



ANNUAL COMPREHENSIVE **FINANCIAL REPORT**

FOR THE YEAR ENDED JUNE 30, 2025

DEPARTMENT OF FINANCE

MADERA CITY HALL • 205 W. 4TH STREET • MADERA, CA 93637 • MADERA.GOV

City of Madera

Madera, California

Annual Comprehensive Financial Report

For the Year Ended June 30, 2025

Prepared by
Finance Department

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Annual Comprehensive Financial Report
For the Year Ended June 30, 2025
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Financial Services Department

March 10, 2026

Honorable Mayor, Members of the City Council, and
Distinguished Citizens of Madera, California

It is with pleasure that I present to you the City of Madera Annual Comprehensive Financial Report (ACFR) for Fiscal Year 2024/2025.

State law requires local governments to prepare a complete set of audited financial statements. This report is published to fulfill that requirement for the Fiscal Year ending June 30, 2025. This ACFR was prepared by the City of Madera's (City) Financial Services Department, which assumes responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including disclosures.

The existing comprehensive structure of internal accounting controls in the City provides reasonable assurance that the financial statements are free of any material misstatements. Since the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The City recognizes that even sound internal controls have inherent limitations. The City believes its internal controls adequately safeguard assets, that the reported data is accurate in all material respects, and that its presentation fairly depicts the City's financial position and changes in its financial position as measured by the financial activity of its various funds.

The accompanying financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A offers a more detailed discussion about the economic condition of the City, fund balance analysis and other management goals and achievements. The City's MD&A can be found immediately following the report of the independent auditors.

The City's financial statements have been audited by The Pun Group LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2025 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for the rendering of an unmodified opinion that the City of Madera's financial statements for Fiscal Year 2024/25 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of this ACFR's financial section.

The independent audit of the City's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented in a separately issued report: the Single Audit and Independent Auditor's Reports.

Government Profile

The City was incorporated on March 27, 1907, as a general law city. The City Council is comprised of six members who are elected by district, plus a Mayor who is elected at large. The Council Members and the Mayor are elected to alternating four-year terms staggered every two years. The City Council is responsible for making policy, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, the City Attorney and the City Clerk. The City Manager is responsible for carrying out the ordinances and policies of the City Council and overseeing operations. All other department heads are appointed by the City Manager.

Madera is in the center of California and is the county seat of Madera County. The City is part of the Madera/Chowchilla Metropolitan Area, which includes City of Madera, City of Chowchilla and developed areas of Madera County. The City has approximate population of 68,100 and its boundaries encompass 20.7 square miles.

The City provides a full range of services that include public safety, public works, recreational and community services, community development and general administrative services. The City also operates a municipal golf course, water and wastewater utilities, as well as a general aviation airport.

Component units are legally separate entities for which the nature and significance of their relations with the City are such that exclusion would cause the financial statements to be misleading or incomplete. Accordingly, the Housing Authority of the City of Madera is reported as a component unit in the City's financial statements.

Local economy and City finances

The Madera economy showed signs of continued growth during Fiscal Year 2024/25. Continued development in both the residential and the commercial sectors resulted in a record property assessed valuation of \$4.8 billion: up \$300 million from Fiscal Year 2023/24. The City's finances reflected the growth that was shown throughout the Madera economy. Among the financial highlights that the City experienced in Fiscal Year 2024/25 were:

- Mirroring the growth in assessed valuation, the City received a record amount of property tax revenue. Property tax revenue was \$16.0 million: \$0.6 million (4.1%) above the property tax received in Fiscal Year 2023/24. Management believes that property tax revenue will continue to grow in Fiscal Year 2025/26..
- Sales tax revenues were up \$0.3 million (1.8%) from Fiscal Year 2023/24's total of \$19.4 million. A slowdown in the retail economy was offset by the full year of sales tax collection from new businesses, including Smart & Final, Ross, and In-N-Out. Management believes that sales tax revenue will continue to be flat in FY 2025/26 due to conditions in the overall retail and wholesale economy.
- The City's total Net Position ended the fiscal year at a record \$419.8 million: up 11.5% from Fiscal Year 2023/24's total Net Position of \$376.6 million. It is particularly noteworthy that both Governmental and Business Type activities had positive Net Positions at the end of the fiscal year.
- The City recorded \$191.4 million of Cash and Investments in Fiscal Year 2024/25. That figure was up by \$8.2 million (4.5%) over Fiscal Year 2023/24's figure of \$183.2 million. This growth in cash during the fiscal year is even more impressive considering the City spent \$9.1 million of its American Rescue Plan Act (ARPA) allocation received from the Federal Government for Water Fund and Sewer Fund capital work.

Overall actual revenues were generally in line with the fiscal year's budgeted amounts. Actual property tax and investment revenues came in higher than budgeted amounts, while sales tax and intergovernmental revenues were under budget. Actual expenditures were significantly below appropriations.

Major employers in the City include Madera Unified School District, the County of Madera, the City of Madera and the United States government. Major retail employers include Walmart, Camerena Health, and Vallarta Market. The City of Madera's unemployment rate increased over the fiscal year: going from 7.5% in June 2024 to 8.1% in June 2025.

The City maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the City Council. For the 2024/25 Fiscal Year, activities for the General, special revenue, debt service, enterprise, and capital project funds were included in the budget.

The level of budgetary control, i.e. the level where the expenditures cannot legally exceed the appropriated amount, is maintained at the fund level for all funds. The City also maintains an encumbrance accounting system as a method of maintaining budgetary control. Outstanding encumbrances at year-end are evaluated and, if deemed necessary by the City Manager, are carried forward as part of the following year's budget.

Long-term financial planning

The City maintains a five-year Capital Improvement Plan, which is updated annually. This plan includes major on-going maintenance and rehabilitation costs to existing capital assets (land, land improvements, infrastructure, and equipment), as well as the costs of new facilities and improvements.

The City maintains a General Fund Economic Stabilization Reserve at a level of at least 30% of the General Fund operating expenditures in order to protect essential service programs and funding requirements during periods of economic downturn or other unforeseen major costs not covered by the Stabilization Reserve. The balance in the reserve was \$12.9 million as of the end of Fiscal Year 2024/25. In addition, separate reserve funds have been established in the Measure K Fund for economic stabilization for the Fire and Police Departments. Each year, \$130,000 has been added to each of the reserves until they reach the level of 30% of expenditures, which they did in Fiscal Year 2024/25. Currently, each Economic Stabilization Fund had a \$0.9 million balance at the end of Fiscal Year 2024/25. Additionally, the Fire Department has established a fire vehicle replacement reserve. The intent was to add \$200,000 each year when the reserve was established. The funding amount was increased to \$490,000 in Fiscal Year 2022/23. It had a balance of \$1,157,469 as of the end of the 2024/25 Fiscal Year.

To finance Madera's current and future growth, the City has in place a variety of user and developer fees to pay for streets, parks, sewer lines, water lines and wells. The City reviews these fees periodically to ensure that the fee structure is in line with the cost of construction. The City is currently in the middle of a five-year rate program for Water, Sewer and Solid Waste services, which calls for increasing rates to keep up with the rising cost of providing these services.

Cash Management

The City of Madera's investment policy prioritizes safety, liquidity and then yield on the City's investment. The highest priority of cash management and investments is to ensure adequate funds are available to meet the City of Madera's obligations and all investments are in safe instruments. Yield, while important, is considered the third priority after safety and liquidity. The City invests in various governmental and corporate bonds, certificates of deposit, money market accounts, and the Local Agency Investment Fund (LAIF) operated by the State of California for the benefit of local governments. The City saw a significant increase in its Investment Income: going from \$7.1 million in Fiscal Year 2023/24 to \$8.3 million in Fiscal Year 2024/25.

Certificate of Achievement

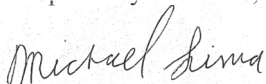
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended June 30, 2024. This was the 2nd consecutive year that the City has achieved this prestigious national award. In order to be awarded a Certificate of Achievement, the City must publish a readable and organized ACFR. The ACFR must satisfy both Generally Accepted Accounting Principles and other requirements.

City staff believes that this current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements. We are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

I would like to extend my thanks to the City Council for their interest in and suggestions for the financial reporting of the City. Special thanks must go to the City's Financial Services Department staff, whose participation was essential to the preparation of the ACFR. I extend my appreciation to my staff and other personnel from various departments, agencies and authorities who assisted in the preparation of this report.

Respectfully submitted,



Michael Lima
Director of Financial Services

City Council Members

Cece Gallegos, Mayor
Jose Rodriguez, Mayor Pro Tem (D2)
Rohi Zacharia, Councilmember (D1)
Steve Montes, Councilmember (D3)
Anita Evans, Councilmember (D4)
Elsa Mejia, Councilmember (D5)
Artemio Villegas, Councilmember (D6)

Executive Management

Arnoldo Rodriguez, City Manager
Shannon Chaffin, City Attorney (contracted)
Alicia Gonzales, City Clerk

Department Directors

Michael Lima, Director of Financial Services
Will Tackett, Director of Community Services
Vacant, Planning Manager
Gino Chiamonte, Police Chief
Vacant, Public Works Operations Director
Joseph Hebert, Director of Parks & Community Services
Rafael Magallan, Chief Building Official
Keith Helmuth, City Engineer
Wendy Silva, Director of Human Resources
Gary Price, Director of Information Technology

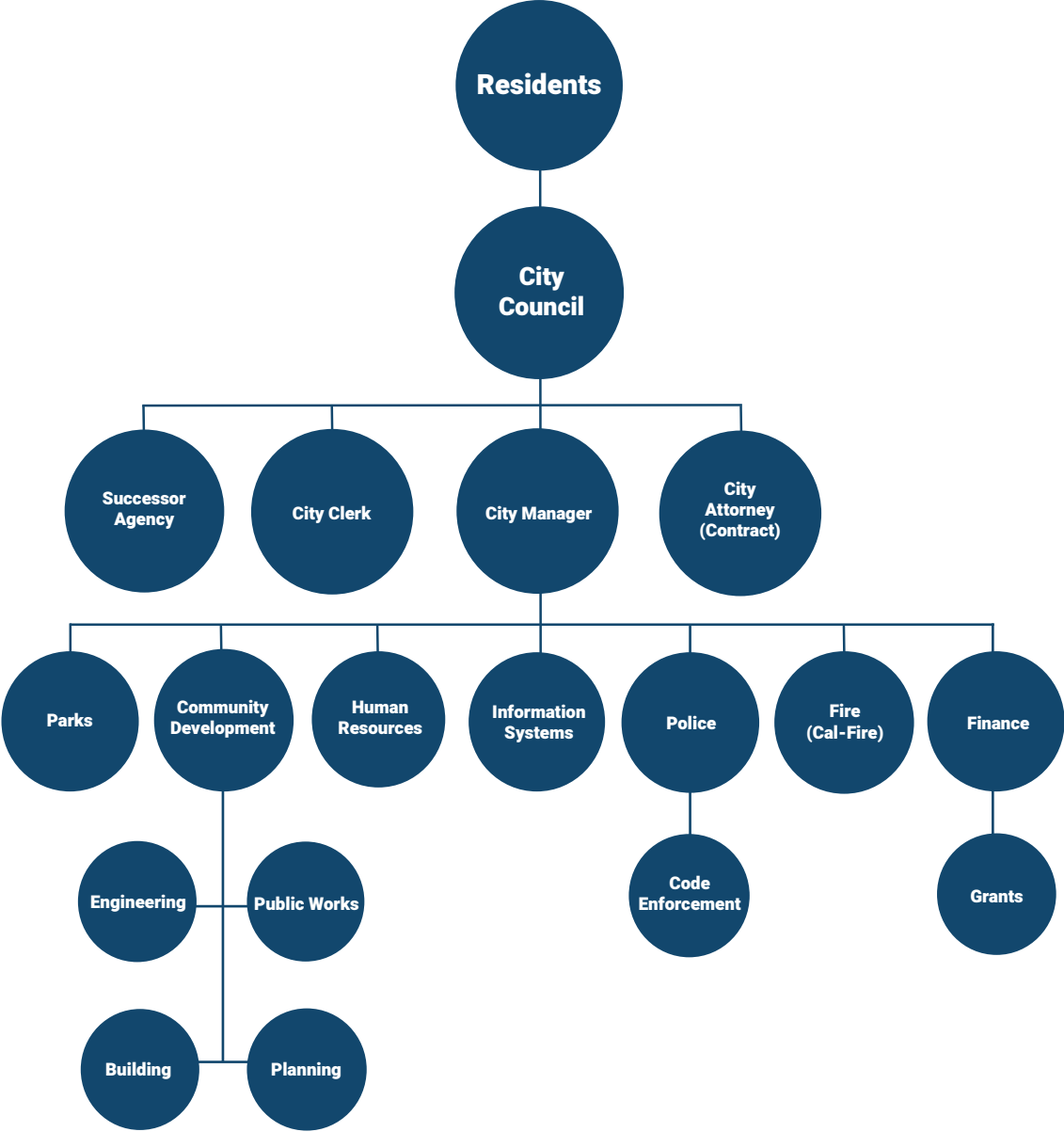
Financial Budget Support Staff

Richard Gracia II, Administrative Analyst
Anthony Forestiere, Financial Services Manager
Joseph Carrello, Communications Specialist
Cleona Young, Accountant II
Lyann Huang, Accountant II



City of Madera

Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Madera
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO



INDEPENDENT AUDITOR'S REPORT



To the Honorable Mayor and Members
of the City Council of the City of Madera
Madera, 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 Madera, 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, 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.

We did not audit the financial statements of the Housing Authority of the City of Madera (the "Authority"), which represent 100% of the assets, net position, and revenues, respectively, of the aggregate discretely presented component unit as of June 30, 2025, and the respective changes in financial position, the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Authority, is based solely on the report of the other auditors.

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 opinion.

Emphasis of a Matter

Change in Accounting Principle

As discussed in Note 19 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.

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

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 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 GAAS. In our opinion, the Combining and Individual 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the Honorable Mayor and Members
of the City Council of the City of Madera
Madera, California
Page 4

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 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.

A handwritten signature in black ink that reads "The Per Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California
March 10, 2026

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City of Madera
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

This narrative overview of the City of Madera's (the "City") financial performance provides an analysis of the City's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the accompanying basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

- The City's government-wide total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources at the close of the fiscal year by \$419.8 million. Of this amount, \$85.8 million is in unrestricted net position and available to meet the City's ongoing commitments to citizens and creditors. In addition, the City's restricted net position totals \$68.8 million and is dedicated to specific purposes. Lastly, net position of \$265.3 million is the City's net investment in capital assets.
- The City's total net position increased by \$43.9 million or 11.7% during Fiscal Year 2024/25 to \$419.8 million from \$375.9 million.
- The City's current asset cash position grew from \$178.6 million in Fiscal Year 2023/24 to \$186.3 million in Fiscal Year 2024/25: a \$7.6 million (4.3%) increase. Significant increases in investment earnings and other revenue sources contributed to the overall increase in cash.
- Current Liabilities for the City dropped from \$32.1 million in Fiscal Year 2023/24 to \$22.2 million in Fiscal Year 2024/25. The \$9.9 million (30.8%) decrease in current liabilities was driven by a sharp decline in Unearned Revenue caused by the expenditure of American Rescue Plan Act (ARPA) funds.
- Net Pension Liability decreased by \$3.1 million, or 5.4%, during Fiscal Year 2024/25 to \$54.6 million. Deferred Outflows of Resources - Pensions decreased by \$5.0 million, or 27.8%, and Deferred Inflows of Resources – Pensions increased by \$0.3 million, or 88.8%. The Net Pension Liability is based on an Actuarial Valuation using a discount rate of 6.90%, which was unchanged from the prior fiscal year.

Overview of the Financial Statements

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

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Reporting the City as a Whole

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances. These statements include all assets and liabilities of the City using the *accrual basis of accounting*, which is like the accounting method used by most private sector companies. All the current year's revenues and expenses are considered regardless of when cash is received or paid out.

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

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

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

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

Business-type Activities: The City charges fees to customers to cover the costs of services provided. The City's utilities, water, sewer, community sanitation (refuse and street cleaning), golf course, and airport, as well as public transit services are included here.

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

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

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliations between governmental funds and governmental activities. This reconciliation explains the relationship (or differences) between the fund statements and the government-wide statements.

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

The City of Madera maintains nineteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, General Development Impact Fee Fund, Measure T Sales Tax Fund and American Rescue Plan Act Fund; all of which are major funds. Data from the other sixteen funds are combined into a single aggregated presentation.

Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds. The City has two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City utilizes enterprise funds to account for those activities that are supported primarily by user charges to external users, and includes community sanitation, sewer disposal, water utilities and transit services. Internal service funds are used to account for activities that are supported by user charges primarily to the City's other programs and activities and include fleet management, facility maintenance, and computer replacement. Because all these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Water, Sewer, Solid Waste, and Drainage Operations funds since they are all major funds. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements elsewhere in this report. All the internal service funds are combined into a single, aggregated presentation in the fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefits of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the City cannot use these funds to finance its operations.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund statements.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees, and budgetary comparison schedules.

Individual Fund Statements. Individual fund statements in connection with non-major governmental and enterprise funds are presented immediately after the required supplementary information in this report.

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Government-wide Financial Analysis

Below is a table showing the City's net position for the fiscal year ended June 30, 2025, with comparative data for the fiscal year ended June 30, 2024.

City of Madera's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and other assets	\$ 139,407,539	\$ 133,109,077	\$ 83,706,514	\$ 78,278,215	\$ 223,114,053	\$ 211,387,292
Capital Assets	194,072,553	190,728,744	121,216,477	103,791,675	315,289,030	294,520,419
Total assets	<u>333,480,092</u>	<u>323,837,821</u>	<u>204,922,991</u>	<u>182,069,890</u>	<u>538,403,083</u>	<u>505,907,711</u>
Deferred outflows of resources	<u>12,213,631</u>	<u>17,456,880</u>	<u>1,797,234</u>	<u>3,399,723</u>	<u>14,010,865</u>	<u>20,856,603</u>
Liabilities:						
Current and other liabilities	11,606,142	21,937,113	10,573,042	10,129,024	22,179,184	32,066,137
Noncurrent liabilities	69,326,404	71,227,880	38,420,762	42,778,974	107,747,166	114,006,854
Total liabilities	<u>80,932,546</u>	<u>93,164,993</u>	<u>48,993,804</u>	<u>52,907,998</u>	<u>129,926,350</u>	<u>146,072,991</u>
Deferred inflows of resources	<u>1,350,015</u>	<u>1,435,081</u>	<u>1,295,281</u>	<u>1,322,894</u>	<u>2,645,296</u>	<u>2,757,975</u>
Net position:						
Net investment in capital assets	174,895,436	172,147,075	90,383,638	70,690,021	265,279,074	242,837,096
Restricted	66,135,749	57,465,102	2,634,242	1,917,543	68,769,991	59,382,645
Unrestricted	22,379,977	15,849,673	63,413,260	57,845,147	85,793,237	73,694,820
Total net position	<u>\$ 263,411,162</u>	<u>\$ 245,461,850</u>	<u>\$ 156,431,140</u>	<u>\$ 130,452,711</u>	<u>\$ 419,842,302</u>	<u>\$ 375,914,561</u>

As of June 30, 2025, the City's government-wide total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$419.8 million. Governmental activities finished the year with a positive net position balance of \$263.4 million, an increase of \$17.9 million, or 7.3% compared to Fiscal Year 2023/24. Business-type activities finished the year with a positive balance of \$156.4 million, an increase of \$26.0 million, or 19.9%, compared to Fiscal Year 2023/24. Net position, as noted earlier, may serve over time as a useful indicator of the City's financial position. Of the Total Net Position, \$265.3 million (63.2% of Total Net Position) is the City's net investment in capital assets (e.g., land, buildings and improvements, machinery and equipment and the road network) less any related debt used to acquire those assets that is still outstanding.

The increase in Total Net Position of \$43.9 million is broken down as follows:

- City's Net Investment in Capital Assets increased by \$22.4 million
- Restricted Net Position increased by \$9.4 million
- Unrestricted Net Position increased by \$12.1 million.

The increase in net investment in capital assets is primarily due to a decrease in capital-related debt of \$7.1 million and an increase in Construction-In-Progress of \$19.3 million. The increase to restricted net position represents the change in resources for public works and transportation (increased by \$5.7 million), capital projects (increased by \$2.3 million), law enforcement (decreased by \$0.5 million), and debt service (decreased by \$0.6 million) compared to the prior fiscal year.

Restricted Net Position represents \$68.8 million (16.4%) of the Total Net Position. Restricted Net Position represents those resources that are subject to external restrictions on how they may be used. These restrictions are established by bond covenants or restrictions on the use of funds are set forth by state or federal regulations.

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Unrestricted Net Position represents those resources which may be used to meet the City's ongoing commitments to citizens and creditors. Government-wide Unrestricted Net Position represents \$85.8 million (20.4%) of the Total Net Position, which is an increase of \$12.1 million (16.4%) from the previous fiscal year. The overall increase in Unrestricted Net Position came from Government Wide activities, which increased \$6.5 million (41.2%) and Business-type activities, which increased by \$5.6 million (9.6%) compared to last fiscal year. Business-type activities finished the fiscal year with \$63.4 million of the \$85.8 million total Unrestricted Net Position.

The following table indicates the changes in net position for governmental and business-type activities:

Statement of Activities
For the Years Ended June 30, 2025 and 2024

	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 4,026,795	\$ 5,832,599	\$ 40,069,473	\$ 41,165,639	\$ 44,096,268	\$ 46,998,238
Operating grants and contributions	12,508,184	12,364,099	648,454	135,687	13,156,638	12,499,786
Capital grants and contributions	15,517,015	7,661,773	4,276,539	2,586,603	19,793,554	10,248,376
Total program revenues	32,051,994	25,858,471	44,994,466	43,887,929	77,046,460	69,746,400
General revenues:						
Property taxes	15,576,920	15,005,070	382,076	324,924	15,958,996	15,329,994
Sales and use taxes	19,712,059	19,360,846	-	-	19,712,059	19,360,846
Franchise taxes	836,662	818,740	-	-	836,662	818,740
Other taxes	2,702,053	2,506,305	-	-	2,702,053	2,506,305
Total taxes	38,827,694	37,690,961	382,076	324,924	39,209,770	38,015,885
Investment earnings	5,261,307	3,785,488	3,080,068	3,264,842	8,341,375	7,050,330
Gain (loss) on sale of capital assets	-	-	-	-	-	-
Miscellaneous	1,069,475	1,063,760	4,118,432	2,236,529	5,187,907	3,300,289
Total general revenues and transfers	45,158,476	42,540,209	7,580,576	5,501,371	52,739,052	48,366,504
Total revenues	77,210,470	68,398,680	52,575,042	49,714,224	129,785,512	118,112,904
Expenses:						
General government	8,972,158	9,944,817	-	-	8,972,158	9,944,817
Public safety	26,221,115	28,100,984	-	-	26,221,115	28,100,984
Social services	228,413	250,491	-	-	228,413	250,491
Public ways and facilities	5,715,045	6,232,346	-	-	5,715,045	6,232,346
Community development	4,515,931	4,923,898	-	-	4,515,931	4,923,898
Culture and recreation	5,734,478	6,213,201	-	-	5,734,478	6,213,201
Interest on long-term debt	573,255	607,460	-	-	573,255	607,460
Water	-	-	7,541,494	9,719,879	7,541,494	9,719,879
Sewer	-	-	11,173,895	11,880,792	11,173,895	11,880,792
Solid waste	-	-	9,083,822	8,832,375	9,083,822	8,832,375
Drainage operations	-	-	1,261,194	1,466,632	1,261,194	1,466,632
Local transit	-	-	3,756,292	3,965,092	3,756,292	3,965,092
Golf course	-	-	274,162	365,238	274,162	365,238
Airport	-	-	806,517	847,330	806,517	847,330
Total expenses	51,960,395	56,273,197	33,897,376	37,077,338	85,857,771	93,350,535
Change in net position	25,250,075	12,125,483	18,677,666	12,636,886	43,927,741	24,762,369
Transfers	(7,300,763)	(6,186,238)	7,300,763	6,186,238	-	-
Change in net position after transfers	17,949,312	5,939,245	25,978,429	18,823,124	43,927,741	24,762,369
Prior Period Adjustment - See Note 19	-	(522,247)	-	(147,886)	-	(670,133)
Increase (decrease) in net position	17,949,312	5,416,998	25,978,429	18,675,238	43,927,741	24,092,236
Net position, beginning of year	245,461,850	240,044,852	130,452,711	111,777,473	375,914,561	351,822,325
Net position, end of year	\$ 263,411,162	\$ 245,461,850	\$ 156,431,140	\$ 130,452,711	\$ 419,842,302	\$ 375,914,561

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

During the current fiscal year, the City implemented GASB Statement 101, Compensated Absences, which resulted in changes to the ending FY 2023/24 fund balances in the amount of \$0.5 million reduction to the Government Activities fund balance and a reduction of \$0.1 million to the Business-type Activities fund balance. See Note 19 for further details.

