395
Change in Fund Balance	$ 5,774	$ 6,035	(44,493)	$ 39,874
Fund Balance:				
Beginning of year			69,362	
End of year			$ 24,869	

City of Placerville
Schedule of Revenues, Expenditures and Change in Fund Balance
Budget Comparison Schedules-Development Impact Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Use of money and property	$ -	$ -	$ 110,481	$ 110,481
Charges for services	538,191	538,191	1,346,493	808,302
Grant revenues	-	-	245,604	245,604
Total Revenues	538,191	538,191	1,702,578	1,164,387
EXPENDITURES:				
Current:				
Highways and streets	-	-	21,529	(21,529)
Capital outlay	-	-	675,219	(675,219)
Total Expenditures	-	-	696,748	(696,748)
REVENUES OVER (UNDER) EXPENDITURES	538,191	538,191	1,005,830	467,639
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	66,440	66,440
Total Other Financing Sources (Uses)	-	-	66,440	66,440
Change in Fund Balance	$ 538,191	$ 538,191	1,072,270	$ 534,079
Fund Balance:				
Beginning of year			1,942,147	
End of year			$ 3,014,417	

City of Placerville
Schedule of Revenues, Expenditures and Change in Fund Balance
Budget Comparison Schedules-BAD, CFD, & LLMD Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Use of money and property	$ 6,900	$ 6,900	$ 14,648	$ 7,748
Charges for services	183,425	183,425	117,730	(65,695)
Total Revenues	190,325	190,325	132,378	(57,947)
EXPENDITURES:				
Current:				
General government	11,210	11,210	1,650	9,560
Highways and streets	44,622	44,622	31,802	12,820
Parks and recreation	71,592	71,592	54,357	17,235
Total Expenditures	127,424	127,424	87,809	39,615
REVENUES OVER (UNDER) EXPENDITURES	62,901	62,901	44,569	(18,332)
Change in Fund Balance	$ 62,901	$ 62,901	44,569	$ (18,332)
Fund Balance:				
Beginning of year			423,411	
End of year			$ 467,980	

City of Placerville
Schedule of Revenues, Expenditures and Change in Fund Balance
Budget Comparison Schedules-Capital Projects Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Use of money and property	$ 1,500	$ 1,500	$ (42,837)	$ (44,337)
Intergovernmental	78,522	78,522	242,525	164,003
Total Revenues	80,022	80,022	199,688	119,666
EXPENDITURES:				
Current:				
General government	-	29,341	44,794	(15,453)
Capital outlay	-	-	1,102	(1,102)
Total Expenditures	-	29,341	45,896	(16,555)
REVENUES OVER (UNDER) EXPENDITURES	80,022	50,681	153,792	103,111
OTHER FINANCING SOURCES (USES):				
Transfers out	(78,522)	(78,522)	-	78,522
Total Other Financing Sources (Uses)	(78,522)	(78,522)	-	78,522
Change in Fund Balance	$ 1,500	$ (27,841)	153,792	$ 181,633
Fund Balance:				
Beginning of year, as restated (Note 14)			(61,832)	
End of year			$ 91,960	

City of Placerville
Schedule of Revenues, Expenditures and Change in Fund Balance
Budget Comparison Schedules-Park Development Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Use of money and property	$ -	$ -	$ (3,197)	$ (3,197)
Charges for services	35,640	35,640	126,763	91,123
Total Revenues	35,640	35,640	123,566	87,926
EXPENDITURES:				
Capital outlay	-	-	594	(594)
Total Expenditures	-	-	594	(594)
REVENUES OVER (UNDER) EXPENDITURES	35,640	35,640	122,972	87,332
Change in Fund Balance	$ 35,640	$ 35,640	122,972	$ 87,332
Fund Balance:				
Beginning of year			52,822	
End of year			$ 175,794	

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