Governmental activities. Governmental activities account for \$263.4 million, or 62.7%, of the government-wide Total Net Position: an increase of \$17.9 million, or 7.3%, compared to the fiscal year ending June 30, 2024.

Total Governmental revenues for the year were \$77.2 million, which is \$8.8 million (132.9%) more than in Fiscal Year 2023/24.

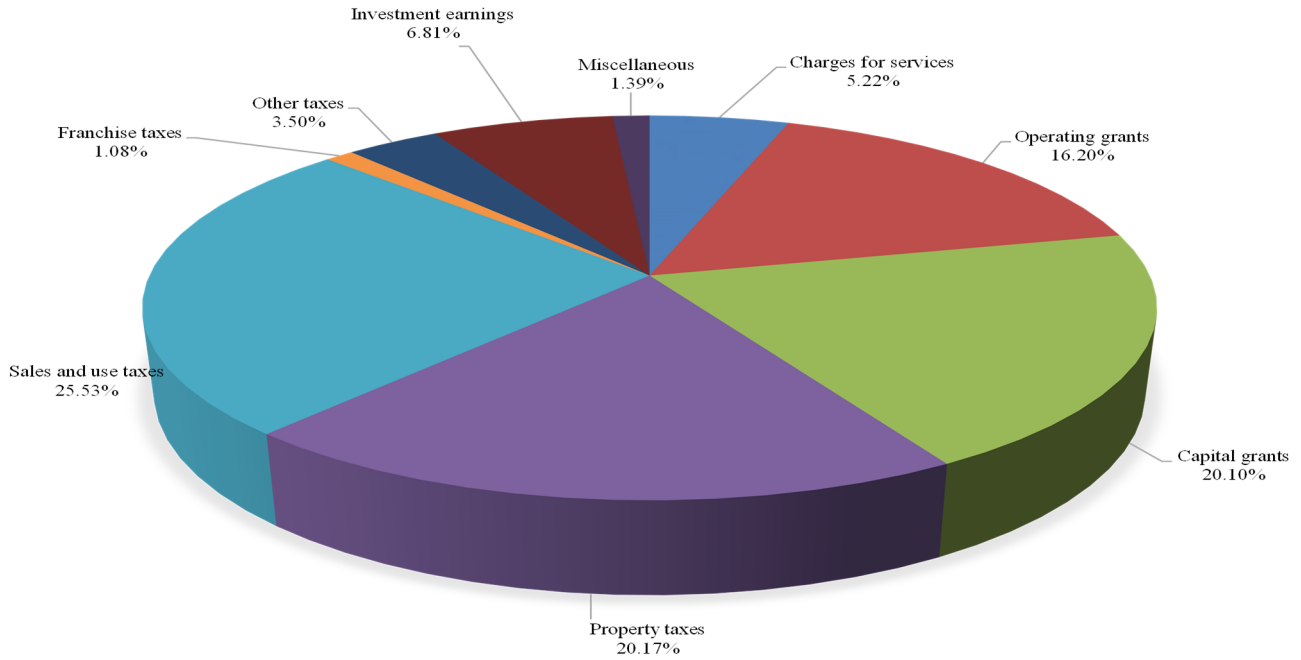
- Capital grants and contributions increased by \$9.6 million, or 93.1%, from the previous fiscal year due to an increase in recognized ARPA revenues of \$7.8 million offset by \$1.1 million reduction in Airport grants and \$0.7 million reduction in Local Transit grants.
- Taxes, including property, sales, franchise, and other taxes account for approximately \$38.8 million, or 55.1%, of the City's total revenue. Total tax revenue increased by \$1.2 million (3.1%) from the previous fiscal year. Growth was seen in the Property Tax (up \$0.6 million, or 3.8%) and Sales Tax (up \$0.4 million, or 1.8%) categories.
- Investment earnings increased by \$1.5 million (39.0%) from the previous fiscal year. The increase was primarily due to a combination of investment portfolio funds being reinvested into higher yielding investments and additional funds being added to the investment portfolio.

Total Governmental expenses for the fiscal year were \$52.0 million, which is \$4.3 million (7.7%) lower than in Fiscal Year 2023/24.

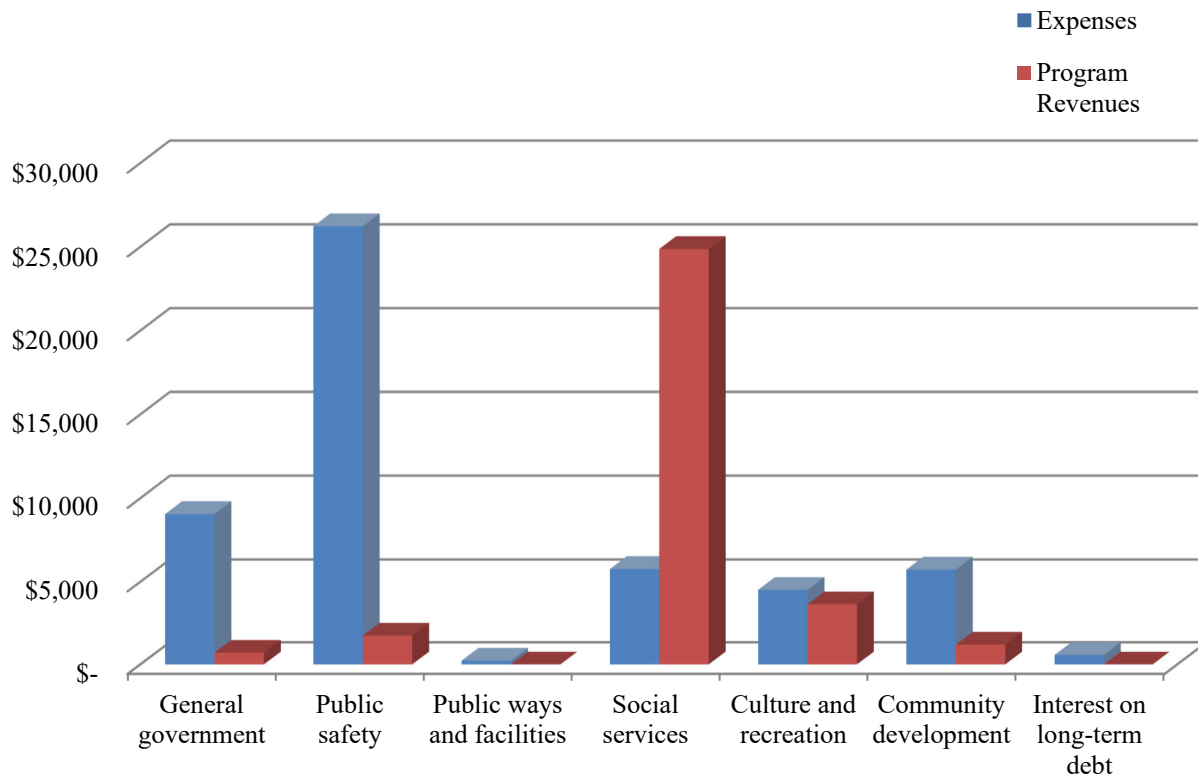
- General governmental expenses decreased by \$0.9 million, or 9.0%, from the previous fiscal year due to the decrease in Interfund Risk Management charges.
- Public safety expenses decreased by \$1.9 million, or 6.7%, from the previous fiscal year due to a decrease of \$0.3 million in overtime and leave payout and a decrease in Fire due to a payment issued last fiscal year in the amount of \$1.5 million for which there was no corresponding payment in FY 24/25.
- Public ways and facilities expenses decreased by \$0.5 million, or 8.3%, from the previous fiscal year due to reduced expenditures on the city's water and sewer infrastructure compared to Fiscal Year 2023/24.
- Community development expenses decreased by \$0.4 million, or 8.3% from the previous fiscal year due to a decrease in contracted services for engineering projects.
- Culture and recreation expenses decreased by \$0.5 million, or 7.7% from the previous fiscal year due to a reduction in personnel costs due to a reduction in part-time staff.

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Revenues by Source - Governmental Activities



Expenditures and Program Revenues - Governmental Activities
(Dollars in Thousands)



City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Governmental program revenues that include charges for services and grants specific to certain programs account for \$32.1 million, or 41.5% of the total Governmental activity revenue. The amounts necessary to fully fund the Governmental activity programs are made up of "general" revenues such as taxes, interest, and grants and contributions.

Business-type Activities. Business-type activities account for \$156.4 million, or 37.2%, of the Total Government-wide Net Position: an increase of \$26.0 million from the prior fiscal year. The Total Business-type Net Position is broken down as follows:

- Net Investment in Capital Assets: \$90.4 million (57.8% of the total net position) - an increase of \$19.7 million from Fiscal Year 2023/24.
- Restricted Net Position: \$2.6 million, (1.7% of Total Net Position) – an increase of \$0.7 million from Fiscal Year 2023/24.
- Unrestricted Net Position of \$63.4 million (40.5% of Total Net Position) - represents an increase of \$5.6 million from Fiscal Year 2023/24.

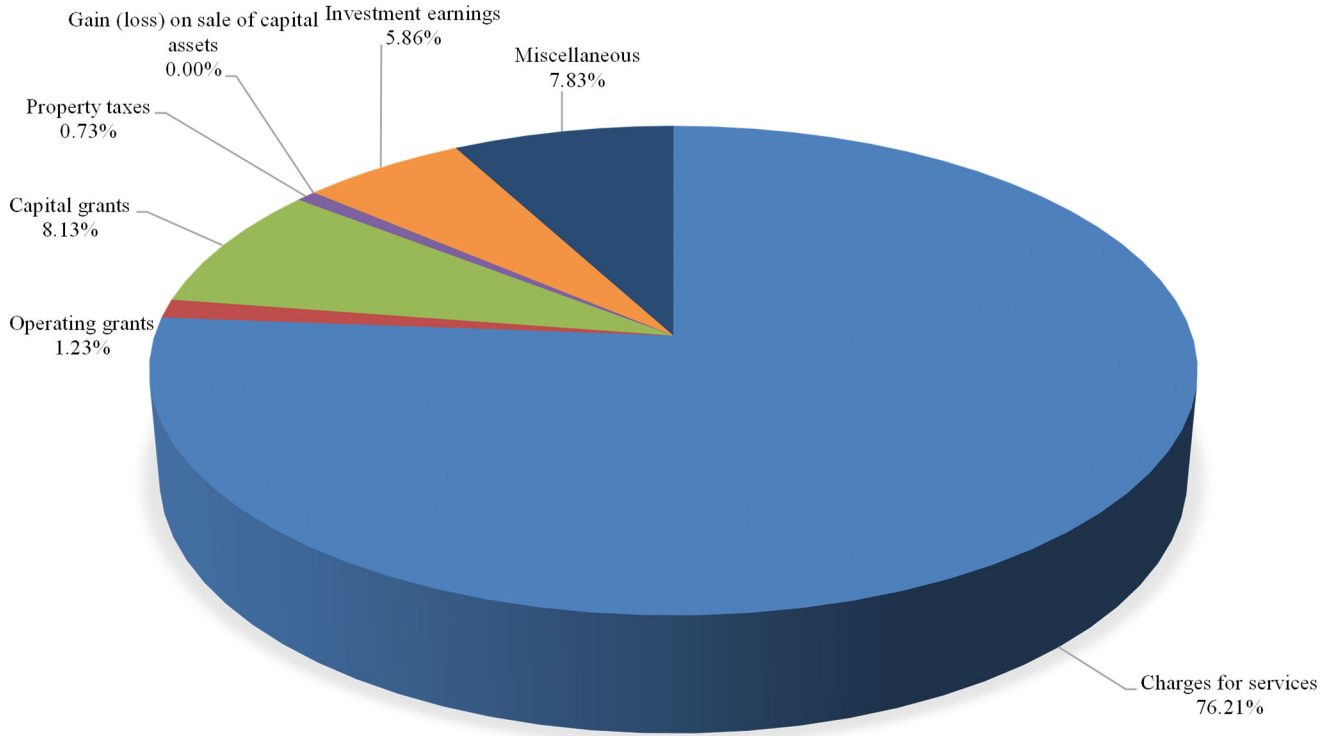
Total Assets for Business-type activities grew substantially in Fiscal Year 2024/25 when compared to the previous fiscal year. Total Assets grew by \$22.8 million (12.5%) to \$204.9 million. Significant gains were seen in Non-Depreciated Capital Assets (up \$15.6 million, or 81.9%) and Cash (up \$4.1 million, or 6.0%). The gains to Total Net Position for Business-type activities were complimented by a reduction of \$3.9 million (7.4%) in Total Liabilities. Driving the overall decline in Total Liabilities was a \$2.3 million (7.6%) decrease in Long-Term Debt and a \$1.9 million (17.3%) decrease in Pension Liability. These decreases were partially offset by a \$0.2 million (4.1%) increase in Accounts Payable.

Total Business-type revenue for the year was \$52.4 million, which is \$2.7 million (5.4%) more than in Fiscal Year 2023/24.

Charges for Services decreased by \$1.1 million (2.7%) from the prior fiscal year. The City Council approved rate hikes for water, sewer, and solid waste, in Fiscal Year 2022/23 for five consecutive years. Fiscal Year 2024/25 is Year 3 of the rate hikes. Although rates increased over last fiscal year, consumption for water and discharge for sewer and drainage operations decreased due to the increased rainfall compared to previous year. Offsetting the decrease in Charges for Services revenue was an increase in Capital Grant revenue of \$1.7 million (65.3%). Large increases in Capital Grant revenue for Water (up \$1.7 million, or 11,274.3%), Sewer (up \$1.0 million, or 200.4%), and Drainage (up \$0.8 million) were partially offset by decreases of \$0.7 million (85.8%) and \$1.1 million (96.9%) in Transit and Airport, respectively.

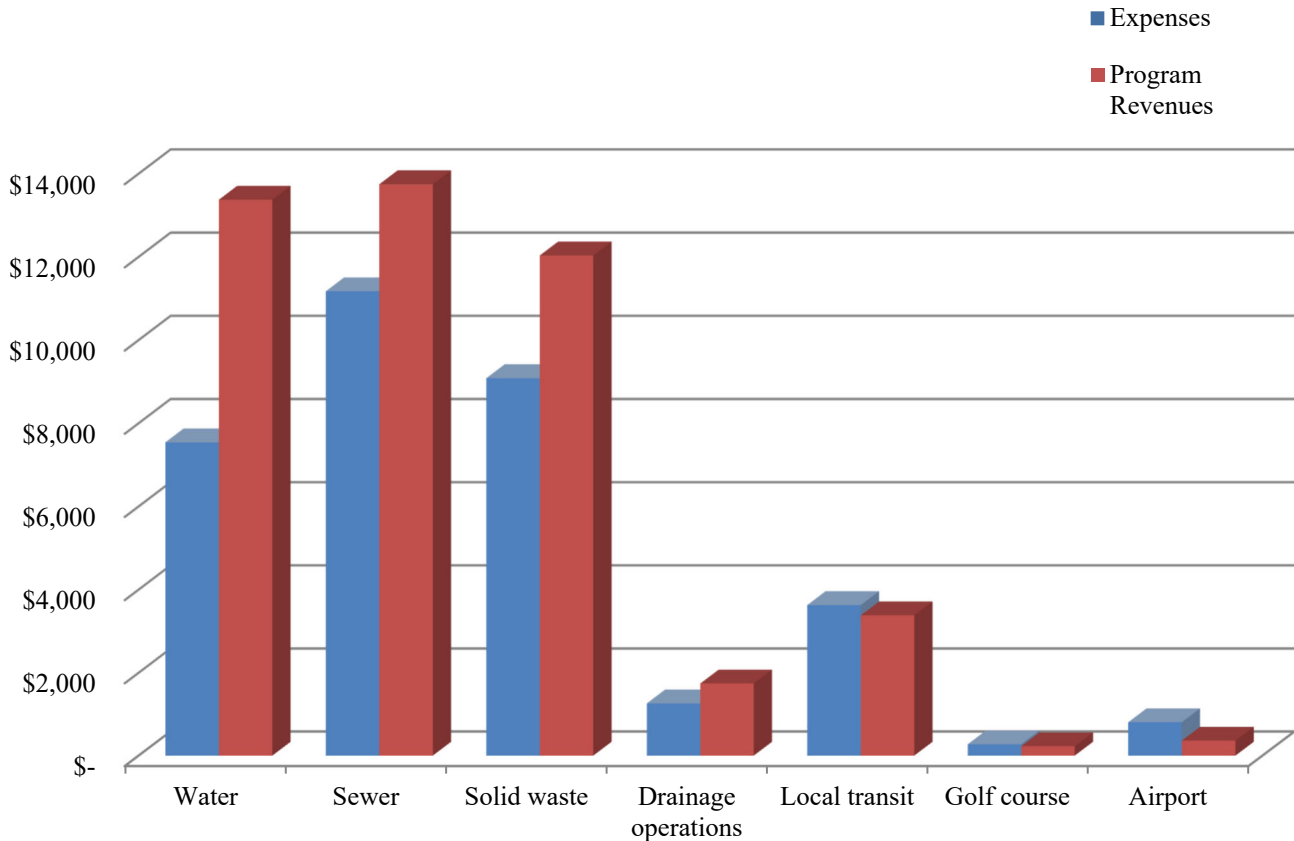
City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Revenues by Source - Business-Type Activities



City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Expenses and Program Revenues-Business-Type Activities
(Dollars in Thousands)



Included in Charges for Services are user fees relating to the water, sewer, solid waste, drainage, transit, golf course, and airport operations. Operating transit grant funds, which are the primary revenue for the Transit Fund, are included in Charges for Services.

Total Business-type expenses for the year were \$33.8 million, which is \$3.3 million (8.9%) less than in Fiscal Year 2023/24. The overall decrease in Business-type expenses was almost entirely caused by Water expenses, which dropped by \$2.2 million (22.4%) compared to the prior fiscal year. The decrease in Water expenses was caused by a decline in the City's pension expense and a reduction in bad debt expenses due to the City reestablishing the shut-off policy for non-payers.

Financial Analysis of the City's Funds

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

Governmental funds: Fund balance for Governmental Funds is defined in five categories: non-spendable, restricted, committed, assigned and unassigned. Non-spendable fund balances cannot be spent because they are not in spendable form. Restricted fund balances have limitations imposed externally by creditors, granters, contributors, or laws and regulations of other governments. Committed fund balances have self-imposed limitations set in place prior to the end of the period.

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Assigned fund balances are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. Unassigned fund balances are the amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose.

Combined, the City's Governmental Funds ended the fiscal year with positive fund balances. The ending fund balance for all funds amounted to \$122.8 million: \$17.5 million, or 16.6%, more than the previous year.

Of the total fund balance, \$20.0 million, or 16.3%, is unassigned which, within the limitations of the fund's purpose, is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is not in spendable form, legally required to be maintained intact, restricted for a particular purpose, committed for a particular purpose, or assigned for a particular purpose. The details of the remainder are as follows:

	Total
Nonspendable	
Prepaid items	\$ 135,622
Inventories	85,412
Total nonspendable	221,034
Restricted	
Community development	12,008,236
Parking improvements	123,257
Public works and transportation	27,850,783
Special assessment project	1,412,984
Opioid Settlement	136,132
Insurance premium reserve	4,299,453
Public protection	928,319
Capital projects and improvements	23,647,677
Total restricted	70,571,334
Committed	
General Fund stabilization reserve	12,781,798
General plan update	50,000
Solar street light repair Installation	50,000
Measure K - Fire Protection Stabilization	941,378
Measure K - Police Protection Stabilization	947,019
Measure K - Fire Vehicle Replacement	1,157,469
Total committed	15,927,664
Assigned	
Golf course capital	20,000
Debt service	1,112,943
OPEB liability	97,339
Health insurance premiums	-
Future annual stipend payments	740,000
Measure K - Fire Protection	8,306,297
Measure K - Police	4,915,570
Measure K - Sales Tax Refund Reserve	900,000
Total assigned	16,092,149
Unassigned	20,022,846
Total fund balances	\$ 122,835,027

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

General Fund

The General Fund is the chief operating fund of the City. As of June 30, 2025, the Total Fund Balance (including all categories) of the General Fund was \$56.5 million: up \$7.8 million (16.0%) from the fiscal year ending June 30, 2024. The total fund balance of \$56.5 million includes non-spendable balances of \$0.2 million, restricted balances of \$4.3 million, committed balances of \$15.9 million, assigned balances of \$16.1 million, and an unassigned balance of \$20.0 million.

Assets in the General Fund increased \$6.8 million, or 12.8%, due to an increase in cash of \$8.4 million which was offset by a decrease in other assets of \$1.7 million, Liabilities decreased \$0.9 million, or 22.3%, due to a decrease in Accounts Payable of \$0.2 million and a decrease in Accrued Liabilities of \$0.7 million.

Revenue increased by \$1.8 million, or 4.1%, due to an increase in Property Taxes of \$1.0 million (7.5%) and an \$0.8 million (36.6%) increase in Investment Income. Expenditures decreased by \$2.5 million, or 5.8%, which was caused by decreases in Public Protection expenditures of \$3.0 million (11.5%); specifically, a \$2.2 million decrease in Fire expenditures caused by a payment for Fire service in Fiscal Year 2023/24 for which there was no corresponding payment in Fiscal Year 2024/25. This decrease in Public Protection expenditures was partially offset by an increase in General Government expenditures of \$0.6 million (17.1%); specifically, increases in both Finance Department expenditures of \$0.3 million and the City Clerk's Office expenditures of \$0.2 million.

The *assigned* fund balance increased \$2.3 million when compared to the figure from June 30, 2024, primarily due to the \$1.1 million increase in the Fire Protection Reserve, a \$1.5 million increase in the Police Protection Reserve, and a \$0.4 million increase in the Annual Stipend Reserve, offset by the \$0.7 million decrease in the Health Insurance Premium Reserve.

The *unassigned* fund balance increased by \$5.4 million when compared to the fiscal year ending June 30, 2024. As a measurement of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 49.4% of total General Fund expenditures, while total fund balance represents approximately 139.5% of total General Fund expenditures.

Other Major Funds

The General Development Impact Fee Special Revenue Fund, a major fund, had a \$0.7 million (4.1%) increase in fund balance during Fiscal Year 2024/25. The increase in fund balance was due to revenues of \$1.7 million exceeding the combination of expenditures of \$0.5 million and transfers out of \$0.4 million. Assets consist of \$19.8 million, with cash making up 99.96% of Total Assets in this fund. Liabilities totaled \$0.6 million. The ending fund balance of \$19.2 million is restricted to use for capital projects and improvements.

The American Rescue Plan Act (ARPA) Fund had significant activity over the fiscal year. Over \$9.4 million of ARPA funds were spent on Sewer and Water infrastructure projects, as designated by the City Council. All expenditures are shown in the Water and Sewer Funds. At the end of each quarter, the City submits its' ARPA report to the Department of the Treasury then records a transfer out of the ARPA Fund into the Sewer and Water Funds based upon the amounts of the quarterly expenditures from each fund. Some of the water and sewer projects started or completed during the fiscal year were water pipeline replacement, water tower seismic evaluation and recoating, new water meter installations, and repair of the Avenue 13 sewer trunk main.

The Measure "T" Sales Tax Fund, a major fund, had a \$3.9 million (22.8%) increase in fund balance during Fiscal Year 2024/25. The increase in fund balance was due to revenue of \$4.9 million exceeding the combination of expenditures of \$0.2 million and transfers out of \$0.9 million. Assets consist of \$21.9 million, with cash making up 84.2% of Total Assets in this fund. Liabilities totaled \$0.9 million.

City of Madera
Management’s Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

The ending fund balance of \$21.0 million is restricted to use for transportation infrastructure projects – e.g. local road repairs and maintenance, safe routes for pedestrians and bicyclists, evacuation route improvements, and regional projects.

Proprietary Funds: There are two types of Proprietary Funds: enterprise, and internal service funds. The City’s Proprietary Funds statements provide the same type of information found in the Government-Wide financial statements, but in more detail.

The City's enterprise funds, and internal service funds ended the year with total net position as follows:

Water Fund	\$ 66,473,958
Sewer Fund	44,310,166
Solid Waste Fund	5,288,958
Drainage Operations Fund	18,801,020
Local Transit Fund	7,396,313
Golf Course Fund	1,223,903
Airport Fund	12,936,822
Fleet Maintenance Fund	9,469,084
Facilities Maintenance Fund	183,327
Technology Fund	622,658

Revenue was up slightly in the City’s enterprise funds in Fiscal Year 2024/25. Water revenue was up \$2.2 million (16.8%), primarily due to a scheduled rate increase and a normal rain year compared to the winter of 2023-2024 (wetter winters result is less billable water usage), Sewer revenue was up \$33,300 (0.3%), and Drainage Operations went up \$600 (0.1%). The growth in revenues, except for Drainage Operations, was the product of scheduled rate increases that were approved by the City Council in July 2022. These rate increases are being phased over a five-year period, beginning upon adoption. However, not all enterprise funds which have scheduled rate increase saw a revenue increase in Fiscal Year 2024/25. Solid Waste revenue was down \$1.0 million (7.9%) due to a reduction in Miscellaneous revenue of \$1.3 million.

Operating expenses were lower in the Water (\$2.0 million, or 21.5%), Sewer (\$0.2 million, or 1.5%), and Drainage Operations (\$0.2 million, or 14.0%) funds, primarily due to decreases in the Supplies and Miscellaneous and Salary and Benefits expenses. Expenses were higher for the Solid Waste fund in Fiscal Year 2024/25 by \$0.3 million (2.9%) The increase in Solid Waste expenditures was due to increase in General & Administrative costs primarily from contracted solid waste disposal fees.

General Fund Budgetary Highlights

The General Fund ended Fiscal Year 2024/25 \$8.7 million under budget. This variance was partially the result of increased revenues of \$0.7 million, which was due to Property Taxes over budget by \$0.7 million, Investment Income over budget by \$1.9 million and Other Taxes over budget by \$0.6 million. These overages were partially offset by shortfalls in Sales and Use Taxes of \$0.1 million, and Intergovernmental Revenues under by \$1.6 million.

However, the main contributor to the General Fund being under budget can be found in the Expenditures, which were under budget by \$8.2 million (slightly offset by \$0.2 million increase in Transfers In and Out). The biggest differences between budget and actual expenditure were in two areas: Capital Outlay was under budget by \$3.6 million and Parks and Community Services was under budget by \$2.2 million.

- Actual expenditures for General Government came in \$0.7 million under budget due to savings in City Clerk’s Office, City Manager’s Office, Finance, City Attorney, and Human Resources budgets, which was partially offset by spending more on Economic Development.

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

- Actual expenditures for Public Safety came in at \$0.5 million under budget due to decreased costs in contracted services for Fire, offset by an increase in personnel costs for Police.
- Actual expenditures for Community Development came in at \$2.7 million under budget due to a decrease of \$1.4 million in Low/Moderate Income Housing expenditures and \$0.8 million decrease in Residential Rehab expenditures.
- Actual expenditures for Capital Outlay were \$3.6 million under budget due to Public Works department spending less on projects this fiscal year than in the previous fiscal year.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2025, amounts to \$315.3 million (net of depreciation and amortization): an increase of \$20.8 million compared to Fiscal Year 2023/24.

Major capital asset additions this year include the following:

- Road network improvements - \$10.5 million
 - Developer donations (sidewalk, pavement, pipelines, and others) – \$6.8 million
 - Various streets and bridge improvement projects – \$3.2 million
 - Various park improvement projects – \$0.5 million
- Equipment, machinery, and property purchases - \$3.3 million
- Water storage tank installation – \$1.0 million
- Sewer trunk main rehabilitation – \$14.6 million
- WWTP 2024 improvement project – \$2.0 million

During the fiscal year, the City made improvements to various streets, bridges, parks, sewer mains, and received developer- donated infrastructure. Capital projects designed and/or constructed by the City and currently included in the City's Construction in Progress account are as follows:

- Park improvements: Town & Country Park, Centennial Park, and Olive Knox Park
- Street improvements: various streets
- Traffic signal improvements and installations: various locations
- Water storage tank installation: Avenue 17 and Lake Street
- Water meter installation: various streets
- Water main replacements and upgrades: various locations
- Sewer trunk main rehabilitation: Avenue 13, Road 24 ½, and Granada Drive

Developer constructed infrastructure was constructed in conjunction with the partial list of projects shown below:

- Iveywood I & II Subdivision
- Rancho Santa Fe Subdivision
- Ellis & D Street Subdivision
- Vineyard Estates III Subdivision
- California Custom Processing
- Fresno Madera Farm Credit

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

	Capital Assets					
	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 12,682,440	\$12,669,536	\$ 9,953,305	\$9,951,015	\$ 22,635,745	\$ 22,620,551
Construction in progress	30,080,888	26,353,074	24,649,927	9,067,227	54,730,815	35,420,301
Buildings and improvements	33,873,317	33,607,375	69,081,256	65,696,076	102,954,573	99,303,451
Equipment	21,800,401	20,278,276	9,885,841	9,915,576	31,686,242	30,193,852
Infrastructure	318,207,643	313,986,080	106,660,252	103,708,843	424,867,895	417,694,923
Subscription assets	312,821	312,821	-	-	312,821	312,821
Less: accumulated depreciation/amortization	(222,884,957)	(216,478,418)	(99,014,104)	(94,547,062)	(321,899,061)	(311,025,480)
Total	\$ 194,072,553	\$ 190,728,744	\$ 121,216,477	\$ 103,791,675	\$ 315,289,030	\$ 294,520,419

Detailed information on the City's capital assets can be found in Note 7 of the Notes to the Basic Financial Statements.

Long-term Debt. The City's long-term debt as of June 30, 2025, was \$50.4 million with Governmental Activities accounting for \$19.8 million, or 39.3% of total long-term debt, and Business-type activities accounting for \$30.6 million, or 60.7%. The total debt decreased by \$3.5 million, or 6.5%, during the Fiscal Year 2024/25. The reason for the decrease was due to the principal payments made during the fiscal year.

	Long-Term Debt					
	Governmental Activities		Business Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Subscription liability	\$ 6,343	\$ 109,174	\$ -	\$ -	\$ 6,343	\$ 109,174
Finance purchase agreement	16,145,000	17,001,000	-	-	16,145,000	17,001,000
Loans payable	61,600	182,400	4,939,000	5,334,000	5,000,600	5,516,400
Bonds payable	3,618,712	3,806,120	25,674,320	27,527,228	29,293,032	31,333,348
Total	\$ 19,831,655	\$ 21,098,694	\$ 30,613,320	\$ 32,861,228	\$ 50,444,975	\$ 53,959,922

General obligation debts are direct obligations of the City and are backed by the full faith and credit of the City requiring voter approval and may have a tax rate set to cover repayment. State statutes limit the amount of general obligation debt to 15% of the City's total assessed valuation. The City of Madera's debt limit is \$726.9 million. Detailed information on the City's long-term debt activity can be found in Note 8 of the Notes to the Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

During the fiscal year July 1, 2024, through June 30, 2025, the U.S. economy exhibited moderate growth. Real Gross Domestic Product (GDP) fluctuated over the year, with Bureau of Economic Analysis (BEA) estimates indicating expansion in the second quarter of 2025 at approximately 3.8% annualized and mixed results in other quarters, including a modest contraction early in 2025. Overall, economic growth for the fiscal year remained moderate but positive.

At the state level, California continued to be one of the largest economic contributors in the nation. According to the most recent BEA data, real GDP growth in California through the second quarter of 2025 was positive, although the quarterly pace varied. State-level data indicate that California's economy expanded overall during the fiscal year, reinforcing its position as one of the largest sub-national economies in the world, with gross state product exceeding \$4.0 trillion in 2024.

City of Madera
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Because the Central Valley economy relies heavily on agriculture and related industries, local income and expenditure levels remained below those seen in major metropolitan regions of California. Ongoing challenges, including weather variability such as drought, labor availability constraints, and dependency on state and federal subsidies, continued to influence the City's financial condition.

Looking ahead to the fiscal year July 1, 2025 through June 30, 2026, national GDP growth is expected to moderate further as the economy adjusts to tighter financial conditions, slowing consumer demand, and external economic pressures. Economic forecasts from leading institutions project U.S. growth to soften compared with the prior year.

Similarly, California's economy is projected to maintain positive but more moderate growth, supported by innovation-driven sectors and consumer activity, while continuing to face pressures from housing costs, labor market constraints, and sector-specific challenges. Agriculture-dependent regions such as the Central Valley are likely to experience continued variability in revenues and expenditures tied to commodity prices, weather conditions, and labor availability.

The City continues to address these challenges by budgeting both revenues and expenditures conservatively. For example, the City has experienced a 10.5% growth rate in Property Tax revenue over the last four fiscal years. However, for the Fiscal Year 2025/26 budget, the City assumed only a 3.1% growth rate in Property Tax revenues. The lower than historical growth rate assumption increases the chances that the City will experience actual Property Tax receipts greater than budgeted amounts. Similar practices were applied to other estimated revenues and appropriations. Due to the conservative approach to budgeting and the City's strong reserve levels, City management believes the City is well positioned to address any financial challenges that may arise during the foreseeable future.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Madera
Statement of Net Position
June 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Housing Authority of the City of Madera September 30, 2024
ASSETS				
Current assets:				
Cash and investments	\$ 113,266,250	\$ 72,996,649	\$ 186,262,899	\$ 9,938,991
Accounts receivable, net	815,552	6,803,281	7,618,833	164,645
Intergovernmental receivable	11,799,825	1,643,550	13,443,375	-
Lease receivable - due within one year	14,572	106,975	121,547	-
Notes receivable - due within one year	-	-	-	43,450
Prepaid items	318,990	109,496	428,486	141,817
Inventories	85,412	-	85,412	-
Internal balances	1,510,605	(1,510,604)	1	-
Total current assets	127,811,206	80,149,347	207,960,553	10,288,903
Noncurrent assets:				
Restricted cash and investments	2,517,025	2,634,242	5,151,267	1,390,094
Lease receivable - due in more than one year	405,731	922,925	1,328,656	-
Notes receivable - due in more than one year	8,003,577	-	8,003,577	2,795,634
Land held for resale	670,000	-	670,000	-
Capital assets:				
Non-depreciable	42,763,328	34,603,232	77,366,560	675,827
Depreciable/amortizable, net	151,309,225	86,613,245	237,922,470	3,988,046
Total capital assets, net	194,072,553	121,216,477	315,289,030	4,663,873
Total noncurrent assets	205,668,886	124,773,644	330,442,530	8,849,601
Total assets	333,480,092	204,922,991	538,403,083	19,138,504
DEFERRED OUTFLOWS OF RESOURCES				
Related to OPEB	859,210	202,091	1,061,301	-
Related to pensions	11,354,421	1,595,143	12,949,564	839,942
Total deferred outflows of resources	12,213,631	1,797,234	14,010,865	839,942

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

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Housing Authority of the City of Madera September 30, 2024
LIABILITIES				
Current liabilities:				
Accounts payable	2,963,152	5,183,228	8,146,380	118,808
Accrued payroll	1,156,066	51,961	1,208,027	36,585
Deposits	627,874	343,369	971,243	222,153
Interest payable	96,204	2,085,911	2,182,115	-
Unearned revenue	3,897,670	91,147	3,988,817	70,830
Total OPEB liability - due within one year	236,772	46,874	283,646	-
Compensated absences - due within one year	1,515,461	448,702	1,964,163	28,469
Long-term debt - due within one year	1,112,943	2,321,850	3,434,793	146,121
Total current liabilities	11,606,142	10,573,042	22,179,184	622,966
Noncurrent liabilities:				
Other non-current liabilities	-	-	-	248,235
Total OPEB liability - due in more than one year	3,939,908	779,980	4,719,888	-
Aggregate net pension liability	45,499,177	9,144,441	54,643,618	4,093,808
Compensated absences - due in more than one year	1,168,607	204,871	1,373,478	28,469
Long-term debt - due in more than one year	18,718,712	28,291,470	47,010,182	2,360,446
Total noncurrent liabilities	69,326,404	38,420,762	107,747,166	6,730,958
Total liabilities	80,932,546	48,993,804	129,926,350	7,353,924
DEFERRED INFLOWS OF RESOURCES				
Gain on refunding of debt	-	219,519	219,519	-
Related to leases	385,716	1,001,552	1,387,268	-
Related to OPEB	374,852	74,210	449,062	-
Related to pensions	589,447	-	589,447	271,360
Total deferred inflows of resources	1,350,015	1,295,281	2,645,296	271,360
NET POSITION				
Net investment in capital assets	174,895,436	90,383,638	265,279,074	2,157,306
Restricted:				
Community development	12,008,236	-	12,008,236	-
Park development	164,493	-	164,493	-
Parking improvements	123,257	-	123,257	-
Public works and transportation	27,850,783	-	27,850,783	-
Special assessment project	1,412,984	-	1,412,984	-
Law enforcement	928,319	-	928,319	-
Capital projects and improvements	23,647,677	-	23,647,677	-
Housing services	-	-	-	871,415
Debt service	-	2,634,242	2,634,242	-
Total restricted	66,135,749	2,634,242	68,769,991	871,415
Unrestricted	22,379,977	63,413,260	85,793,237	9,324,441
Total net position	\$ 263,411,162	\$ 156,431,140	\$ 419,842,302	\$ 12,353,162

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

Functions/Programs	Program Revenues				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
Primary government:					
Governmental activities:					
General government	\$ 8,972,158	\$ 314,071	\$ 291,168	\$ 1,743	\$ 606,982
Public protection	26,221,115	951,097	793,426	-	1,744,523
Social services	228,413	-	-	-	-
Public ways and facilities	5,715,045	574,641	8,778,601	15,515,272	24,868,514
Community development	4,515,931	1,731,348	1,904,712	-	3,636,060
Culture and recreation	5,734,478	455,638	740,277	-	1,195,915
Interest on long-term debt	573,255	-	-	-	-
Total governmental activities	<u>51,960,395</u>	<u>4,026,795</u>	<u>12,508,184</u>	<u>15,517,015</u>	<u>32,051,994</u>
Business-type activities:					
Water	7,541,494	11,661,991	-	1,712,634	13,374,625
Sewer	11,173,895	12,266,155	-	1,480,928	13,747,083
Solid waste	9,083,822	12,027,576	-	7,245	12,034,821
Drainage operations	1,261,194	873,160	-	868,098	1,741,258
Local transit	3,756,292	2,739,217	648,454	121,374	3,509,045
Golf course	274,162	175,906	-	50,000	225,906
Airport	806,517	325,468	-	36,260	361,728
Total business-type activities	<u>33,897,376</u>	<u>40,069,473</u>	<u>648,454</u>	<u>4,276,539</u>	<u>44,994,466</u>
Total primary government	<u><u>85,857,771</u></u>	<u><u>44,096,268</u></u>	<u><u>13,156,638</u></u>	<u><u>19,793,554</u></u>	<u><u>77,046,460</u></u>
Component unit:					
Housing Authority of the City of Madera	10,582,165	2,397,151	8,240,714	-	10,637,865
Total component unit	<u><u>\$ 10,582,165</u></u>	<u><u>\$ 2,397,151</u></u>	<u><u>\$ 8,240,714</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 10,637,865</u></u>

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Position			Component Unit
	Governmental Activities	Business-type Activities	Total	Housing Authority of the City of Madera September 30, 2024
Primary government:				
Governmental activities:				
General government	\$ (8,365,176)	\$ -	\$ (8,365,176)	\$ -
Public protection	(24,476,592)	-	(24,476,592)	-
Social services	(228,413)	-	(228,413)	-
Public ways and facilities	19,153,469	-	19,153,469	-
Community development	(879,871)	-	(879,871)	-
Culture and recreation	(4,538,563)	-	(4,538,563)	-
Interest on long-term debt	(573,255)	-	(573,255)	-
Total governmental activities	(19,908,401)	-	(19,908,401)	-
Business-type activities:				
Water	-	5,833,131	5,833,131	-
Sewer	-	2,573,188	2,573,188	-
Solid waste	-	2,950,999	2,950,999	-
Drainage operations	-	480,064	480,064	-
Local transit	-	(247,247)	(247,247)	-
Golf course	-	(48,256)	(48,256)	-
Airport	-	(444,789)	(444,789)	-
Total business-type activities	-	11,097,090	11,097,090	-
Total primary government	(19,908,401)	11,097,090	(8,811,311)	-
Component unit:				
Housing Authority of the City of Madera	-	-	-	55,700
Total component unit	-	-	-	55,700
General Revenues and Transfers:				
General revenues:				
Taxes:				
Property taxes	15,576,920	382,076	15,958,996	-
Sales and use taxes	19,712,059	-	19,712,059	-
Franchise taxes	836,662	-	836,662	-
Other taxes	2,702,053	-	2,702,053	-
Total taxes	38,827,694	382,076	39,209,770	-
Investment income	5,261,307	3,080,068	8,341,375	325,271
Miscellaneous revenue	1,069,475	4,118,432	5,187,907	309,316
Transfers	(7,300,763)	7,300,763	-	-
Total general revenues and transfers	37,857,713	14,881,339	52,739,052	634,587
Change in net position	17,949,312	25,978,429	43,927,741	690,287
Net Position:				
Beginning of year, as restated (Note 19)	245,461,850	130,452,711	375,914,561	11,662,875
End of year	\$ 263,411,162	\$ 156,431,140	\$ 419,842,302	\$ 12,353,162

See accompanying Notes to the Basic Financial Statements.

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FUND FINANCIAL STATEMENTS

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Governmental Funds Financial Statements

General Fund - This fund accounts for all revenues and expenditures used to finance the traditional services associated with a municipal government which are not accounted for in the other funds. In Madera, these services include general government, public protection, social services, public ways and facilities, community development, and culture and recreation.

General Development Impact Fee Fund - This fund accounts for and reports the proceeds of the AB1600 development impact fee monies that are restricted or committed to expenditures for the intended purposes.

Measure "T" Sales Tax Fund - This fund is used to account for the receipt of gasoline tax revenue paid to the City as a subvention from the State of California. These funds support maintenance activities and finance street construction projects as provided by State law.

American Rescue Plan Act Fund - This fund is used to account for the grant revenues and expenditures received through the American Rescue Plan Act.

City of Madera
Balance Sheet
Governmental Funds
June 30, 2025

	Major Funds		
	General Fund	General Development Impact Fee Fund	Measure "T" Sales Tax Fund
ASSETS			
Cash and investments	\$ 49,727,389	\$ 19,780,586	\$ 18,435,769
Restricted cash and investments	-	-	-
Accounts receivable, net	712,774	6,754	-
Intergovernmental receivable	4,951,618	198	3,470,722
Lease receivable	420,303	-	-
Notes receivable	-	-	-
Prepaid items	116,214	-	-
Inventories	85,412	-	-
Due from other funds	4,123,540	-	-
Land held for resale	-	-	-
Total assets	\$ 60,137,250	\$ 19,787,538	\$ 21,906,491
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 2,071,388	\$ -	\$ 9,680
Accrued payroll	1,122,242	-	-
Due to other funds	-	-	-
Deposits payable	-	627,800	-
Unearned revenues	7,711	-	-
Total liabilities	3,201,341	627,800	9,680
Deferred inflows of resources:			
Unavailable revenue	6,455	-	897,972
Related to leases	385,716	-	-
Total deferred inflows of resources	392,171	-	897,972
Fund Balances:			
Nonspendable	201,626	-	-
Restricted	4,299,453	19,159,738	20,998,839
Committed	15,927,664	-	-
Assigned	16,092,149	-	-
Unassigned (deficit)	20,022,846	-	-
Total fund balances	56,543,738	19,159,738	20,998,839
Total liabilities, deferred inflows of resources, and fund balances	\$ 60,137,250	\$ 19,787,538	\$ 21,906,491

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

	<u>Major Funds</u>		
	<u>American Rescue Plan Act Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments	\$ 4,417,022	\$ 14,330,721	\$ 106,691,487
Restricted cash and investments	-	2,517,025	2,517,025
Accounts receivable, net	-	52,899	772,427
Intergovernmental receivable	-	3,377,287	11,799,825
Lease receivable	-	-	420,303
Notes receivable	-	8,003,577	8,003,577
Prepaid items	-	19,408	135,622
Inventories	-	-	85,412
Due from other funds	-	-	4,123,540
Land held for resale	-	670,000	670,000
Total assets	<u>\$ 4,417,022</u>	<u>\$ 28,970,917</u>	<u>\$ 135,219,218</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 733,973	\$ 2,815,041
Accrued payroll	-	18,286	1,140,528
Due to other funds	-	2,612,935	2,612,935
Deposits payable	-	74	627,874
Unearned revenues	3,692,443	197,516	3,897,670
Total liabilities	<u>3,692,443</u>	<u>3,562,784</u>	<u>11,094,048</u>
Deferred inflows of resources:			
Unavailable revenue	-	-	904,427
Related to leases	-	-	385,716
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,290,143</u>
Fund Balances:			
Nonspendable	-	19,408	221,034
Restricted	724,579	25,388,725	70,571,334
Committed	-	-	15,927,664
Assigned	-	-	16,092,149
Unassigned (deficit)	-	-	20,022,846
Total fund balances	<u>724,579</u>	<u>25,408,133</u>	<u>122,835,027</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,417,022</u>	<u>\$ 28,970,917</u>	<u>\$ 135,219,218</u>

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

Total Fund Balances - Total Governmental Funds	<u>\$ 122,835,027</u>
Amounts reported for Governmental Activities in the Statement of Net Position were different because:	
Unavailable revenues reported on the Governmental Fund Financial Statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements.	<u>904,427</u>
Capital Assets used in the governmental activities were not financial resources and therefore were not reported in the Governmental Funds Balance Sheet.	
Government-Wide Statement of Net Position	194,072,553
Less: capital assets reported in Internal Service Funds	<u>(6,589,790)</u>
Total capital assets	<u>187,482,763</u>
Long-term liabilities are not due and payable in the current period and therefore were not reported in the Governmental Funds Balance Sheet.	
Amount reported in Government-Wide Statement of Net Position	
Compensated absences - due within one year	(1,515,461)
Compensated absences - due in more than one year	(1,168,607)
Long-term debt - due within one year	(1,112,943)
Long-term debt - due in more than one year	(18,718,712)
Less: amount reported in Internal Service Funds:	
Compensated absences - due within one year	85,433
Compensated absences - due in more than one year	140,968
Total long-term liabilities	<u>(22,289,322)</u>
Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the governmental funds.	<u>(96,204)</u>
Aggregate net pension liability and total OPEB liability used in the governmental activities were not financial resources and therefore were not reported in the Governmental Funds Balance Sheet.	
Net pension liability	(45,499,177)
Total OPEB liability	(4,176,680)
Less: amount reported in Internal Service Funds:	
Net pension liability	2,997,975
Total OPEB liability	296,819
Total pension and OPEB	<u>(46,381,063)</u>
Deferred outflows of resources related to OPEB and pensions are not available for current period and, therefore, are deferred in the governmental funds or not recorded in the governmental funds.	
Amount reported in Government-Wide Statement of Net Position	
Deferred outflows of resources related to OPEB	859,210
Deferred outflows of resources related to pensions	11,354,421
Less: amount reported in Internal Service Funds:	
Deferred outflows of resources related to OPEB	(72,545)
Deferred outflows of resources related to pensions	(522,961)
Total deferred outflows of resources	<u>11,618,125</u>
Deferred inflows of resources related to OPEB and pensions are not available for current period and, therefore, are deferred in the governmental funds or not recorded in the governmental funds.	
Amount reported in Government-Wide Statement of Net Position	
Deferred inflows of resources related to OPEB	(374,852)
Deferred inflows of resources related to pensions	(589,447)
Less: amount reported in Internal Service Funds:	
Deferred inflows of resources related to OPEB	26,639
Total deferred inflows of resources	<u>(937,660)</u>
Internal service funds are used by management to charge the cost of fleet management, risk management, information technology, and building maintenance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	<u>10,275,069</u>
Net Position of Governmental Activities	<u><u>\$ 263,411,162</u></u>

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

	Major Funds		
	General Fund	General Development Impact Fee Fund	Measure "T" Sales Tax Fund
REVENUES:			
Property taxes	\$ 14,397,410	\$ -	\$ -
Sales and use taxes	19,712,059	-	-
Other taxes	2,462,529	-	-
Investment income (loss)	3,151,997	913,198	709,995
Franchise fees	836,662	-	-
Licenses and permits	888,204	-	-
Fines and forfeitures	407,553	-	-
Intergovernmental	2,185,542	-	4,202,917
Charges for services	931,029	801,278	-
Miscellaneous	640,283	-	-
Total revenues	45,613,268	1,714,476	4,912,912
EXPENDITURES:			
Current:			
General government	3,852,750	-	-
Public protection	22,834,657	-	-
Social services	206,450	-	-
Public ways and facilities	2,897,099	459,774	27,565
Community development	4,178,623	-	-
Culture and recreation	4,885,103	-	-
Capital outlay	1,233,608	71,230	129,198
Debt service:			
Principal	281,839	-	-
Interest and fiscal charges	152,344	-	-
Total expenditures	40,522,473	531,004	156,763
REVENUES OVER (UNDER) EXPENDITURES	5,090,795	1,183,472	4,756,149
OTHER FINANCING SOURCES (USES):			
Transfers in	4,705,328	-	-
Transfers out	(1,978,323)	(433,771)	(860,000)
Total other financing sources (uses)	2,727,005	(433,771)	(860,000)
NET CHANGE IN FUND BALANCES	7,817,800	749,701	3,896,149
FUND BALANCES:			
Beginning of year	48,725,938	18,410,037	17,102,690
End of year	<u>\$ 56,543,738</u>	<u>\$ 19,159,738</u>	<u>\$ 20,998,839</u>

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

	<u>Major Funds</u>		
	<u>American Rescue Plan Act</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:			
Property taxes	\$ -	\$ 1,179,511	\$ 15,576,921
Sales and use taxes	-	-	19,712,059
Other taxes	-	473,603	2,936,132
Investment income (loss)	-	419,215	5,194,405
Franchise fees	-	-	836,662
Licenses and permits	-	-	888,204
Fines and forfeitures	-	5,250	412,803
Intergovernmental	9,424,196	9,719,324	25,531,979
Charges for services	-	439,823	2,172,130
Miscellaneous	-	235,759	876,042
Total revenues	<u>9,424,196</u>	<u>12,472,485</u>	<u>74,137,337</u>
EXPENDITURES:			
Current:			
General government	-	25,978	3,878,728
Public protection	-	1,781,442	24,616,099
Social services	-	-	206,450
Public ways and facilities	-	938,199	4,322,637
Community development	-	222,698	4,401,321
Culture and recreation	-	109,371	4,994,474
Capital outlay	-	3,735,996	5,170,032
Debt service:			
Principal	-	856,000	1,137,839
Interest and fiscal charges	-	459,072	611,416
Total expenditures	<u>-</u>	<u>8,128,756</u>	<u>49,338,996</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>9,424,196</u>	<u>4,343,729</u>	<u>24,798,341</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	95,649	3,384,380	8,185,357
Transfers out	(9,142,484)	(3,154,931)	(15,569,509)
Total other financing sources (uses)	<u>(9,046,835)</u>	<u>229,449</u>	<u>(7,384,152)</u>
NET CHANGE IN FUND BALANCES	377,361	4,573,178	17,414,189
FUND BALANCES:			
Beginning of year	347,218	20,834,955	105,420,838
End of year	<u>\$ 724,579</u>	<u>\$ 25,408,133</u>	<u>\$ 122,835,027</u>

City of Madera
Reconciliation of the Governmental Funds 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 Changes in Fund Balances - Total Governmental Funds \$ 17,414,189

Amounts reported for Governmental Activities in the Statement of Net Position were different because:

Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated useful lives as depreciation and amortization expenses. This is the amount of capital assets recorded in the current period (net of \$2,530,464 added in internal service funds) (\$748,295 of the governmental fund capital outlay balance were for repairs and maintenance expenditures).	4,421,737
In the Government-Wide Statement of Activities, donated assets are reported as a capital contribution.	3,872,721
Depreciation and amortization 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 and amortization expense, net of internal service funds of \$852,454, was not reported as expenditures in the Governmental Funds.	(6,626,055)
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, net of internal services funds of \$97,405.	1,137,839
Amortization of bond premium	32,408
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. This amount represented the changes in accrued interest from prior year.	5,753
Compensated absences expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (net of \$19,228 deducted in internal service funds).	(42,097)
Revenues in the Government-Wide Statement of Activities that do not provide current financial resources and are not reported as revenue in the governmental funds.	(801,331)
Certain pension expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	
Changes in pension related deferred outflows of resources	(3,493,854)
Changes in net pension liabilities	145,509
Changes in pension related deferred inflows of resources	(327,746)
Certain OPEB expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	
Changes in OPEB related deferred outflows of resources	(24,076)
Changes in total OPEB liabilities	(212,240)
Changes in OPEB related deferred inflows of resources	(175,591)
The internal service funds are used by management to charge the costs of fleet maintenance, facilities maintenance, and technology to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	2,622,146
Change in Net Position of Governmental Activities	\$ 17,949,312

Proprietary Funds Financial Statements

Water Fund - This fund is used to account for the activities of the City's water pumping, treatment and distribution operations.

Sewer Fund - This fund is used to account for the activities of the City's sewer collection and treatment operations.

Solid Waste Fund - This fund is used to account for the activities of the City's solid waste operations.

Drainage Operations Fund - This fund is used to account for the activities of the City's drainage operations.

Internal Service Funds - These funds are used to provide goods and services by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

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

	Major Funds			
	Water Fund	Sewer Fund	Solid Waste Fund	Drainage Operations Fund
ASSETS				
Current assets:				
Cash and investments	\$ 47,805,582	\$ 15,497,291	\$ 6,570,403	\$ 941,192
Accounts receivable, net	4,618,359	1,107,369	989,003	62,112
Intergovernmental receivable	40	3,582	-	-
Lease receivable - due within one year	-	-	-	-
Prepaid items	64,303	4,042	18,618	9,983
Total current assets	52,488,284	16,612,284	7,578,024	1,013,287
Noncurrent assets:				
Restricted cash and investments	378,739	2,255,503	-	-
Lease receivable - due in more than one year	-	-	-	-
Capital assets:				
Non-depreciable	3,502,889	22,096,432	-	4,055,914
Depreciable, net	24,317,898	32,307,684	-	14,363,068
Total capital assets	27,820,787	54,404,116	-	18,418,982
Total noncurrent assets	28,199,526	56,659,619	-	18,418,982
Total assets	80,687,810	73,271,903	7,578,024	19,432,269
DEFERRED OUTFLOWS OF RESOURCES				
Related to OPEB	103,636	82,909	5,182	5,182
Related to pensions	519,212	588,869	183,787	116,274
Total deferred outflows of resources	622,848	671,778	188,969	121,456
LIABILITIES				
Current liabilities:				
Accounts payable	1,102,461	2,369,228	1,300,156	2,028
Accrued payroll	14,866	19,262	5,189	3,551
Due to other funds	-	-	-	-
Interest payable	72,945	270,424	-	-
Deposits payable	2,072,411	-	-	-
Unearned revenue	89,095	-	1,852	200
Total OPEB liability - due within one year	24,038	19,230	1,202	1,202
Compensated absences - due within one year	179,188	167,832	42,067	29,559
Long-term debt - due within one year	567,850	1,754,000	-	-
Total current liabilities	4,122,854	4,599,976	1,350,466	36,540
Noncurrent liabilities:				
Total OPEB liability - due in more than one year	399,990	319,993	19,999	19,999
Aggregate net pension liability	2,976,474	3,375,794	1,053,592	666,558
Compensated absences - due in more than one year	83,131	12,513	52,075	27,705
Long term debt - due in more than one year	7,201,470	21,090,000	-	-
Total noncurrent liabilities	10,661,065	24,798,300	1,125,666	714,262
Total liabilities	14,783,919	29,398,276	2,476,132	750,802
DEFERRED INFLOWS OF RESOURCES				
Gain on refunding of debt	14,725	204,794	-	-
Related to leases	-	-	-	-
Related to OPEB	38,056	30,445	1,903	1,903
Related to pensions	-	-	-	-
Total deferred inflows of resources	52,781	235,239	1,903	1,903
NET POSITION				
Net investment in capital assets	20,036,742	31,355,322	-	18,418,982
Restricted:				
Debt service	378,739	2,255,503	-	-
Unrestricted	46,058,477	10,699,341	5,288,958	382,038
Total net position	\$ 66,473,958	\$ 44,310,166	\$ 5,288,958	\$ 18,801,020

See accompanying Notes to the Basic Financial Statements.

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

	Non-major Funds	Total	Governmental Activities Internal Service Funds
ASSETS			
Current assets:			
Cash and investments	\$ 2,182,181	\$ 72,996,649	\$ 6,574,763
Accounts receivable, net	26,438	6,803,281	43,125
Intergovernmental receivable	1,639,928	1,643,550	-
Lease receivable - due within one year	106,975	106,975	-
Prepaid items	12,550	109,496	183,368
Total current assets	3,968,072	81,659,951	6,801,256
Noncurrent assets:			
Restricted cash and investments	-	2,634,242	-
Lease receivable - due in more than one year	922,925	922,925	-
Capital assets:			
Non-depreciable	4,947,997	34,603,232	300,157
Depreciable, net	15,624,595	86,613,245	6,289,633
Total capital assets	20,572,592	121,216,477	6,589,790
Total noncurrent assets	21,495,517	124,773,644	6,589,790
Total assets	25,463,589	206,433,595	13,391,046
DEFERRED OUTFLOWS OF RESOURCES			
Related to OPEB	5,182	202,091	72,545
Related to pensions	187,001	1,595,143	522,961
Total deferred outflows of resources	192,183	1,797,234	595,506
LIABILITIES			
Current liabilities:			
Accounts payable	409,355	5,183,228	148,111
Accrued payroll	9,093	51,961	15,538
Due to other funds	1,510,604	1,510,604	-
Interest payable	-	343,369	-
Deposits payable	13,500	2,085,911	-
Unearned revenue	-	91,147	-
Total OPEB liability - due within one year	1,202	46,874	16,826
Compensated absences - due within one year	30,056	448,702	85,433
Long-term debt - due within one year	-	2,321,850	-
Total current liabilities	1,973,810	12,083,646	265,908
Noncurrent liabilities:			
Total OPEB liability - due in more than one year	19,999	779,980	279,993
Aggregate net pension liability	1,072,023	9,144,441	2,997,975
Compensated absences - due in more than one year	29,447	204,871	140,968
Long term debt - due in more than one year	-	28,291,470	-
Total noncurrent liabilities	1,121,469	38,420,762	3,418,936
Total liabilities	3,095,279	50,504,408	3,684,844
DEFERRED INFLOWS OF RESOURCES			
Gain on refunding of debt	-	219,519	-
Related to leases	1,001,552	1,001,552	-
Related to OPEB	1,903	74,210	26,639
Related to pensions	-	-	-
Total deferred inflows of resources	1,003,455	1,295,281	26,639
NET POSITION			
Net investment in capital assets	20,572,592	90,383,638	6,589,790
Restricted:			
Debt service	-	2,634,242	-
Unrestricted	984,446	63,413,260	3,685,279
Total net position	\$ 21,557,038	\$ 156,431,140	\$ 10,275,069

See accompanying Notes to the Basic Financial Statements.

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

	Major Funds			
	Water Fund	Sewer Fund	Solid Waste Fund	Drainage Operations Fund
OPERATING REVENUES:				
Charges for services	\$ 11,661,991	\$ 12,266,155	\$ 12,027,576	\$ 873,160
Miscellaneous revenue	3,422,840	418,232	681	32,284
Total operating revenues	15,084,831	12,684,387	12,028,257	905,444
OPERATING EXPENSES:				
Salaries and benefits	1,572,307	2,425,373	595,955	522,480
General and administrative	2,400,715	2,502,783	8,428,636	324,565
Supplies and miscellaneous	468,069	624,078	48,630	28,401
Utilities	2,035,381	2,323,728	10,601	25,379
Depreciation/amortization	960,922	2,431,652	-	360,369
Total operating expenses	7,437,394	10,307,614	9,083,822	1,261,194
OPERATING INCOME (LOSS)	7,647,437	2,376,773	2,944,435	(355,750)
NONOPERATING REVENUES (EXPENSES):				
Investment income	2,065,500	641,538	217,450	42,761
Property taxes	-	178,573	-	-
Operating grants	-	-	-	-
Interest expense	(104,100)	(866,281)	-	-
Total nonoperating revenues (expenses)	1,961,400	(46,170)	217,450	42,761
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	9,608,837	2,330,603	3,161,885	(312,989)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital contributions	1,008,508	1,125,214	-	862,147
Capital grants	704,126	355,714	7,245	5,951
Transfers in	139,009	9,537,780	37,974	75,002
Transfers out	(1,182,696)	(558,444)	(575,754)	(84,646)
Total capital contributions and transfers	668,947	10,460,264	(530,535)	858,454
Changes in net position	10,277,784	12,790,867	2,631,350	545,465
NET POSITION:				
Beginning of year, as restated (Note 19)	56,196,174	31,519,299	2,657,608	18,255,555
End of year	<u>\$ 66,473,958</u>	<u>\$ 44,310,166</u>	<u>\$ 5,288,958</u>	<u>\$ 18,801,020</u>

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

	Non-major Funds	Total	Governmental Activities Internal Service Funds
OPERATING REVENUES:			
Charges for services	\$ 3,240,591	\$ 40,069,473	\$ 6,285,635
Miscellaneous revenue	244,395	4,118,432	437,445
Total operating revenues	<u>3,484,986</u>	<u>44,187,905</u>	<u>6,723,080</u>
OPERATING EXPENSES:			
Salaries and benefits	629,728	5,745,843	1,431,673
General and administrative	2,838,270	16,494,969	1,089,012
Supplies and miscellaneous	359,066	1,528,244	502,473
Utilities	29,975	4,425,064	564,177
Depreciation/amortization	979,932	4,732,875	852,454
Total operating expenses	<u>4,836,971</u>	<u>32,926,995</u>	<u>4,439,789</u>
OPERATING INCOME (LOSS)	<u>(1,351,985)</u>	<u>11,260,910</u>	<u>2,283,291</u>
NONOPERATING REVENUES (EXPENSES):			
Investment income	112,819	3,080,068	258,083
Property taxes	203,503	382,076	-
Operating grants	648,454	648,454	-
Interest expense	-	(970,381)	(1,756)
Total nonoperating revenues (expenses)	<u>964,776</u>	<u>3,140,217</u>	<u>253,723</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(387,209)</u>	<u>14,401,127</u>	<u>2,537,014</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital contributions	145,233	3,141,102	1,743
Capital grants	62,401	1,135,437	-
Transfers in	66,039	9,855,804	582,403
Transfers out	(153,501)	(2,555,041)	(499,014)
Total capital contributions and transfers	<u>120,172</u>	<u>11,577,302</u>	<u>85,132</u>
Changes in net position	<u>(267,037)</u>	<u>25,978,429</u>	<u>2,622,146</u>
NET POSITION:			
Beginning of year, as restated (Note 19)	<u>21,824,075</u>	<u>130,452,711</u>	<u>7,652,923</u>
End of year	<u>\$ 21,557,038</u>	<u>\$ 156,431,140</u>	<u>\$ 10,275,069</u>

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

	Major Funds			
	Water Fund	Sewer Fund	Solid Waste Fund	Drainage Operations Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 10,219,750	\$ 12,794,876	\$ 12,404,003	\$ 895,789
Cash payments to suppliers for goods and services	(4,998,519)	(4,224,981)	(9,618,058)	(388,602)
Cash payments to employees for services	(2,212,758)	(2,471,181)	(756,390)	(528,506)
Other operating revenues and expenses	3,422,840	418,232	681	32,284
Net cash provided by (used in) operating activities	6,431,313	6,516,946	2,030,236	10,965
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating grants	-	-	-	-
Property taxes	-	178,573	-	-
Due to other funds	-	-	-	-
Transfers from other funds	139,009	9,537,780	37,974	75,002
Transfers to other funds	(1,182,696)	(558,444)	(575,754)	(84,646)
Net cash provided by (used in) noncapital financing activities	(1,043,687)	9,157,909	(537,780)	(9,644)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital grants	704,086	355,933	7,245	6,761
Acquisition of capital assets	(2,103,117)	(16,754,772)	-	(5,514)
Principal payment of long-term debt	(569,036)	(1,919,298)	-	-
Interest paid on debt	(94,577)	(681,487)	-	-
Net cash provided by (used in) capital and related financing activities	(2,062,644)	(18,999,624)	7,245	1,247
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest from investments	2,065,500	641,538	217,450	42,761
Net cash provided by investing activities	2,065,500	641,538	217,450	42,761
Net change in cash and cash equivalents	5,390,482	(2,683,231)	1,717,151	45,329
CASH AND CASH EQUIVALENTS:				
Beginning of year	42,793,839	20,436,025	4,853,252	895,863
End of year	<u>\$ 48,184,321</u>	<u>\$ 17,752,794</u>	<u>\$ 6,570,403</u>	<u>\$ 941,192</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:				
Cash and investments	\$ 47,805,582	\$ 15,497,291	\$ 6,570,403	\$ 941,192
Restricted cash and investments	378,739	2,255,503	-	-
Total cash and cash equivalents	\$ 48,184,321	\$ 17,752,794	\$ 6,570,403	\$ 941,192
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 7,647,437	\$ 2,376,773	\$ 2,944,435	\$ (355,750)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:				
Depreciation/amortization	960,922	2,431,652	-	360,369
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	(1,532,401)	528,721	464,208	22,629
Lease receivable	-	-	-	-
Prepaid items	(48,430)	2,245	(18,337)	(258)
Deferred outflows - OPEB related	(10,448)	(22,336)	4,138	(523)
Deferred outflows - pension related	440,241	307,572	112,270	58,697
Accounts payable	(45,924)	1,223,363	(1,111,854)	(9,999)
Accrued payroll	2,626	5,541	1,154	886
Deposits payable	79,960	-	-	-
Unearned revenue	10,200	-	(87,781)	-
Compensated absences	(37,023)	(27,001)	(66,096)	2,803
Aggregate net pension liability	(1,043,105)	(379,800)	(186,723)	(66,476)
Total OPEB liability	2,462	65,205	(20,956)	123
Deferred inflows - lease related	-	-	-	-
Deferred inflows - OPEB related	18,215	17,548	(81)	911
Deferred inflows - pension related	(13,419)	(12,537)	(4,141)	(2,447)
Total adjustments	(1,216,124)	4,140,173	(914,199)	366,715
Net cash provided by (used in) operating activities	\$ 6,431,313	\$ 6,516,946	\$ 2,030,236	\$ 10,965
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:				
Contributed property, plant and equipment	\$ 1,008,508	\$ 1,125,214	\$ -	\$ 862,147
Total noncash capital and related financing activities	\$ 1,008,508	\$ 1,125,214	\$ -	\$ 862,147

See accompanying Notes to the Basic Financial Statements.

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

	Non-major Funds	Total	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 3,263,221	\$ 39,577,639	\$ 6,323,325
Cash payments to suppliers for goods and services	(3,079,541)	(22,309,701)	(2,569,396)
Cash payments to employees for services	(759,651)	(6,728,486)	(2,151,416)
Other operating revenues and expenses	244,395	4,118,432	437,445
Net cash provided by (used in) operating activities	(331,576)	14,657,884	2,039,958
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Operating grants	653,946	653,946	-
Property taxes	203,503	382,076	-
Due to other funds	(230,548)	(230,548)	-
Transfers from other funds	66,039	9,855,804	582,403
Transfers to other funds	(153,501)	(2,555,041)	(499,014)
Net cash provided by (used in) noncapital financing activities	539,439	8,106,237	83,389
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital grants	135,966	1,209,991	-
Acquisition of capital assets	(203,172)	(19,066,575)	(2,528,721)
Principal payment of long-term debt	-	(2,488,334)	(96,792)
Interest paid on debt	-	(776,064)	(1,756)
Net cash provided by (used in) capital and related financing activities	(67,206)	(21,120,982)	(2,627,269)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest from investments	112,819	3,080,068	258,083
Net cash provided by investing activities	112,819	3,080,068	258,083
Net change in cash and cash equivalents	253,476	4,723,207	(245,839)
CASH AND CASH EQUIVALENTS:			
Beginning of year	1,928,705	70,907,684	6,820,602
End of year	<u>\$ 2,182,181</u>	<u>\$ 75,630,891</u>	<u>\$ 6,574,763</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION:			
Cash and investments	\$ 2,182,181	\$ 72,996,649	\$ 6,574,763
Restricted cash and investments	-	2,634,242	-
Total cash and cash equivalents	<u>\$ 2,182,181</u>	<u>\$ 75,630,891</u>	<u>\$ 6,574,763</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (1,351,985)	\$ 11,260,910	\$ 2,283,291
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:			
Depreciation/amortization	979,932	4,732,875	852,454
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	30,274	(486,569)	37,690
Lease receivable	50,869	50,869	-
Prepaid items	(4,110)	(68,890)	(90,123)
Deferred outflows - OPEB related	(523)	(29,692)	11,326
Deferred outflows - pension related	126,537	1,045,317	447,667
Accounts payable	151,880	207,466	(323,611)
Accrued payroll	2,758	12,965	3,680
Deposits payable	29	79,989	-
Unearned revenue	-	(77,581)	-
Compensated absences	(13,815)	(141,132)	(26,618)
Aggregate net pension liability	(241,530)	(1,917,634)	(1,068,415)
Total OPEB liability	123	46,957	(82,590)
Deferred inflows - lease related	(58,542)	(58,542)	-
Deferred inflows - OPEB related	911	37,504	8,782
Deferred inflows - pension related	(4,384)	(36,928)	(13,575)
Total adjustments	1,020,409	3,396,974	(243,333)
Net cash provided by (used in) operating activities	<u>\$ (331,576)</u>	<u>\$ 14,657,884</u>	<u>\$ 2,039,958</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:			
Contributed property, plant and equipment	\$ 95,233	\$ 3,091,102	\$ 1,743
Total noncash capital and related financing activities	<u>\$ 95,233</u>	<u>\$ 3,091,102</u>	<u>\$ 1,743</u>

See accompanying Notes to the Basic Financial Statements.

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Fiduciary Funds Financial Statements

Custodial Funds - These funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private purpose trust funds. This includes the Madera General Deposit Custodial Fund and Community Facilities Districts Custodial Fund.

RDA Successor Agency Private Purpose Trust Fund - This fund is used to account for monies received from the Madera County Auditor Controller for the repayment of the enforceable obligations of the former Madera Community Development Agency. These funds are restricted for the sole purpose of payment of items on an approved Recognized Payment Obligation Schedule (ROPS).

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

	Custodial Funds	RDA Successor Agency Private Purpose Trust Fund
ASSETS		
Cash and investments	\$ 2,419,556	\$ 6,877,789
Accounts receivable, net	958	25,484
Prepaid items	925	125
Restricted cash and investments with fiscal agent	54,039	9,233
Land held for resale	-	278,207
Capital asset, not being depreciated	-	16,701
Capital asset, being depreciated, net	-	1,424,272
Total assets	2,475,478	8,631,811
LIABILITIES		
Accounts payable	36,026	4
Interest payable	-	411,839
Long-term debt - due within one year	-	1,630,000
Long-term debt - due in more than one year	-	28,401,977
Total liabilities	36,026	30,443,820
NET POSITION (DEFICIT)		
Restricted for individuals, organizations, and other governments	2,439,452	-
Held in trust for dissolution of RDA	-	(21,812,009)
Total net position (deficit)	\$ 2,439,452	\$ (21,812,009)

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

	Custodial Funds	RDA Successor Agency Private Purpose Trust Fund
ADDITIONS:		
Fee collections for other governments	\$ 1,624,275	\$ -
Special assessments for other governments	195,301	-
Investment income	22,703	157,001
RDA property tax trust fund distribution	-	3,093,695
Other payments received	-	1,200
Total additions	<u>1,842,279</u>	<u>3,251,896</u>
DEDUCTIONS:		
Administration	8,202	-
Project payments	1,606,966	6,195
Payments on conduit bonds - principal	107,744	-
Payments on conduit bonds - interest	73,389	-
Depreciation	-	34,738
Interest expense	-	1,018,244
Total deductions	<u>1,796,301</u>	<u>1,059,177</u>
Change in net position	45,978	2,192,719
NET POSITION (DEFICIT):		
Beginning of year	<u>2,393,474</u>	<u>(24,004,728)</u>
End of year	<u>\$ 2,439,452</u>	<u>\$ (21,812,009)</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Note 1 – Summary of Significant Accounting Policies

The basic financial statements of the City of Madera, 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 standards in the United States. The more significant of the City’s accounting policies are described below.

A. Financial Reporting Entity

The City was incorporated in 1907 under the general laws of the State of California. The City operates under a Council-Manager form of government and provides the following services: public protection, health and social services, public ways and facilities, community development (planning, building and zoning), culture-recreation, public utilities (water, sewer, solid waste, and drainage operations), airport services, local transportation, golf course, and general administrative services.

The financial reporting entity consists of the primary government, the City, and its component units. Component units are legally separate entities for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government is accountable and their exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Blended Component Units

Blended component units, although legally separate entities, are, in substance part of the government’s operation. As a result, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the government.

Although the following are legally separate from the City, they have been “blended” as though they are part of the City because the component unit’s governing body is substantially the same as the City’s and there is a financial benefit or burden relationship between the City and the component unit; management of the City has operational responsibilities for the component units; and/or the component units provide services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though it does not provide services directly to it.

Madera Public Financing Authority (Financing Authority)

The Madera Public Financing Authority (“Financing Authority”) was created in 1989. The Financing Authority is a joint exercise of joint powers. The City Council serves as directors of the Financing Authority. The purpose of the Financing Authority is to act as a financing/lending type of entity only. No separate annual financial statements are prepared for the Financing Authority. Since the City Council previously served as the government board for this component unit, the City’s component unit was considered to be a blended component unit. Blended component units, although legally separate entities, are in substance, part of the City’s operations and financial information was reported with the primary government.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

Discretely Presented Component Units

A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Housing Authority of the City of Madera (Housing Authority)

The Housing Authority of the City of Madera (“Housing Authority”) is a governmental entity authorized in accordance with state law to engage in the development, acquisition, leasing, and administration of low-rent housing programs. The Housing Authority is governed by a Board of Commissioners, which is comprised of members of the City Council. Management of the Housing Authority is appointed and held accountable to the Governing Board. The Housing Authority has a September 30 fiscal year end in order to align with other Housing Authorities in California. The Housing Authority’s September 30 fiscal year-end audited financial statements are included in the City’s basic financial statements as a discretely presented component unit. Complete financial statements for the Housing Authority may be obtained from the administrative offices located at 205 North G St, Madera, CA 93637.

The Housing Authority and the City have different fiscal years, which can result in timing differences in transactions between the Housing Authority and the City as noted in the basic financial statements.

B. Basis of Presentation, Accounting and Measurement Focus

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 by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained in accordance with legal and managerial requirements.

Government-Wide Financial Statements

The City’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. 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. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Government-Wide Financial Statements (Continued)

Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of U.S. GAAP. Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program. Program revenues for the City are classified 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 and Changes in Net Position, 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 Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances. An accompanying schedule is presented to reconcile and explain the differences in Net Position 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.

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days for all revenues except grants, which use a six-month availability period.

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle in-lieu, transient occupancy taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Governmental Fund Financial Statements (Continued)

Revenue recognition is subject to the measurable and available criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed non-exchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary non-exchange transactions have been recognized as revenues when all applicable eligibility requirements have been met.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The City reports the following major governmental funds:

General Fund – This is the primary operating fund of the City. It accounts for all the general revenues of the City not specifically levied or collected for by other City funds and for expenditures related to the rendering of general services by the City.

General Development Impact Fee Fund – This fund accounts for and reports the proceeds of the AB1600 development impact fee monies that are restricted or committed to expenditures for the intended purposes.

Measure “T” Sales Tax Fund – This fund is used to account for the receipt of sales tax revenue paid to the City as a subvention from the State of California. These funds support maintenance activities and finance street construction projects as provided by State law.

American Rescue Plan Act Fund – This fund used to account for the grant revenues received and expenditures incurred through the American Rescue Plan Act.

Discretely Presented Component Unit Financial Statements

The activities of the Housing Authority closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. The Housing Authority which provides services on a continuous basis, has its activities are substantially financed by revenues derived from user charges and contributions from the member agencies. The Housing Authority utilizes the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as they are incurred.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Fund Net Position, and a Statement of Cash Flows for each major Proprietary Fund and an aggregate total column for all non-major Proprietary funds.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Proprietary Fund Financial Statements (Continued)

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the Government-Wide Financial Statements. The City's internal service funds include funds which provide services directly to other City funds. These areas of service include fleet operations, facilities maintenance, and technology.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total 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. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following major proprietary funds:

Water Fund – This fund is used to account for the provision of water services to the residential, commercial and industrial segments of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Sewer Fund – This fund is used to account for the provision of sewer treatment to residential, commercial and industrial segments of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Solid Waste Fund – This fund is used to account for City's activities related to solid waste removal and street cleaning activities.

Drainage Operations Fund – This fund is used to account for the City's activities related to drainage operations.

Internal service fund balances and activities have been combined with governmental activities in the Government-Wide Financial Statements, and are comprised of the following funds:

Fleet Operations Fund – This fund is used to account for the accumulation and allocation of costs associated with the maintenance of the City fleet of vehicles.

Facilities Maintenance Fund – This fund is used to account for the accumulation and allocation of costs associated with the maintenance of the City Hall building and other City buildings.

Technology Fund – This fund is used to account for the costs associated with automation maintenance of the City's various computers, servers and interdepartmental electronic communications.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent custodial funds and private purpose trust funds. Fiduciary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Fiduciary fund types are accounted for according to the nature of the fund.

Fiduciary fund types are accounted for according to the nature of the fund. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Private-purpose trust funds account for resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments (i.e. unclaimed property/escheat property). They are also used to account for various assessment districts for which the City acts as an agent for debt service activity, as the City is prohibited from levying additional taxes for these districts. Such funds include Community Facilities Districts, which do not have trust agreements with the City.

The City's private purpose trust fund is a fiduciary fund type used by the City to report assets, liabilities and activities of the Successor Agency to the Redevelopment Agency ("Successor Agency") for the City of Madera. Its results of operations are presented on the Statement of Changes of Fiduciary Net Position.

Successor Agency of the Redevelopment Agency for the City of Madera

The Redevelopment Obligation Retirement Fund was created to serve as a custodian for the assets and to wind down the affairs of the RDA on February 1, 2012, pursuant to Assembly Bill x1 26. Its purpose is to expeditiously wind down the affairs of the dissolved Redevelopment Agency ("RDA"). The Successor Agency is a separate public entity from the City, subject to the direction of an oversight board. The City Council serves as the governing board of the Successor Agency. In general, the Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, the Successor Agency will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former RDA until all enforceable obligations of the former RDA have been paid in full and all assets have been liquidated. Based upon the nature of the Successor Agency's custodial role, the Successor Agency has been included in the accompanying basic financial statements as a private purpose trust fund. On March 6, 2015, the California Department of Finance (Finance) approved the City's revised Long-Range Property Management Plan ("LRPMP"), with the assets deemed for governmental use and future development.

C. Deferred Outflows and Inflows of Resources

The Statement of Net Position and Balance Sheet – Governmental Funds reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Deferred Outflows and Inflows of Resources (Continued)

Deferred Inflows of Resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

D. Cash, Cash Equivalents and Investments

The City pools its available cash for investment purposes. The City considers pooled cash and investment amounts, with original maturities of three months or less, to be cash equivalents.

Investments are reported in the accompanying financial statements at fair value, except for certain investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year, and may result in negative investment income in the accompanying financial statements. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance, except for investment income associated with funds not legally required to receive pooled investment income which has been assigned to and recorded as revenue of the general fund, as provided by California Government Code Section 53647.

For purposes of the statement of cash flows, amounts reported as cash and cash equivalents, include amounts on deposit in the City pool and any short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Certain disclosure requirements, if applicable, for deposits and investment risks in the following areas:

- Interest rate risk
- Credit risk
 - Overall
 - Custodial credit risk
 - Concentration of credit risk
- Foreign currency risk

U.S. GAAP 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.

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.

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.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

D. Cash, Cash Equivalents and Investments (Continued)

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.

E. Restricted Assets

Amounts reported as restricted assets have been restricted by bond indentures or are to be used for specified purposes based on contract provisions, such as bonded debt service.

F. Receivables

Customer or trade receivables are reported as “accounts receivable” and are shown net of an allowance for uncollectible accounts based on historical and management estimates.

Noncurrent portions of long-term receivables (e.g., “notes receivable”) due to governmental fund types are reported in their respective balance sheets despite their spending measurement focus. Recognition of governmental fund type revenues represented by noncurrent receivables are deferred until they become current receivables. Noncurrent portions of long-term notes receivable are offset by restricted fund balance in the special revenue funds.

G. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” or “advances to/from other funds” (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the Governmental-Wide Financial Statements as “internal balances.”

H. Inventory

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and vehicle repair parts. The cost of such inventories is recorded as expenditure/expenses when consumed rather than when purchased. Inventory reported in governmental funds is offset with nonspendable fund balance to show that inventories do not constitute available spendable resources, even though they are a component of fund balance.

I. Prepaid Items

Prepaid items are reported in the governmental funds under the consumption method and are reported as a nonspendable component of fund balance to indicate that they are not spendable for appropriation and are not expendable financial resources.

J. Leases

The City is a lessor for leases of special purpose facilities, office and commercial space, and land. The City recognizes leases receivable and deferred inflows of resources in the financial Statements.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

J. Leases (Continued)

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a systematic and rational method.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

K. Subscription-Based Information Technology Arrangements (SBITAs)

The City has a policy to recognize a SBITA liability and a right-to-use subscription asset (SBITA asset) in our financial statements with an initial, individual value of \$50,000 or more with a subscription term greater than one year.

At the commencement of a subscription, when the subscription asset is placed into service, the SBITA liability is measured at the present value of payments expected to be made during the subscription term. Future subscription payments are discounted using the City's incremental borrowing rate and the City recognizes amortization of the discount on the subscription liability as interest expense in subsequent financial reporting periods.

SBITA assets are measured as the sum of the initial subscription liability, payments made to the SBITA vendor before the commencement of the lease term, and capitalizable implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subscription assets are amortized using the straight-line method over the subscription term.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the period during which the City has a noncancelable right to use the underlying IT asset. The subscription term also includes periods covered by an option to extend if it is reasonably certain to be exercised.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

K. Subscription-Based Information Technology Arrangements (SBITAs) (Continued)

- Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option years that the City is reasonably certain to exercise. The City monitors changes in circumstances that would require a remeasurement of a subscription and will remeasure any subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Right-to-use subscription assets are reported along with other capital assets and subscription liabilities are reported as long-term debt on the statement of net position.

L. Land Held for Resale

Land held for resale represents land, structures, and related improvements that were acquired for resale as part of the City’s redevelopment and grant activities. Land held for resale is accounted for is recorded at lower of cost or net realizable value in accordance with U.S. GAAP. Land held for resale, which is not available for current expenditure, is reported in the governmental funds balance sheet as restricted fund balance when proceeds from the sale must be used for restricted purposes or as nonspendable fund balance when such proceeds are not restricted.

M. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are valued at the fair value of the assets on the date on which they were contributed. Donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The City utilizes a capitalization threshold of \$5,000 - \$25,000 depending on asset type.

Depreciation is charged to operations using the straight-line method over the estimated useful lives of the assets as follows:

Asset Type	Years
Buildings	25-35
Improvements	5-50
Equipment	4-15
Infrastructure	10-50
Subscription assets	Contract term

For all infrastructure systems, the City elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City defines infrastructure as the basic physical assets that allow the City to function. The assets include the streets, water purification and distribution system, sewer collection and treatment system, parks and recreation, lands and improvement system, storm water conveyance system, and buildings combined with the site amenities such as parking and landscaped areas used by the City in the conduct of its business. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

N. Long-Term Debt

Government-Wide Financial Statements and Proprietary Fund Financial Statements

Long-term debt and other financial obligations are reported as liabilities in the appropriate funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using straight line method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are expensed when incurred. Gains or losses on bond refunding are reported as either deferred outflows of resources or deferred inflows of resources and amortized over the term of the related debt.

Governmental Fund Financial Statements

The governmental fund financial statements do not present long-term debt but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position. Governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Debt issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

O. 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.

Vacation: 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.

Sick Leave: 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.

Government-Wide Financial Statements

For governmental and business-type activities, compensated absences are recorded as expenses when earned.

Fund Financial Statements

For governmental funds, compensated absences are recorded as expenditures in the year paid. In proprietary funds, compensated absences are expensed to the various funds in the period they are earned, and such fund’s share of the unpaid liability is recorded as a long-term liability of the fund.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

P. Pension Plans

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 12). 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 General Fund and Internal Service Funds are typically used to liquidate the pension liability related to the City's governmental activities while the pension liability for Business-type activities is liquidated from the respective Enterprise Funds.

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

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.

Q. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan, the assets of which are held in an irrevocable trust, and additions to/deductions from the OPEB plan's fiduciary net position have been determined by an independent actuary (Note 13). For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. The General Fund and Internal Service Funds are typically used to liquidate the OPEB liability related to the City's governmental activities while the OPEB liability for Business-type activities is liquidated from the respective Enterprise Funds.

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

Valuation date	June 30, 2024
Measurement date	June 30, 2024
Measurement period	July 1, 2023 to June 30, 2024

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

R. Fund Balances

As prescribed by U.S. GAAP, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2025, fund balances for governmental funds are made up of the following:

- Nonspendable Fund Balance – includes amounts that are: (a) not in a spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: deposits and prepaid items.
- Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted with the consent of resource providers.
- Committed Fund Balance – includes amounts that have been limited to specific purposes or through adoption of a resolution or an ordinance by the City Council, the highest level of decision-making authority of the City, and resources that have been specifically committed for use in satisfying contractual obligations, as in agreements with third-parties. The City has determined that both a resolution and an ordinance are equally binding. These commitments may be changed or lifted, but only by the same formal action that was used to impose the constraint originally. City Council action to commit fund balance must occur within the fiscal reporting period while the amount committed may be subsequently determined.
- Assigned Fund Balance – includes amounts that are intended to be used by the City for specific purposes. Intent is expressed by (a) the City Council or (b) a body or official to which the City Council has delegated the authority to assign amounts to be used for a specific purpose. This policy delegates to the Finance Director the authority to assign unassigned fund balance amounts where the City’s intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.
- Unassigned Fund Balance – includes amounts within the General Fund, the residual resources, either positive or negative in excess of what can be properly classified in one of the other four fund balance categories. Unassigned amounts are technically available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification of fund balance in the nonspendable, restricted or committed categories.

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the following order: committed, assigned, and unassigned.

S. Net Position

The financial statements utilize a net position presentation. Net position is classified as follows:

- Net Investment in Capital Assets – This category of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by any debt outstanding and any deferred outflows/inflows of resources related to such borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is offset by unspent proceeds.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

S. Net Position (Continued)

- Restricted Net Position – This category presents restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Those assets are restricted due to external restrictions imposed by creditors (such as through bond covenants), grantors or laws and regulations of other governments and restrictions imposed through constitutional provisions or enabling legislation.
- Unrestricted – This category represents net position of the City that is not restricted for any project or other purpose.

When both restricted and unrestricted resources are available for use, the City’s policy is to use restricted resources first, then unrestricted resources that are needed.

T. Property Taxes

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities in the current period.

Under California law, property taxes are assessed and collected by the counties at up to 1% of assessed value, plus other increases approved by the voters. The County of Madera, bills and collects the property taxes and remits them to the City at various times throughout the year. Property taxes are attached as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are due in two installments. The first installment is due on November 1, and is payable through December 10 without penalty. The second installment is due February 1, and is payable through April 10 without penalty.

U. Use of Accounting Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions, in some cases when applicable, that affect the amounts in the financial statements and the accompanying notes. Actual results could differ from the estimates.

V. 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 2023, 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. See Note 19.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

V. Implementation of New GASB Pronouncements for the Year Ended June 30, 2025 (Continued)

GASB Statement No. 102 – In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government 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. Additionally, this Statement 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.

W. Upcoming Government Accounting Standards Implementations

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.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments – City

A. Summary

Cash and investments are presented in the accompanying financial statements for the City at June 30, 2025 as follows:

	Government-Wide Statement of Net Position			Fiduciary Funds Statement of Net Position	
	Governmental Activities	Business-Type Activities	Total	Net Position	Total
Cash and investments	\$ 113,266,250	\$ 72,996,649	\$ 186,262,899	\$ 9,297,345	\$ 195,560,244
Restricted cash and investments	2,517,025	2,634,242	5,151,267	63,272	5,214,539
Total cash and investments	\$ 115,783,275	\$ 75,630,891	\$ 191,414,166	\$ 9,360,617	\$ 200,774,783

Cash and investments for the City at June 30, 2025, consisted of the following:

Cash:	
Cash on hand	\$ 7,201
Deposits with financial institution	20,267,432
Total cash	20,274,633
Investments:	
Investments	175,285,611
Investments held by bond trustee	5,214,539
Total investments	180,500,150
Total cash and investments	\$ 200,774,783

As part of the City's investment guidelines, the City continually seeks ways to increase investment income while not risking investment principal. One way the City accomplishes this is by “sweeping”, on a nightly basis, any excess cash held in its non-interest-bearing checking account to an interest-bearing money market account with the same bank.

B. Demand Deposits

The carrying amounts of the City’s demand deposits were \$20,267,431 at June 30, 2025. Bank balances were \$20,558,598 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.

The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City’s 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 (“FDIC”). The City, however, has not waived the collateralization requirements.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments – City (Continued)

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

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

Authorized Investment Types	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer*
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

* Based on state law requirements or City investment policy requirements, whichever is more restrictive.

D. Investments Authorized by Debt Agreements

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

Authorized Investment Types	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Investment Contracts	30 years	None	None

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments – City (Continued)

E. Fair Value Measurement

As of June 30, 2025, the City’s investments had the following recurring fair value measurements:

Investments measured by fair value level:	Total	Level 2
Negotiable Certificates of Deposit	\$ 7,303,036	\$ 7,303,036
Municipal bonds	10,336,859	10,336,859
U.S. Treasury Obligations	24,407,578	24,407,578
U.S. Government Securities:		
Federal Home Loan Bank	25,210,885	25,210,885
Federal Farm Credit Bank	7,974,745	7,974,745
Federal Home Loan Mortgage Corporation	17,777,154	17,777,154
Federal National Mortgage Association	10,134,320	10,134,320
Federal Agricultural Mortgage Corporation	20,143,070	20,143,070
U.S. Corporate Bonds	12,446,985	12,446,985
Total investments by fair value level	135,734,632	\$ 135,734,632
Investments not subject to the fair value hierarchy:		
Local Agency Investment Fund	24,706,633	
California Asset Management Program (CAMP)	10,233,999	
Money market mutual funds	8,579,886	
Certificates of deposit	1,245,000	
Total investments not subject to the fair value hierarchy	44,765,518	
Total investments	\$ 180,500,150	

Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Medium term notes: quoted prices for similar securities in active markets; and
- Asset-backed securities: recent appraisals of the asset value.

F. Risk Disclosure

Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the City’s investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity. For purposes of the schedule shown on the next page, any callable securities are assumed to be held to maturity.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments – City (Continued)

F. Risk Disclosure (Continued)

Disclosures Relating to Interest Rate Risk (Continued)

Investment Type	Total	Investment Maturities				
		1 year or less	1 - 2 Years	2 - 3 Years	3 - 4 Years	5+ Years
Local Agency Investment Fund	\$ 24,706,633	\$ 24,706,633	\$ -	\$ -	\$ -	\$ -
California Asset Management Program (CAMP)	10,233,999	10,233,999	-	-	-	-
Money market mutual funds	3,365,347	3,365,347	-	-	-	-
Municipal bonds	10,336,859	-	966,830	3,045,544	923,900	5,400,585
Certificates of deposit	1,245,000	249,000	498,000	498,000	-	-
Negotiable certificates of deposit	7,303,036	6,341,505	961,531	-	-	-
U.S. Treasury Obligations	24,407,578	5,189,972	2,004,760	12,166,306	5,046,540	-
U.S. Government Securities:						
Federal Home Loan Bank	25,210,885	5,880,320	12,260,805	-	4,056,380	3,013,380
Federal Farm Credit Bank	7,974,745	3,003,680	1,949,100	992,270	2,029,695	-
Federal Home Loan Mortgage Corporation	17,777,154	11,792,924	-	996,930	-	4,987,300
Federal National Mortgage Association	10,134,320	1,982,980	1,998,600	1,974,880	4,177,860	-
Federal Agricultural Mortgage Corporation	20,143,070	3,965,340	3,022,950	4,022,240	7,098,180	2,034,360
U.S. corporate bonds	12,446,985	1,985,310	1,957,650	5,049,210	-	3,454,815
Held by bond trustee:						
Money market mutual funds	5,214,539	5,214,539	-	-	-	-
Total investments	\$ 180,500,150	\$ 83,911,549	\$ 25,620,226	\$ 28,745,380	\$ 23,332,555	\$ 18,890,440

Disclosures Relating to Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2025, the City's deposits (bank balances) were collateralized under California Law.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. However, some issuers do not seek a credit rating. For instance, the California Local Agency Investment Fund (LAIF) has not sought or received a credit rating. In these cases, the purchaser is solely responsible for performing their own due diligence before purchasing an investment or participating in an external investment pool. Certificates of deposit of \$250,000 or less are fully insured by the Federal Deposit Insurance Corporation (FDIC), and therefore, do not seek a credit rating.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments – City (Continued)

F. Risk Disclosure (Continued)

Disclosures Relating to Credit Risk (Continued)

Presented below is the minimum rating required by (where applicable) the California Government Code, the City’s investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	Total	Minimum Legal Rating	Ratings at Year-End AA or AAA	Not Rated
Local Agency Investment Fund	\$ 24,706,633	N/A	\$ -	\$ 24,706,633
California Asset Management Program (CAMP)	10,233,999		-	10,233,999
Money market mutual funds	3,365,347	A-1	-	3,365,347
Municipal bonds	10,336,859	AA+	10,336,859	-
Certificates of deposit	1,245,000	AA+	-	1,245,000
Negotiable certificates of deposit	7,303,036	AA+	-	7,303,036
U.S. Treasury Obligations	24,407,578	AA+	24,407,578	-
U.S. Government Securities:				
Federal Home Loan Bank	25,210,885	AA	25,210,885	-
Federal Farm Credit Bank	7,974,745	AA	7,974,745	-
Federal Home Loan Mortgage Corporation	17,777,154	AA	17,777,154	-
Federal National Mortgage Association	10,134,320	AA-	10,134,320	-
Federal Agricultural Mortgage Corporation	20,143,070	AA-	-	20,143,070
U.S. corporate bonds	12,446,985	AA	6,061,190	6,385,795
Held by bond trustee:				
Money market mutual funds	5,214,539	AA+	-	5,214,539
Total investments	\$ 180,500,150		\$ 101,902,731	\$ 78,597,419

Disclosure Relating to Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated in the Government Code. GASB Statement No. 40 requires disclosure by amount and issuer, of investments in any one issuer that represent 5% or more of total investments. At June 30, 2025, the following investments in one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represents 5% or more of the City's total investments.

Issuer	Investment Type	Reported Amount	Percentage of Portfolio
Federal Home Loan Bank	U.S. Government Securities	\$ 25,210,885	13.97%
Federal Agricultural Mortgage Corporation	U.S. Government Securities	20,143,070	11.16%
Federal Home Loan Mortgage Corporation	U.S. Government Securities	17,777,154	9.85%
Federal National Mortgage Association	U.S. Government Securities	10,134,320	5.61%

G. Investment in State Investment Pool

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 \$24,706,633 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.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments – City (Continued)

H. California Asset Management Program (CAMP)

The City is a voluntary participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust (the Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act for the purpose of exercising the common power of its Participants to invest funds. The investments are limited to investments permitted by California Government Code. The total amount invested by all public agencies in CAMP at June 30, 2025 was \$22.3 billion, respectively. A board of five trustees who are officials or employees of public agencies has oversight responsibility for CAMP. The value of the pool shares in CAMP, which may be withdrawn at any time, is determined on an amortized cost basis, which is different from the fair value of the City’s position in the pool. At June 30, 2025 the amortized cost approximates the City’s cost. As of June 30, 2025, the City had \$10,233,999 invested in CAMP.

Note 3 – Cash and Investments – Component Unit

A. Summary

Cash and investments are presented in the accompanying financial statements for the Component Unit at September 30, 2024 as follows:

	Component Unit
Cash and investments	\$ 9,938,991
Restricted cash and investments	1,390,094
Total cash and investments	\$ 11,329,085

Cash and investments for the Component Unit at September 30, 2024, consisted of the following:

Cash:	
Cash on hand	\$ 100
Deposits with financial institution	470,616
Total cash	470,716
Investments:	
Investments	10,858,369
Total investments	10,858,369
Total cash and investments	\$ 11,329,085

B. Demand Deposits

The carrying amounts of the Component Unit’s demand deposits were \$470,616 at September 30, 2024. Bank balances were \$470,616 at that date, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the Component Unit’s name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the Component Unit’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 Component Unit's name.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 3 – Cash and Investments – Component Unit (Continued)

B. Demand Deposits (Continued)

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

C. Investments Authorized by the California Government Code and the Housing Authority's Investment Policy

The Housing Authority's investment policy only authorizes investment in the Local Agency Investment Fund (LAIF) administered by the State of California. The Housing Authority's investment policy does not contain any specific provisions intended to limit its exposure to interest rate risk, credit risk, and concentration of credit risk.

D. Risk Disclosure

Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the Component Unit's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the Component Unit's investments by maturity. For purposes of the schedule shown on the next page, any callable securities are assumed to be held to maturity.

Investment Type	Total	Investment Maturities 1 year or less
Local Agency Investment Fund	\$ 10,858,369	\$ 10,858,369

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. However, some issuers do not seek a credit rating. For instance, the California Local Agency Investment Fund (LAIF) has not sought or received a credit rating. In these cases, the purchaser is solely responsible for performing their own due diligence before purchasing an investment or participating in an external investment pool. Certificates of deposit of \$250,000 or less are fully insured by the Federal Deposit Insurance Corporation (FDIC), and therefore, do not seek a credit rating.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 3 – Cash and Investments – Component Unit (Continued)

D. Risk Disclosure (Continued)

Presented below is the minimum rating required by (where applicable) the California Government Code, the Component Unit’s investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

<u>Investment Type</u>	<u>Total</u>	<u>Minimum Legal Rating</u>	<u>Not Rated</u>
Local Agency Investment Fund	\$ 10,858,369	N/A	\$ 10,858,369

Disclosure Relating to Concentration of Credit Risk

The investment policy of the Component Unit contains no limitations on the amount that can be invested in any one issuer beyond that stipulated in the Government Code. GASB Statement No. 40 requires disclosure by amount and issuer, of investments in any one issuer that represent 5% or more of total investments. At September 30, 2024, the had no investments in one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represents 5% or more of the Component Unit's total investments.

Disclosures Relating to Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The California Government Code and the Component Unit’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Component Unit deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At September 30, 2024, the Component Unit’s deposits (bank balances) were collateralized under California Law.

E. Investment in State Investment Pool

The Component Unit 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 September 30, 2024, the Component Unit had \$10,858,369 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.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 4 – Notes Receivables

A. Governmental Activities

At June 30, 2025, notes receivable for government activities consisted of the following:

	<u>Notes Receivable Balance</u>	<u>Allowance for Doubtful Accounts Balance</u>	<u>Financial Statement Balance</u>
City:			
Residential Rehab Special Revenue Fund:			
Madera Pacific Associates Loan	\$ 2,962,234	\$ -	\$ 2,962,234
100 Stadium Rd., LP Loan	5,034,343	-	5,034,343
Forgivable Loans	12,527,047	(12,527,047)	-
Total Residential Rehab Special Revenue Fund	<u>20,523,624</u>	<u>(12,527,047)</u>	<u>7,996,577</u>
Low and Moderate Income Housing Fund	7,000	-	7,000
Total City	<u>\$ 20,530,624</u>	<u>\$ (12,527,047)</u>	<u>\$ 8,003,577</u>

Residential Rehab Special Revenue Fund

The City was awarded a \$3 million-dollar federal grant from the HOME Investment Program (HOME) administered through the State of California. The proceeds of this grant were used to provide a \$3 million loan to Madera Pacific Associates (MPA) for multi-family rental housing projects serving low and very low-income individuals through subordinate loans with terms up to 55 years. MPA is required to repay the loan through the net cash flow payments it receives from project operations. The loan balance at June 30, 2025 is \$2,962,234, which is recorded as a note receivable in the Residential Rehab special revenue fund.

The City was awarded a \$5 million-dollar federal grant from the HOME Investment Program (HOME) administered through the State of California. The proceeds of this grant were used to provide a \$5 million loan to 100 Stadium Rd., L.P. for multi-family rental housing projects serving low and very low-income individuals through subordinate loans with terms up to 55 years. 100 Stadium Rd., L.P. is required to repay the loan through the net cash flow payments it receives from project operations. The loan balance at June 30, 2025 is \$5,034,343, which is recorded as a note receivable in the Residential Rehab special revenue fund.

Forgivable Loans

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 loans are secured by deeds of trust on the properties. 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.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 4 – Notes Receivables (Continued)

A. Governmental Activities (Continued)

Forgivable Loans (Continued)

Loans and related items as of June 30, 2025 are summarized as follows:

<u>Loan Type</u>	<u>Outstanding Loan Balance June 30, 2025</u>	<u>Due</u>
First-time homebuyer	\$ 5,204,590	30 years
Housing rehabilitation	1,482,295	30 years
Small business	5,840,162	10 years
Total	\$ 12,527,047	

Low and Moderate Income Housing Asset Special Revenue Fund

The Low and Moderate Income Housing Asset special revenue fund reports \$7,000 of notes receivable. These were loans funded from the former Redevelopment Agency to developers for construction of affordable housing or rehabilitation within the boundaries of the Redevelopment Project Area. These low interest-bearing loans are secured by deeds of trust. Maturities vary according to terms and disposition of property.

B. Component Unit

At September 30, 2024, notes receivable for the component unit consisted of the following:

	<u>Notes Receivable Balance</u>	<u>Allowance for Doubtful Accounts Balance</u>	<u>Financial Statement Balance</u>
Component Unit:			
Housing Authority for the City of Madera:			
MORES Yosemite Manor, LP Loan	\$ 2,506,201	\$ -	\$ 2,506,201
MORES Corporation Loans	332,883	-	332,883
Total Component Unit	\$ 2,839,084	\$ -	\$ 2,839,084

The Housing Authority has a note receivable of \$2,506,201, due from MORES Yosemite Manor, L.P., secured by first deed on land and building subject to note. Interest bearing on the outstanding principal balance at the rate of 4.21%, compounded annually. The term of the note commenced May 14, 2008 and expires on December 31, 2063. The note is due and payable from residual receipts per the loan agreement. As of September 30, 2024, the outstanding interest receivable amounted to \$2,120,228.

The Housing Authority has promissory notes issued between March 2010 and May 2014 that amounted to \$440,872, due from Madera Opportunities for Resident Enrichment Services, Inc. (MORES), a California non-profit corporation. The promissory notes are subject to various interest rates, payment start dates, and due dates. The note is secured by first and second deeds of trusts on buildings subject to the notes. The notes are due and payable from rental receipts per the loan agreements.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 5 – Lease Receivable

A. Governmental Activities

Certain portions of the City’s property is leased to others. Such property includes special purpose facilities, office and commercial space, and land. Lease receivable consists of agreements with other for the right-to-use of the underlying assets at various locations owned by the City. The terms of the arrangements range from 2 to 99 years. The calculated interest rates used vary depending on the length of the lease. For the fiscal year ended June 30, 2025, the City recognized \$31,006 in lease revenue and \$8,516 in interest revenue. At June 30, 2025, the City reported a deferred inflow of resources related to leases of \$385,716.

A summary of changes in lease receivable for the fiscal year ended June 30, 2025 is as follows:

	Balance			Balance June 30, 2025	Classification	
	July 1, 2024	Additions	Deletions		Due within One Year	Due in More Than One Year
Leases receivable	\$ 440,490	\$ -	\$ (20,187)	\$ 420,303	\$ 14,572	\$ 405,731

As of June 30, 2025, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 14,572	\$ 7,926	\$ 22,498
2027	15,421	7,640	23,061
2028	16,301	7,336	23,637
2029	17,212	7,016	24,228
2030	18,155	6,678	24,833
2031-2035	106,142	27,655	133,797
2036-2040	135,221	16,158	151,379
2041-2042	97,279	2,937	100,216
Total	\$ 420,303	\$ 83,346	\$ 503,649

B. Business-Type Activities

Certain portions of the City’s property is leased to others. Such property includes special purpose facilities, office and commercial space, and land. Lease receivable consists of agreements with other for the right-to-use of the underlying assets at various locations owned by the City. The terms of the arrangements range from 2 to 99 years. The calculated interest rates used vary depending on the length of the lease. For the fiscal year ended June 30, 2025, the City recognized \$43,419 in lease revenue and \$16,238 in interest revenue. At June 30, 2025, the City reported a deferred inflow of resources related to leases of \$1,001,552.

A summary of changes in lease receivable for the fiscal year ended June 30, 2025 is as follows:

	Balance			Balance June 30, 2025	Classification	
	July 1, 2024	Additions	Deletions		Due within One Year	Due in More Than One Year
Leases receivable	\$ 1,080,769	\$ 55,179	\$ (106,048)	\$ 1,029,900	\$ 106,975	\$ 922,925

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 5 – Lease Receivable (Continued)

B. Business-Type Activities (Continued)

As of June 30, 2025, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 106,975	\$ 16,118	\$ 123,093
2027	107,917	15,176	123,093
2028	108,872	14,221	123,093
2029	44,765	13,328	58,093
2030	45,579	12,514	58,093
2031-2035	216,686	50,415	267,101
2036-2040	151,425	32,628	184,053
2041-2045	156,541	17,508	174,049
2046-2050	91,140	3,701	94,841
Total	\$ 1,029,900	\$ 175,609	\$ 1,205,509

Note 6 – Interfund Receivables, Payables, and Transfers

A. Due To / From Other Funds

Amounts due to and due from other funds at June 30, 2025, were as follows:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Federal Aid Urban Special Revenue Fund	\$ 88,454	Overdrawn Cash
General Fund	Street Construction Special Revenue Fund	525,441	Overdrawn Cash
General Fund	Solar Energy Lease Capital Projects Fund	1,999,040	Overdrawn Cash
General Fund	Local Transit Enterprise Fund	1,005,480	Overdrawn Cash
General Fund	Golf Course Enterprise Fund	505,124	Overdrawn Cash
	Total	\$ 4,123,539	

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 6 – Interfund Receivables, Payables, and Transfers (Continued)

B. Transfers

Interfund transfers during the year ended June 30, 2025, consisted of the following:

Transfers In	Transfers Out	Amount	Purpose
General Fund	Community Facilities District Special Revenue Fund	\$ 316,440	Administrative cost
General Fund	Measure "T" Sales Tax Special Revenue Fund	860,000	Capital projects
General Fund	Solid Waste Disposal Enterprise Fund	572,903	Capital projects
General Fund	Special Gas Tax Special Revenue Fund	1,808,414	Capital projects
General Fund	Street Construction Special Revenue Fund	598,800	Capital projects
General Fund	Supplemental Law Enforcement Special Revenue Fund	300,000	Cost recovery
General Fund	Water Enterprise Fund	60,000	Cost recovery
General Fund	Drainage Operations Enterprise Fund	45,000	Engineering costs
General Fund	General Development Impact Fee Special Revenue Fund	143,771	Engineering costs
	Subtotal	4,705,328	
Solar Energy Lease Capital Projects Fund	Airport Enterprise Fund	73,549	Debt service
Solar Energy Lease Capital Projects Fund	Drainage Operations Enterprise Fund	39,646	Debt service
Solar Energy Lease Capital Projects Fund	Solid Waste Disposal Enterprise Fund	2,851	Debt service
Solar Energy Lease Capital Projects Fund	Landscape Assessment Districts Special Revenue Fund	3,662	Debt service
Solar Energy Lease Capital Projects Fund	General Fund	429,048	Debt service
Solar Energy Lease Capital Projects Fund	Local Transit Enterprise Fund	22,952	Debt service
Solar Energy Lease Capital Projects Fund	Facilities Maintenance Internal Service Fund	499,014	Debt service
Solar Energy Lease Capital Projects Fund	Parking District Operations Special Revenue Fund	4,857	Debt service
Solar Energy Lease Capital Projects Fund	Sewer Enterprise Fund	558,444	Debt service
Solar Energy Lease Capital Projects Fund	Water Enterprise Fund	1,027,047	Debt service
	Subtotal	2,661,070	
Sewer Enterprise Fund	General Fund	145,296	Capital projects
Sewer Enterprise Fund	American Rescue Plan Act Special Revenue Fund	9,142,484	Capital projects
Sewer Enterprise Fund	General Development Impact Fee Special Revenue Fund	250,000	Debt service
	Subtotal	9,537,780	
Drainage Operations Enterprise Fund	General Fund	35,002	Engineering/Admin costs
Drainage Operations Enterprise Fund	General Development Impact Fee Special Revenue Fund	40,000	Capital projects
	Subtotal	75,002	
Supplemental Law Enforcement Special Revenue Fund	General Fund	363,744	Capital projects
Supplemental Law Enforcement Special Revenue Fund	Opioid Settlement Fund Special Revenue Fund	70,000	Capital projects
	Subtotal	433,744	
Fleet Maintenance Internal Service Fund	General Fund	421,681	Cost recovery
Fleet Maintenance Internal Service Fund	Local Transit Enterprise Fund	57,000	Cost recovery
	Subtotal	478,681	
Local Transit Enterprise Fund	Intermodal Building Special Revenue Fund	52,758	Consolidate funds
American Rescue Plan Act Special Revenue Fund	Water Enterprise Fund	95,649	Capital projects
Solid Waste Disposal Enterprise Fund	General Fund	37,974	Capital projects
Airport Enterprise Fund	General Fund	13,281	Capital projects
Residential Rehab Special Revenue Fund	General Fund	131,107	Capital projects
Water Enterprise Fund	General Fund	139,009	Capital projects
Landscape Assessment Districts Special Revenue Fund	General Fund	158,459	Cost recovery
Facilities Maintenance Internal Service Fund	General Fund	85,006	Cost recovery
Technology Internal Service Fund	General Fund	18,716	Cost recovery
	Total	\$ 18,623,564	

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Capital Assets

A. Governmental Activities

The summary of changes in governmental activities capital assets for the year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Capital assets, not being depreciated					
Land	\$ 12,669,536	\$ 12,904	\$ -	\$ -	\$ 12,682,440
Construction in progress	26,353,074	4,753,764	-	(1,025,950)	30,080,888
Total capital assets, not being depreciated	<u>39,022,610</u>	<u>4,766,668</u>	<u>-</u>	<u>(1,025,950)</u>	<u>42,763,328</u>
Capital assets, being depreciated/amortized					
Building and improvements	33,607,375	-	-	265,942	33,873,317
Infrastructure	313,986,080	4,221,563	-	-	318,207,643
Equipment	20,278,276	1,836,691	(1,074,574)	760,008	21,800,401
Subscription assets	312,821	-	-	-	312,821
Total capital assets, being depreciated/amortized	<u>368,184,552</u>	<u>6,058,254</u>	<u>(1,074,574)</u>	<u>1,025,950</u>	<u>374,194,182</u>
Accumulated depreciation/amortization:					
Building and improvements	(11,649,747)	(724,660)	-	-	(12,374,407)
Infrastructure	(193,616,114)	(5,512,907)	-	-	(199,129,021)
Equipment	(11,074,264)	(1,139,718)	1,071,970	-	(11,142,012)
Subscription assets	(138,293)	(101,224)	-	-	(239,517)
Total accumulated depreciation/amortization	<u>(216,478,418)</u>	<u>(7,478,509)</u>	<u>1,071,970</u>	<u>-</u>	<u>(222,884,957)</u>
Total capital assets, being depreciated/amortized, net	<u>151,706,134</u>	<u>(1,420,255)</u>	<u>(2,604)</u>	<u>1,025,950</u>	<u>151,309,225</u>
Total capital assets, net	<u><u>\$ 190,728,744</u></u>	<u><u>\$ 3,346,413</u></u>	<u><u>\$ (2,604)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 194,072,553</u></u>

Depreciation and amortization expense were charged to the functions/programs of the governmental activities as follows:

General government	\$ 4,176,554
Public protection	502,584
Social services	13,785
Public ways and facilities	1,262,868
Culture and recreation	670,264
Internal service funds	852,454
Total depreciation/amortization expense	<u><u>\$ 7,478,509</u></u>

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Capital Assets (Continued)

B. Business-Type Activities

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

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Capital assets, not being depreciated					
Land	\$ 9,951,015	\$ 2,290	\$ -	\$ -	\$ 9,953,305
Construction in progress	9,067,227	18,902,078	-	(3,319,378)	24,649,927
Total capital assets, not being depreciated	<u>19,018,242</u>	<u>18,904,368</u>	<u>-</u>	<u>(3,319,378)</u>	<u>34,603,232</u>
Capital assets, being depreciated					
Building and improvements	65,696,076	65,802	-	3,319,378	69,081,256
Infrastructure	103,708,843	2,986,009	(34,600)	-	106,660,252
Equipment	9,915,576	201,498	(231,233)	-	9,885,841
Total capital assets, being depreciated	<u>179,320,495</u>	<u>3,253,309</u>	<u>(265,833)</u>	<u>3,319,378</u>	<u>185,627,349</u>
Accumulated depreciation:					
Building and improvements	(43,335,533)	(2,330,328)	-	-	(45,665,861)
Infrastructure	(48,151,701)	(2,028,966)	34,600	-	(50,146,067)
Equipment	(3,059,828)	(373,581)	231,233	-	(3,202,176)
Total accumulated depreciation	<u>(94,547,062)</u>	<u>(4,732,875)</u>	<u>265,833</u>	<u>-</u>	<u>(99,014,104)</u>
Total capital assets, being depreciated, net	<u>84,773,433</u>	<u>(1,479,566)</u>	<u>-</u>	<u>3,319,378</u>	<u>86,613,245</u>
Total capital assets, net	<u><u>\$ 103,791,675</u></u>	<u><u>\$ 17,424,802</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 121,216,477</u></u>

Depreciation expense was charged to the functions/programs of the business-type activities as follows:

Water	\$ 960,922
Sewer	2,431,652
Drainage operations	360,369
Local transit	514,351
Golf	167,906
Airport	297,675
Total depreciation expense	<u><u>\$ 4,732,875</u></u>

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Capital Assets (Continued)

C. Fiduciary Fund Financial Statements

The summary of changes in capital assets for fiduciary funds for the year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets, not being depreciated				
Land	\$ 16,701	\$ -	\$ -	\$ 16,701
Total capital assets, not being depreciated	16,701	-	-	16,701
Capital assets, being depreciated				
Building and improvements	2,359,125	-	-	2,359,125
Total capital assets, being depreciated	2,359,125	-	-	2,359,125
Accumulated depreciation:				
Building and improvements	(900,115)	(34,738)	-	(934,853)
Total accumulated depreciation	(900,115)	(34,738)	-	(934,853)
Total capital assets, being depreciated, net	1,459,010	(34,738)	-	1,424,272
Total capital assets, net	\$ 1,475,711	\$ (34,738)	\$ -	\$ 1,440,973

Depreciation expense for fiduciary fund financial statements for the year ended June 30, 2025 was \$34,738.

D. Component Unit

The summary of changes in capital assets for the component unit for the twelve month period ended September 30, 2024, is as follows:

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
Capital assets, not being depreciated				
Land	\$ 675,827	\$ -	\$ -	\$ 675,827
Total capital assets, not being depreciated	675,827	-	-	675,827
Capital assets, being depreciated				
Building and improvements	31,003,740	-	-	31,003,740
Equipment	946,906	11,950	-	958,856
Total capital assets, being depreciated	31,950,646	11,950	-	31,962,596
Less: accumulated depreciation	(27,263,774)	(710,776)	-	(27,974,550)
Total capital assets, being depreciated, net	4,686,872	(698,826)	-	3,988,046
Total capital assets, net	\$ 5,362,699	\$ (698,826)	\$ -	\$ 4,663,873

Depreciation expense for the component unit for the twelve month period ended September 30, 2024 was \$710,776.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities

A. Governmental Activities

A summary of changes in the long-term liabilities of the governmental activities for the year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Debt Issued	Debt Retired	Balance June 30, 2025	Classification	
					Due within One Year	Due in More Than One Year
Governmental Activities:						
Direct borrowings:						
Subscription liability	\$ 109,174	\$ -	\$ (102,831)	\$ 6,343	\$ 6,343	\$ -
Finance purchase agreement	17,001,000	-	(856,000)	16,145,000	880,000	15,265,000
Loans payable	182,400	-	(120,800)	61,600	61,600	-
Public borrowings:						
Lease revenue bonds:						
Series 2019, New Fire Station plus: bond premium	3,320,000 486,120	- -	(155,000) (32,408)	3,165,000 453,712	165,000 -	3,000,000 453,712
Total lease revenue bonds	3,806,120	-	(187,408)	3,618,712	165,000	3,453,712
Total	\$ 21,098,694	\$ -	\$ (1,267,039)	\$ 19,831,655	\$ 1,112,943	\$ 18,718,712

2019 Solar Energy Finance Purchase (Direct Borrowing)

On December 30, 2019, the City entered into an equipment finance purchase agreement in a direct placement transaction with Bank of America for an energy improvement and upgrade project (2019 Solar Equipment Finance Purchase) in the amount of \$19,432,000. The energy project improvements include HVAC upgrade, LED lighting, solar streetlights, EV charging stations and PV solar.

The finance purchase transaction closed on December 30, 2019. The interest was capitalized for the first two years, with interest only payments beginning June 1, 2020 through June 1, 2021 and principal and interest due in semi-annual payments, payable June 1st and December 1st thereafter through December 1st, 2039, with an interest rate of 2.77%. At June 30, 2025, the outstanding balance was \$16,145,000.

The annual debt service requirements at June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 880,000	\$ 435,029	\$ 1,315,029
2027	905,000	410,306	1,315,306
2028	930,000	384,891	1,314,891
2029	957,000	358,756	1,315,756
2030	983,000	331,887	1,314,887
2031-2035	5,349,000	1,229,175	6,578,175
2036-2040	6,141,000	434,681	6,575,681
Total	\$ 16,145,000	\$ 3,584,725	\$ 19,729,725

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

2019 Solar Energy Lease Purchase (Direct Borrowing) (Continued)

The City entered into finance purchase agreement whereby the City acquired certain capital assets and financed them to the City with the option to purchase. Unspent finance purchase proceeds are included in restricted cash and investments. The leased assets are included in capital assets and are summarized by major asset class below:

Unspent finance purchase proceeds	\$ 654,538
Construction in progress	18,220,272
Total	\$ 18,874,810

2019 Refunding of the Police Facility (Police Facility Commercial Loan) (Private Borrowing)

In December 2005, the City entered into an agreement with La Salle Bank (and subsequently sold to Capital One Public Funding, LLC) to finance a portion of the construction cost for the police facility. The entire purchase price of the police station was \$5,200,000. The financed portion of the police station was \$1,500,000 and was payable over a period of twenty years.

On January 1, 2018, the agreements was refunded and the Financing Authority paid the City an advance rental for the use and right to the possession of the Police and Golf Course facilities for a total of \$2,553,000. The lease was then assigned to Zions Bank/California Bank & Trust on the same day and named the Police Facility Commercial Loan. The bonds are due in annual installments of \$50,900 to \$61,600 beginning May 2018 with interest rate fixed 2.760% per annum payable semi-annually through December 25th, 2027. Total principal and interest remaining on the agreement is payable through 2026. At June 30, 2025, the outstanding balance was \$61,600.

The annual debt service requirements at June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 61,600	\$ 850	\$ 62,450
Total	\$ 61,600	\$ 850	\$ 62,450

2019 Lease Revenue Bonds (Fire Station) (Public Offering)

The Madera Public Financing Authority issued the Lease Revenue Bonds 2019 on June 1, 2019 for \$4,005,000. The proceeds of the bonds will be used to finance the construction of a fire station. The City entered into a Facilities Lease Agreement with the Madera Public Financing Authority to make rental payments. The Bonds are due in annual installments of \$230,000 to \$307,000 through February 1, 2039 with interest payable semiannually on February 1 and August 1 of each year with interest rate from 3.00% to 5.00%. At June 30, 2025 the outstanding balance was \$3,165,000.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

The annual debt service requirements at June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 165,000	\$ 140,100	\$ 305,100
2027	175,000	131,850	306,850
2028	180,000	123,100	303,100
2029	190,000	114,100	304,100
2030	200,000	104,600	304,600
2031-2035	1,150,000	372,000	1,522,000
2035-2039	1,105,000	112,800	1,217,800
Total	\$ 3,165,000	\$ 1,098,550	\$ 4,263,550

Subscription Liability

The City has entered into subscription-based information technology arrangements (SBITAs) for services related to cloud-based software applications, data storage and management services. Under the terms of these arrangements, the City does not take possession of the software at any time and the vendor provides ongoing services for the software's operation. The subscription periods vary, with initial non-cancellable terms ranging from 2 to 4 years. The calculated interest rate used was 2.40%.

As of June 30, 2025, the capitalized right-to-use assets related to SBITAs were \$312,821 and the total subscription liability was \$61,600, of which \$61,600 is reported as a current liability representing the amount due within the next fiscal year.

Principal and interest payments to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 6,343	\$ 141	\$ 6,484
Total	\$ 6,343	\$ 141	\$ 6,484

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

B. Business-Type Activities

A summary of changes in the long-term liabilities of the business-type activities for the year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Debt Issued	Debt Retired	Balance June 30, 2025	Classification	
					Due within One Year	Due in More Than One Year
Business-Type Activities:						
Direct borrowings:						
Loans payable:						
BBVA loan	\$ 5,334,000	\$ -	\$ (395,000)	\$ 4,939,000	\$ 404,000	\$ 4,535,000
Total loans payable	5,334,000	-	(395,000)	4,939,000	404,000	4,535,000
Public borrowings:						
Bonds payable:						
Water and Wastewater Refunding Revenue Bonds, Series 2015	20,595,000	-	(1,395,000)	19,200,000	1,450,000	17,750,000
2019 Water Revenue Refunding Bonds	6,932,228	-	(457,908)	6,474,320	467,850	6,006,470
Total bonds payable	27,527,228	-	(1,852,908)	25,674,320	1,917,850	23,756,470
Total	\$ 32,861,228	\$ -	\$ (2,247,908)	\$ 30,613,320	\$ 2,321,850	\$ 28,291,470

BBVA Compass Loan (Taxable) (Refinance CIEDB Loan)

In January 2021, the City refinanced the CIEDB Loan for the purpose of saving on annual debt service costs. The loan, in the amount of \$6,472,000, is for 15 years with an effective interest rate of 2.41%. The loan is a taxable loan. Annual installment payments range from \$502,989 to \$522,626 through 2036. The average fiscal year savings is \$24,655, with a total savings of \$369,829. At June 30, 2025, the outstanding balance of the BBVA Compass Loan was \$4,939,000.

The annual debt service requirements at June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 404,000	\$ 114,162	\$ 518,162
2027	412,000	104,329	516,329
2028	421,000	94,291	515,291
2029	430,000	84,037	514,037
2030	439,000	73,565	512,565
2031-2035	2,336,000	202,994	2,538,994
2036	497,000	5,989	502,989
Total	\$ 4,939,000	\$ 679,367	\$ 5,618,367

Water and Wastewater Refunding Revenue Bonds, Series 2015 (Public Offering)

Water and Wastewater Refunding Revenue Bonds, Series 2015 were issued by the Financing Authority in December 2015 for \$30,140,000. Proceeds from the bonds were used to refund \$30,440,000 of its Water and Wastewater Refunding Revenue Bonds, Series 2016. The bonds are due in annual installments of \$70,000 to \$2,080,000 through March 1, 2036, with interest payable semiannually on September 1 and March 1 of each year at 3.700%. At June 30, 2025, the outstanding balance of the Water and Wastewater Revenue Bonds was \$19,200,000.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

B. Business-Type Activities (Continued)

Water and Wastewater Refunding Revenue Bonds, Series 2015 (Public Offering) (Continued)

The Financing Authority has pledged a portion of future water and wastewater revenue to repay the 2015 Water and Wastewater Revenue Bonds. For the year ended June 30, 2025, total principal and interest paid was \$2,157,015, and net revenues were \$23,068,651. Total principal and interest remaining on the agreement is \$23,718,810 payable through 2036.

The annual debt service requirements at June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 1,450,000	\$ 710,400	\$ 2,160,400
2027	1,505,000	656,750	2,161,750
2028	1,555,000	601,065	2,156,065
2029	1,605,000	543,530	2,148,530
2030	1,670,000	484,145	2,154,145
2031-2035	9,335,000	1,445,960	10,780,960
2036	2,080,000	76,960	2,156,960
Total	\$ 19,200,000	\$ 4,518,810	\$ 23,718,810

Water Refunding Revenue Bonds, Series 2019 (Public Offering)

Water Refunding Bonds, Series 2019 were issued by the Financing Authority in December 2019 for \$9,016,903. The City used the proceeds to refund the outstanding principal of the Water Revenue Bonds, Series 2010 in the amount of \$9,530,000. The bonds are due semi-annual installments of \$204,890 to \$312,774 with interest rate fixed at 2.64% per annum payable semi-annually through 2037. At June 30, 2024, the outstanding principal and interest balance was \$8,233,333. The aggregate debt service payments of the new debt are \$2,587,313 less than the old debt. The issuance of the new debt and refunding of the old debt resulted in an economic gain (the difference between the net present value of the old debt and new debt service payments) of approximately \$2,053,508. At June 30, 2025, the outstanding balance of the Water Refunding Revenue Bonds was \$6,474,320.

The Financing Authority has pledged a portion of future water and wastewater revenue to repay the 2019 Water Revenue Bonds. For the year ended June 30, 2025, total principal and interest paid was \$637,896, and net revenues were \$10,277,784. Total principal and interest remaining on the agreement is \$7,595,437 payable through 2037.

The annual debt service requirements at June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 467,850	\$ 167,834	\$ 635,684
2027	480,334	155,400	635,734
2028	487,160	142,675	629,835
2029	503,516	129,705	633,221
2030	519,112	116,310	635,422
2031-2035	2,787,819	368,351	3,156,170
2036-2037	1,228,529	40,842	1,269,371
Total	\$ 6,474,320	\$ 1,121,117	\$ 7,595,437

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

C. Fiduciary Fund Financial Statements

A summary of changes in the long-term liabilities of the fiduciary fund financial statements for the year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Debt Issued	Debt Retired	Balance June 30, 2025	Classification	
					Due within One Year	Due in More Than One Year
Fiduciary Activities:						
Public borrowings:						
Tax allocation bonds:						
Series 2018A	\$ 27,700,000	\$ -	\$ (1,045,000)	\$ 26,655,000	\$ 1,230,000	\$ 25,425,000
Series 2018B	925,000	-	(525,000)	400,000	400,000	-
Add: unamortized bond premiums	3,205,975	-	(228,998)	2,976,977	-	2,976,977
Total tax allocation bonds	31,830,975	-	(1,798,998)	30,031,977	1,630,000	28,401,977
Total	\$ 31,830,975	\$ -	\$ (1,798,998)	\$ 30,031,977	\$ 1,630,000	\$ 28,401,977

Tax Allocation Refunding Bonds, Series 2018A and 2018B (Public Offering)

On July 17, 2018, the Successor Agency to the Former Madera Redevelopment Agency issued \$31,445,000 of Tax Allocation Refunding Bonds, Series 2018A and \$4,065,000 of Tax Allocation Refunding Bonds, Series 2018B (collectively the “2018 TARBs”) to (a) refund four outstanding series of bonds payable (the 1998 Tax Allocation Redevelopment Project Bonds, the 2003 Tax Allocation Refunding and Redevelopment Project Bonds, the Madera Redevelopment Agency Subordinate Tax Allocation Bonds, Series 2008A, and the Madera Redevelopment Agency Housing Set-Aside Subordinate Tax Allocation Bonds, Series 2008B) from tax increment revenue generated in the Madera Redevelopment Project Area (the “Project Area”), (b) fund a reserve account, and (c) pay the costs of issuance of the bonds. The 2018 TARBs are payable from and secured by a pledge of tax revenues to be derived from the Project Area. At June 30, 2025, the outstanding balance of the Series A Bonds was \$26,655,000 and the Series 2018B was \$400,000.

The 2018 TARBs consist of serial bonds maturing from 2019 through 2038 in annual installments of \$390,000 to \$2,405,000. Interest is due and payable semi-annually on March 1 and September 1 of each year at rates ranging from 3.0% to 5.0% commencing March 1, 2019. Annual principal on the bonds is due on September 1 of each year through 2038. The bonds are subject to federal arbitrage requirements. The aggregate debt service payments of the new debt are \$11,314,301 less than the old debt. The issuance of the new debt and refunding of the old debt resulted in an economic gain (the difference between the net present value of the old debt and new debt service payments) of approximately \$8,659,587.

A reserve account is required to be maintained in the amount of the lesser of (i) 10% of the original aggregate principal amount of the 2018 TARBs, or (ii) 125% of the average annual debt service with respect to the 2018 TARBs, or (iii) the maximum annual debt service with respect to the 2018 TARBs. As of June 30, 2025, the reserve requirement was met through the City’s purchase of a surety policy in-lieu of the cash reserve requirement. The total principal and interest outstanding at June 30, 2025 is \$35,512,713 for the Series 2018A and \$407,120 for the Series 2018B.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

C. Fiduciary Fund Financial Statements (Continued)

Tax Allocation Refunding Bonds, Series 2018A and 2018B (Public Offering)

The annual debt service requirements for the 2018 TARBs outstanding at June 30, 2025 are as follows:

Tax Allocation Refunding Bonds, Series 2018A			
Year Ending			
June 30,	Principal	Interest	Total
2026	\$ 1,230,000	\$ 1,190,525	\$ 2,420,525
2027	1,705,000	1,125,675	2,830,675
2028	1,765,000	1,047,450	2,812,450
2029	1,480,000	966,325	2,446,325
2030	2,050,000	878,075	2,928,075
2031-2035	11,120,000	3,076,675	14,196,675
2036-2039	7,305,000	572,988	7,877,988
Total	\$ 26,655,000	\$ 8,857,713	\$ 35,512,713

Tax Allocation Refunding Bonds, Series 2018B			
Year Ending			
June 30,	Principal	Interest	Total
2026	\$ 400,000	\$ 7,120	\$ 407,120
Total	\$ 400,000	\$ 7,120	\$ 407,120

D. Component Unit

A summary of changes in the long-term liabilities of the component unit for the twelve month period ended September 30, 2024, is as follows:

	Balance	Debt	Debt	Balance	Classification		
					October 1, 2023	Issued	Retired
Component Unit:							
Direct borrowings:							
Loans payable:							
Farmers' Home Administration loan	\$ 189,734	\$ -	\$ (18,037)	\$ 171,697	\$ 18,211	\$ 153,486	
Citizen Business Bank loan	2,457,979	-	(123,109)	2,334,870	127,910	2,206,960	
Total loans payable	2,647,713	-	(141,146)	2,506,567	146,121	2,360,446	
Total	\$ 2,647,713	\$ -	\$ (141,146)	\$ 2,506,567	\$ 146,121	\$ 2,360,446	

Farmers' Home Administration loan

Notes payable to Farmers' Home Administration, 1.00% due in monthly installments of \$1,653, including interest, first trust deeds on land and building subject to note.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

D. Component Unit (Continued)

Citizen Business Bank loan

Note payable to Citizen Business Bank, 4.75% due in monthly installments of \$19,852, including interest, secured by assets subject to note.

The total annual debt service requirements for the Component Unit long-term liabilities outstanding at September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 146,121	\$ 109,292	\$ 255,413
2026	155,282	102,777	258,059
2027	162,106	95,955	258,061
2028	1,945,217	31,136	1,976,353
2029	16,806	910	17,716
2030-2034	78,543	2,187	80,730
2035-2039	2,492	21	2,513
Total	\$ 2,506,567	\$ 342,278	\$ 2,848,845

Note 9 – Special Assessment Debt with No City Commitment

The City issued special tax and assessment bonds on behalf of property owners, pursuant to the Improvement Bond Act of 1915 and the Mello-Roos Community Facilities Act of 1982, to finance the acquisition and construction of certain infrastructure improvements within the assessment districts and community facilities districts.

The City acts solely as an agent for those paying special tax and assessments and remits the amounts collected to the bondholders of these fixed-rate Improvement Bond Act of 1915 and Mello-Roos Community Facilities Act of 1982 issues. The City is acting as a custodian and is in no way liable for the special assessment debt and, accordingly, the debt is not recorded in these financial statements.

On January 1, 2018, the City of Madera, on behalf of the City of Madera Community Facilities District No. 2006-1, issued the City of Madera Community Facilities District No. 2006-1 Special Tax Refunding Bonds Series 2018 to refund the CFD 2006-1 Series Special Tax Bond for the purpose of creating annual debt savings. Total debt service payments were reduced by \$88,740. The amount of principal outstanding as of June 30, 2025 is \$1,970,021. The bonds are not a general obligation of the City but are limited obligations, payable solely from special tax and assessments.

The City has no obligation beyond the balances in the designated custodial funds for any delinquent assessment district bond payments. If delinquencies occur beyond the amounts held in the reserve funds created from bond proceeds, the City has no duty to pay the delinquency out of the available funds of the City. Neither the faith and credit nor the taxing power of the City, or the State of California, or any political subdivision thereof is pledged to the payment of these bonds. Noncommittal debt amounts issued and outstanding at June 30, 2025 were \$1,862,277.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Compensated Absences

A. Governmental Activities

A summary of changes in the compensated absences balances for the governmental activities for the year ended June 30, 2025 is as follows:

	Balance		Balance	Classification	
	July 1, 2024, as restated			Increase (Decrease)	June 30, 2025
Compensated absences	\$ 2,668,589	\$ 15,479	\$ 2,684,068	\$ 1,515,461	\$ 1,168,607

Compensated absences in the governmental activities are obligations of the following funds:

Governmental Funds	\$ 2,457,667
Fleet Maintenance	83,307
Facilities Maintenance	96,063
Technology	47,031
Total	\$ 2,684,068

B. Business-Type Activities

A summary of changes in the compensated absences balances for the business-type activities for the year ended June 30, 2025 is as follows:

	Balance		Balance	Classification	
	July 1, 2024, as restated			Increase (Decrease)	June 30, 2025
Compensated absences	\$ 794,705	\$ (141,132)	\$ 653,573	\$ 448,702	\$ 204,871

Compensated absences in the business-type activities are obligations of the following funds:

Water Fund	\$ 262,319
Sewer Fund	180,345
Solid Waste Fund	94,142
Drainage Operations Fund	57,264
Local Transit Fund	57,751
Airport Fund	1,752
Total	\$ 653,573

C. Component Unit

A summary of changes in the compensated absences balances for the component unit for the twelve month period ended September 30, 2024 is as follows:

	Balance		Balance	Classification	
	October 1, 2023			Increase (Decrease)	September 30, 2024
Compensated absences	\$ 106,902	\$ (49,964)	\$ 56,938	\$ 28,469	\$ 28,469

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 11 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City obtains insurance coverage.

The City is a member of the Central San Joaquin Valley Risk Management Authority (CSJVRMA), a public entity risk pool for workers' compensation and general liability insurance. The CSJVRMA is a consortium of fifty-three cities located in California's San Joaquin Valley. It was established under the provisions of California Government Code Section 6500 et. seq. CSJVRMA is governed by a Board of Directors, consisting of one member appointed by each member city. The day-to-day business operations are handled by a management group employed by CSJVRMA. The relationship between the City and CSJVRMA is such that the CSJVRMA is not considered a component unit of the City for financial reporting purposes.

General Liability Insurance coverage is addressed via retention maintained by the City and participation in CSJVRMA. The City maintains a self-insured retention level of \$100,000 and participates in the CSJVRMA risk pool for coverage up to \$1,000,000. CSJVRMA participates in an excess pool, which provides coverage from \$1,000,000 to \$29,000,000.

Workers' Compensation coverage is also addressed via a retention maintained by the City and participation in CSJVRMA. The City maintains a self-insured retention level of \$100,000 and participates in the CSJVRMA risk pool for additional coverage up to \$250,000. CSJVRMA also participates in an excess pool which provides workers' compensation coverage from \$250,000 to \$500,000 and purchases excess insurance of approximately \$500,000 to the statutory limit.

Public entity risk pools are formally organized and separated entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influences by member municipalities beyond their representation of that board. Obligations and liabilities of these risk pools are not the City's responsibility.

CSJVRMA is currently operating as a common risk management and insurance program for 53 member cities. The program's general objectives are to formulate, develop, and administer, on the behalf of the member cities, a program of insurance, to obtain lower cost for that coverage, and to develop a comprehensive loss control program. A member may withdraw from CSJVRMA only by giving six-month notice. Cities applying for membership in CSJVRMA may do so on approval of a two-thirds vote of the board of CSJVRMA.

The financial information of the CSJVRMA for fiscal year ended June 30, 2025, is as follows:

Total assets	\$ 206,777,744
Total liabilities	<u>\$ 157,063,998</u>
Net position	<u>\$ 49,713,746</u>
Operating revenues	<u>\$ 85,738,001</u>
Operating expenses	<u>\$ 86,877,199</u>
Nonoperating revenues (expenses)	<u>\$ 8,298,143</u>
Change in net position	<u>\$ 7,158,945</u>

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans

A. Summary

	Governmental Activities	Business-Type Activities	Total	Component Unit
Deferred outflows of resources:				
Pension contribution made after measurement date:				
CalPERS Miscellaneous	\$ 2,868,468	\$ 1,215,923	\$ 4,084,391	\$ 135,253
CalPERS Safety	2,919,610	-	2,919,610	-
Total pension contribution made after measurement date	<u>5,788,078</u>	<u>1,215,923</u>	<u>7,004,001</u>	<u>135,253</u>
Change in assumption:				
CalPERS Miscellaneous	-	-	-	105,219
CalPERS Safety	589,504	-	589,504	-
Total change in assumption	<u>589,504</u>	<u>-</u>	<u>589,504</u>	<u>105,219</u>
Projected earnings on pension plan investments in excess of actual earnings:				
CalPERS Miscellaneous	775,646	328,791	1,104,437	235,676
CalPERS Safety	1,156,505	-	1,156,505	-
Total projected earnings on pension plan investments in excess of actual earnings	<u>1,932,151</u>	<u>328,791</u>	<u>2,260,942</u>	<u>235,676</u>
Difference between expected and actual experience:				
CalPERS Miscellaneous	118,969	50,429	169,398	353,947
CalPERS Safety	1,889,139	-	1,889,139	-
Total difference between expected and actual experience	<u>2,008,108</u>	<u>50,429</u>	<u>2,058,537</u>	<u>353,947</u>
Employer contributions in excess of proportionate share of contribution:				
CalPERS Safety	1,036,580	-	1,036,580	-
Total employer contributions in excess of proportionate share of contribution	<u>1,036,580</u>	<u>-</u>	<u>1,036,580</u>	<u>9,847</u>
Total deferred outflows of resources				
CalPERS Miscellaneous	3,763,083	1,595,143	5,358,226	839,942
CalPERS Safety	7,591,338	-	7,591,338	-
Total deferred outflows of resources	<u>\$ 11,354,421</u>	<u>\$ 1,595,143</u>	<u>\$ 12,949,564</u>	<u>\$ 839,942</u>
Net pension liability:				
CalPERS Miscellaneous	\$ 21,572,523	\$ 9,144,441	\$ 30,716,964	\$ 4,093,808
CalPERS Safety	23,926,654	-	23,926,654	-
Total net pension liability	<u>\$ 45,499,177</u>	<u>\$ 9,144,441</u>	<u>\$ 54,643,618</u>	<u>\$ 4,093,808</u>
Deferred inflows of resources:				
Adjustment due to difference in proportions:				
CalPERS Miscellaneous	\$ -	\$ -	\$ -	\$ 243,646
CalPERS Safety	589,447	-	589,447	-
Total adjustment due to difference in proportions	<u>589,447</u>	<u>-</u>	<u>589,447</u>	<u>243,646</u>
Employer contributions in excess of proportionate share of contribution:				
CalPERS Miscellaneous	-	-	-	13,903
Total employer contributions in excess of proportionate share of contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,903</u>
Changes in actual vs. expected experience				
CalPERS Miscellaneous	-	-	-	13,811
Total difference between expected and actual experience	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,811</u>
Total deferred inflows of resources				
CalPERS Miscellaneous	-	-	-	271,360
Total deferred inflows of resources	<u>\$ 589,447</u>	<u>\$ -</u>	<u>\$ 589,447</u>	<u>\$ 271,360</u>
Pension expenses (income):				
CalPERS Miscellaneous	\$ 2,957,003	\$ 1,253,453	\$ 4,210,456	\$ 460,097
CalPERS Safety	4,926,067	-	4,926,067	-
Total net pension expenses (income)	<u>\$ 7,883,070</u>	<u>\$ 1,253,453</u>	<u>\$ 9,136,523</u>	<u>\$ 460,097</u>

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

B. City Miscellaneous Plan

Plan Description

Substantially all City employees working the equivalent of 1,000 hours per fiscal year are eligible to participate in the Miscellaneous Plan Agent multiple-employer defined benefit plan or the Safety Plan Cost-sharing multiple-employer defined benefit administered by California Public Employees Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit Provisions under the Plans are established by State 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.

Employees Covered

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

Active employees	185
Transferred and terminated employees	324
Retired employees and beneficiaries	272
Total	781

Benefits Provided

CalPERS provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Classic CalPERS member becomes eligible for service retirement upon attainment of age 50; full formula at age 55 with at least 5 years of credited service. Public Employees’ Pension Reform Act (“PEPRA”) miscellaneous members become eligible for service retirement upon attainment of age 52; full formula at 62 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.

Following are the benefit provisions for each plan:

Hire Date	City Miscellaneous Plan		
	Prior to January 1, 2011	January 1, 2011 thru January 1, 2013	On or After January 1, 2013
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.000% to 2.500%	1.092% to 2.418%	1.000% to 2.500%
Required employee contribution rates	8.00%	7.000%	6.900%
Required employer contribution rates	10.690%	10.690%	10.690%
Final Annual Compensation	1 year	3 years	3 years

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

B. City Miscellaneous Plan (Continued)

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 CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2025, the employer contributions made for the Miscellaneous Plan was \$4,084,391.

Net Pension Liability

The City’s net pension liability is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is described as follows.

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

The inflation rate decreased from 2.50% in 2024 to 2.30% in 2025.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

B. City Miscellaneous Plan (Continued)

Discount Rate

In determining the long-term expected rate of return, CalPERS took into account, both short-term and long-term market return expectations as well as the expected pension fund cash flows. 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%

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

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

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.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

B. City Miscellaneous Plan (Continued)

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

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

	Plan's Aggregate Net Pension Liability/(Asset)		
	Discount Rate - 1%	Current Discount	Discount Rate + 1%
	(5.90%)	Rate (6.90%)	(7.90%)
Miscellaneous Plan	\$ 44,908,765	\$ 30,716,964	\$ 18,993,301

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2023 (Valuation Date)	\$ 107,004,280	\$ 74,005,016	\$ 32,999,264
Changes in the year:			
Service cost	1,992,101	-	1,992,101
Interest on the total pension liabilities	7,268,137	-	7,268,137
Changes of benefit terms	-	-	-
Differences between expected and actual experience	200,942	-	200,942
Benefit payments, including refunds of members contributions	(5,731,883)	(5,731,883)	-
Plan to plan resource movement	-	-	-
Contributions - employer	-	3,775,033	(3,775,033)
Contributions - employee	-	916,390	(916,390)
Net investment income	-	7,112,275	(7,112,275)
Administrative expenses	-	(60,218)	60,218
Net changes	3,729,297	6,011,597	(2,282,300)
Balance at June 30, 2024 (Measurement Date)	\$ 110,733,577	\$ 80,016,613	\$ 30,716,964

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

For the year ended June 30, 2025, the City recognized pension expense in the amount of \$4,210,456 for the Miscellaneous plans.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. 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.

The Expected Average Remaining Service Lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the risk pool. The EARSL for the Miscellaneous Plan for the 2023-24 measurement period is 2.6 years, which was obtained by dividing the total service years of 1,896 (the sum of remaining service lifetimes of the active employees) by 742 (the total number of participants: active, inactive, and retired).

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

B. City Miscellaneous Plan (Continued)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions made subsequent to measurement date	\$ 4,084,391	\$ -
Difference between projected and actual earning on pension plan investments	1,104,437	-
Differences between expected and actual experience	169,398	-
Total	<u>\$ 5,358,226</u>	<u>\$ -</u>

For the City Miscellaneous Plan, \$4,084,391 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 year ended 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:

<u>Year Ended June 30,</u>	<u>Deferred Outflows/ (Inflows) of Resources</u>
2026	\$ 16,525
2027	1,984,301
2028	(317,426)
2029	(409,565)
2030	-
Thereafter	-
	<u>\$ 1,273,835</u>

Pension Plan Fiduciary Net Position

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

Payable to the Pension Plan

The City reported a payable of \$0 for the outstanding amount of contributions to the Miscellaneous pension plan required for the year ended June 30, 2025.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

C. City Safety Plan

Employees Covered

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

Active employees	63
Transferred and terminated employees	61
Retired employees and beneficiaries	127
Total	251

Benefits Provided

CalPERS provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Classic and PEPRA Safety CalPERS member becomes eligible for service retirement upon attainment of age 50 with at least 5 years of credited 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.

Following are the benefit provisions for each plan:

Hire Date	City Safety Plan		
	Prior to January 1, 2011	January 1, 2011 thru January 1, 2013	On or After January 1, 2013
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3.000%	2.400% to 3.000%	2.000% to 2.700%
Required employee contribution rates	9.00%	9.000%	13.000%
Required employer contribution rates	27.100%	22.800%	13.500%
Final Annual Compensation	1 year	1 year	1 year

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 the 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.

For the year ended June 30, 2025, employer contributions made for the Safety Cost-sharing Plan was \$2,919,610.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

C. City Safety Plan (Continued)

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.

As of June 30, 2025, the City reported net pension liability for its proportionate shares of the net pension liability of the Safety Plan as follows:

	Increase (Decrease)		
	Plan Total Pension Liability	Plan Fiduciary Net Position	Plan Net Pension Liability/(Asset)
Balance at: 6/30/23 (Valuation date)	\$ 79,446,804	\$ 54,670,892	\$ 24,775,912
Balance at: 6/30/24 (Measurement date)	83,768,926	59,842,272	23,926,654
Net Changes during 2023-2024	4,322,122	5,171,380	(849,258)

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan’s proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2023). The risk pool’s fiduciary net position (“FNP”) subtracted from its total pension liability (“TPL”) determines the net pension liability (“NPL”) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2024). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool’s FNP at the measurement date denotes the aggregate risk pool’s FNP at June 30, 2024 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2023-23).
- (3) The individual plan’s TPL, FNP and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan’s individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool’s total TPL and FNP, respectively.
- (5) The plan’s TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan’s FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan’s NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

C. City Safety Plan (Continued)

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

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

Proportion June 30, 2023	0.36984%
Proportion June 30, 2024	0.32817%
Change - Increase (Decrease)	-0.04167%

For the year ended June 30, 2024, the City recognized pension expense in the amount of \$4,926,067 for the Safety Plan.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. 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.

The Expected Average Remaining Service Lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the risk pool. The EARSL for the risk pool for the 2023-24 measurement period is 3.8 years, which was obtained by dividing the total service years of 630,177 (the sum of remaining service lifetimes of the active employees) by 166,163 (the total number of participants: active, inactive, and retired).

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made subsequent to measurement date	\$ 2,919,610	\$ -
Difference between projected and actual earning on pension plan investments	1,156,505	-
Adjustment due to differences in proportions	-	(589,447)
Changes in assumptions	589,504	-
Difference between actual and expected experience	1,889,139	-
Difference between employer's actual contributions and proportionate share of contributions	1,036,580	-
Total	\$ 7,591,338	\$ (589,447)

For the City Safety Plan, \$2,919,610 was reported as deferred outflows of resources related to pensions resulting from City’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

C. City Safety Plan (Continued)

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

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

<u>Year Ended June 30,</u>	<u>Deferred Outflows/ (Inflows) of Resources</u>
2026	\$ 1,588,029
2027	2,853,786
2028	36,170
2029	(395,704)
2030	-
Thereafter	-
	<u>\$ 4,082,281</u>

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2024 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2023 total pension liability. Both the June 30, 2024 and the June 30, 2023 total pension liabilities were based on the following actuarial methods and 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.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. 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. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section. Payroll growth decreased from 2.80 to 2.75%.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

C. City Safety Plan (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 pension liability for the City Safety Plan, calculated using the discount rate for the City Safety 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 one percentage point lower or one percentage point higher than the current rate:

Plan's Aggregate Net Pension Liability/(Asset)		
Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
\$ 35,369,409	\$ 23,926,654	\$ 14,568,089

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

C. City Safety Plan (Continued)

Pension Plan Fiduciary Net Position

Detailed information about each 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 reported a payable of \$0 for the outstanding amount of contributions to the Safety pension plan required for the year ended June 30, 2025.

D. Component Unit Miscellaneous Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost Sharing Multiple-Employer Plan (Plan) administered by the California Public Employees’ Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The Madera Housing Authority (Housing Authority) sponsors three miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and Housing Authority resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Employees Covered

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

Active employees	19
Transferred and terminated employees	67
Retired employees and beneficiaries	34
Total	120

Benefits Provided

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

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

D. Component Unit Miscellaneous Plan (Continued)

Benefits Provided (Continued)

Following are the benefit provisions for each plan:

	Miscellaneous - Component Unit		
	Prior to January 1, 2011	January 1, 2011 thru January 1, 2013	On or After January 1, 2013
Hire Date			
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.000% to 2.500%	1.092% to 2.418%	1.000% to 2.500%
Required employee contribution rates	7.00%	7.000%	8.250%
Required employer contribution rates	13.260%	13.260%	8.000%
Final Annual Compensation	1 year	1 year	1 year

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 the Miscellaneous 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.

For the twelve months ended September 30, 2024, employer contributions made for the Housing Authority Miscellaneous Cost-sharing Plan was \$135,253.

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

The Authority'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 Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

As of September 30, 2024, the Authority reported net pension liability for its proportionate shares of the net pension liability of the Housing Authority Miscellaneous Plan as follows:

	Increase (Decrease)		
	Plan Total Pension Liability	Plan Fiduciary Net Position	Plan Net Pension Liability/(Asset)
Balance at: 6/30/23 (Valuation date)	\$ 11,748,328	\$ 7,606,176	\$ 4,142,152
Balance at: 6/30/24 (Measurement date)	12,103,952	8,010,144	4,093,808
Net Changes during 2023-2024	355,624	403,968	(48,344)

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

D. Component Unit Miscellaneous Plan (Continued)

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

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan’s proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2023). The risk pool’s fiduciary net position (“FNP”) subtracted from its total pension liability (“TPL”) determines the net pension liability (“NPL”) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2024). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool’s FNP at the measurement date denotes the aggregate risk pool’s FNP at June 30, 2023 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2023-24).
- (3) The individual plan’s TPL, FNP and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan’s individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool’s total TPL and FNP, respectively.
- (5) The plan’s TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan’s FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan’s NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

The Authority’s proportionate share of the net pension liability for the Housing Authority Miscellaneous Plan as of June 30, 2023 and 2024 was as follows:

Proportion June 30, 2023	0.08284%
Proportion June 30, 2024	0.08464%
Change - Increase (Decrease)	0.00181%

For the twelve months ended September 30, 2024, the Authority recognized pension expense in the amount of \$460,097 for the Housing Authority Miscellaneous Plan.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. 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.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

D. Component Unit Miscellaneous Plan (Continued)

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

The Expected Average Remaining Service Lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the risk pool. The EARSL for the risk pool for the 2023-24 measurement period is 3.8 years, which was obtained by dividing the total service years of 630,177 (the sum of remaining service lifetimes of the active employees) by 166,163 (the total number of participants: active, inactive, and retired).

At September 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made subsequent to measurement date	\$ 135,253	\$ -
Difference between projected and actual earning on pension plan investments	235,676	-
Adjustment due to differences in proportions	-	(243,646)
Changes in assumptions	105,219	-
Difference between actual and expected experience	353,947	(13,811)
Difference between employer's actual contributions and proportionate share of contributions	9,847	(13,903)
Total	\$ 839,942	\$ (271,360)

For the Housing Authority Miscellaneous Plan, \$135,253 was reported as deferred outflows of resources related to pensions resulting from Authority’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the twelve months ended September 30, 2025.

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

Twelve Months Ended September 30,	Deferred Outflows/ (Inflows) of Resources
2025	\$ 60,837
2026	471,447
2027	(18,191)
2028	(80,764)
2029	-
Thereafter	-
	\$ 433,329

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

D. Component Unit Miscellaneous Plan (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2024 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2023 total pension liability. Both the June 30, 2023 and the June 30, 2024 total pension liabilities were based on the following actuarial methods and 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%
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.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. 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. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

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.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Pension Plans (Continued)

D. Component Unit Miscellaneous Plan (Continued)

Discount Rate (Continued)

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.

<u>Asset Class¹</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10²</u>
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%

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

²Figures 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 Authority’s proportionate share of the net pension liability for the Housing Authority Miscellaneous Plan, calculated using the discount rate for the Housing Authority Miscellaneous 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 one percentage point lower or one percentage point higher than the current rate:

<u>Plan's Aggregate Net Pension Liability/(Asset)</u>		
<u>Discount Rate - 1%</u>	<u>Current Discount</u>	<u>Discount Rate + 1%</u>
<u>(5.90%)</u>	<u>Rate (6.90%)</u>	<u>(7.90%)</u>
\$ 5,727,120	\$ 4,093,808	\$ 2,749,352

Pension Plan Fiduciary Net Position

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

Payable to the Pension Plan

At September 30, 2024, the Housing Authority reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the twelve months ended September 30, 2024.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Other Postemployment Benefits

A. Summary

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Employer contributions made			
subsequent to the measurement date	\$ 213,250	\$ 74,211	\$ 287,461
Difference between expected and actual experience	307,258	60,828	368,086
Changes in assumptions	338,702	67,052	405,754
Total deferred outflows of resources	\$ 859,210	\$ 202,091	\$ 1,061,301
Total OPEB liability:			
Total OPEB liability	\$ 4,176,680	\$ 826,854	\$ 5,003,534
Total OPEB liability	\$ 4,176,680	\$ 826,854	\$ 5,003,534
Deferred inflows of resources:			
Difference between expected and actual experience	\$ 225,950	\$ 44,731	\$ 270,681
Changes in assumptions	148,902	29,479	178,381
Total deferred inflows of resources	\$ 374,852	\$ 74,210	\$ 449,062
OPEB Expense	\$ 577,355	\$ 114,300	\$ 691,655

B. General Information about OPEB

Plan Description

The City administers a single employer defined benefit (implicit subsidy) healthcare plan. No assets have been accumulated in a trust for the payment of benefits that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75.

Employees from groups other than Management who have attained age 50 and completed at least five years of PERS service or who become eligible for medical disability benefits under PERS, are eligible to retire and participate in the City's healthcare plans by paying COBRA premiums based on 102% of the premiums applicable to active employees. Spouses and eligible dependent children of retirees may also be covered at the retiree's expense. Eligibility for this benefit ends at age 65 or when the individual becomes eligible for Medicare.

Management employees, who meet the requirements, may retire and receive City-paid medical insurance for the retiree only. This is a grandfathered benefit and is no longer offered prospectively to new Management employees, nor is it provided to any employee who did not meet required criteria as of December 31, 2018. Once the retiree attains age 65, a Medicare Supplement benefit is payable by the City for the retiree only, for the retiree's further lifetime. Employees from Management who do not have the grandfathered benefit are eligible to retire and participate in the City's healthcare plans by paying COBRA premiums based on 102% of the premiums applicable to active employees.

Covered Employees

Membership in the plan consisted of the following at June 30, 2024, the date of the latest actuarial valuation:

Active employees	236
Retired employees and beneficiaries	10
Total	<u>246</u>

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Other Postemployment Benefits (Continued)

B. General Information about OPEB (Continued)

Contributions

The obligation of the City to contribute to the plan is established and may be amended by the City Council. The City Council has established a policy of paying the premiums of the actuarially determined contribution (ADC) on a pay as you go basis. For the fiscal year ended June 30, 2025, the City's average contribution rate was 2.41% of covered-employee payroll. Employees are not required to contribute to the plan.

C. Total OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024. The total OPEB liability at June 30, 2024 was \$5,003,534.

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:

Discount Rate	3.97%
Inflation	2.50%
Aggregate payroll increases	3.00%
Expected long-term investment rate of return	n/a
Mortality, Termination, and Disability	CalPERS 2021 Experience Study
Mortality Improvement Scale	Modified projected fully generational with Scale MP-2014
Healthcare Trend Rate	7.50 percent for 2024 decreasing to 5.40 percent for 2029, 5.25 percent for 2030-2034, 4.60 percent for 2035-2049, 4.50 percent for 2050-2064, 4.25 percent for 2065-2074, and 4.00 percent for 2075 and later years; Medicare ages: 4.50 percent for 2024-2064, 4.25 percent for 2065-2074, and 4.00 percent for 2075 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, 2022 through June 30, 2023.

Changes in Assumptions

The City's discount rate used to measure the total OPEB liability increased from 3.86 to 3.97 percent for the measurement period ended June 30, 2024.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.97% percent. This discount rate is the mid-point, rounded to five basis points, of the range of 3-20 year municipal bond rate indices; S&P Municipal bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO Index, and Fidelity GO AA 20 Year Bond Index.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Other Postemployment Benefits (Continued)

C. Total OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2023 (Measurement Date)	\$ 4,826,927
Changes Recognized for the Measurement Period:	
Service Cost	399,638
Interest on the total OPEB liability	196,481
Difference between expected and actual experience	(295,514)
Changes of assumptions	151,386
Benefit payments	(275,384)
Net Changes during July 1, 2023 to June 30, 2024	176,607
Balance at June 30, 2024 (Measurement Date)	\$ 5,003,534

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 (2.97 percent) or 1-percentage-point higher (4.97 percent) than the current discount rate:

Plan's Total OPEB Liability		
Discount Rate - 1% (2.97%)	Current Discount Rate (3.97%)	Discount Rate + 1% (4.97%)
\$ 5,578,280	\$ 5,003,534	\$ 4,490,771

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 or 1-percentage-point higher than the current healthcare cost trend rates:

Plan's Total OPEB Liability		
Healthcare Cost		
-1%	Trend Rates	1%
\$ 4,329,307	\$ 5,003,534	\$ 5,818,506

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Other Postemployment Benefits (Continued)

C. Total OPEB Liability, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

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 \$691,655. 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
Employer contributions made subsequent to the measurement date	\$ 287,461	\$ -
Difference between expected and actual experience	368,086	(270,681)
Changes of assumptions	405,754	(178,381)
Total	\$ 1,061,301	\$ (449,062)

The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five year period. The remaining gains and losses are amortized over the expected average remaining service life. The expected average remaining service life is 9.2 years, which was determined as of June 30, 2023, the beginning of the measurement period, for employees covered by the OPEB plan benefit terms as of the valuation date.

For the OPEB plan, \$287,461 was reported as deferred outflows of resources related to OPEB resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/ (Inflows) of Resources
2026	\$ 95,536
2027	113,207
2028	89,224
2029	38,188
2030	9,030
Thereafter	(20,407)
	\$ 324,778

Note 14 – Deferred Compensation Plan

A. City

The City offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan was amended so that the assets of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. The employer is not required to contribute to the deferred compensation plan but is required for full time non-management, non-sworn employees. Since the plan assets are administered by an outside party and not subject to the claims of the City’s general creditors, their assets and related liabilities are not on the City’s financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 97, “Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32.”

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 14 – Deferred Compensation Plan (Continued)

B. Component Unit

The Housing Authority offers all of its full-time employees a deferred compensation plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan permits employees to defer a portion of their current salary until future years. Participating employees may begin to receive the balance of their deferred compensation account upon termination, retirement, death, or emergency. Employees may also borrow against their deferred compensation account while employed (up to 50% of the current balance) under the deferred compensation loan program. Employees direct the investment of Plan assets into certificates of deposits and various mutual funds. The Housing Authority has insignificant administrative duties.

Note 15 – Service Concession Agreement

On June 21, 2023, the City approved an amendment to the Madera Municipal Golf Course Operation and Management Lease Agreement (Agreement) with Sierra Golf Management Inc. dba Sierra Golf Management, Inc. (SGM), extending the term to five years after the current lease agreement expiration on June 30, 2023, and making various economic modifications. The Agreement would be for 5 years and includes, at City discretion, one option to extend the term an additional five years. This would mean the agreement would expire on June 30, 2028, with the five-year extension available through June 30, 2033. The Agreement would increase the base rent to the present value of \$65,000 annually to lease the golf course and clubhouse facilities. SGM will remit \$2.75 per round of golf to the City in years one through four. The remittance will increase to \$3.00 per round in year five. SGM, the Clubhouse Tenant (currently Sugar Pine Smokehouse), and the City will each contribute \$25,000 annually to a capital improvement fund. Thus, the grand contribution for capital improvements annually shall be \$75,000. City will hold SGM capital funds of \$50k per year until capital projects are completed. SGM is required to operate and maintain the golf course in accordance with the Agreement.

Note 16 – Other Required Disclosures

A. Deficit Fund Balances/Net Position

At June 30, 2025, the following funds had a fund balance (deficit) or a net position (deficit), which will be eliminated by the City as follows:

Fund	Fund Type	Deficit	Plan to eliminate deficit
RDA Successor Agency Fund	Private Purpose Trust Fund	\$ 21,812,009	Continued RPTTF payments from State

B. Expenditures Exceeding Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations in the following funds/departments:

Fund	Department	Excess Expenditures over Appropriations
General Fund	General government: Economic development	\$ 123,627
	Public protection: Police	140,586
	Debt service: Principal	6,039
	Debt service: Interest and fiscal charges	287

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 17 – Fund Balance Classification

The City classifies fund balances, as shown on the *Balance Sheet – Governmental Funds*, as follows as of June 30, 2025:

	General Fund	General Development Impact Fee Fund	Measure "T" Sales Tax Fund	American Rescue Plan Act Fund	Non-major Governmental Funds	Total
Nonspendable						
Prepaid items	\$ 116,214	\$ -	\$ -	\$ -	\$ 19,408	\$ 135,622
Inventories	85,412	-	-	-	-	85,412
Total nonspendable	201,626	-	-	-	19,408	221,034
Restricted						
Community development	-	-	-	-	12,008,236	12,008,236
Park development	-	-	-	-	164,493	164,493
Parking improvements	-	-	-	-	123,257	123,257
Public works and transportation	-	-	20,998,839	-	6,851,944	27,850,783
Special assessment project	-	-	-	724,579	688,405	1,412,984
Opioid settlement	-	-	-	-	136,132	136,132
Insurance premium reserve	4,299,453	-	-	-	-	4,299,453
Public protection	-	-	-	-	928,319	928,319
Capital projects and improvements	-	19,159,738	-	-	4,487,939	23,647,677
Total restricted	4,299,453	19,159,738	20,998,839	724,579	25,388,725	70,571,334
Committed						
General Fund stabilization reserve	12,781,798	-	-	-	-	12,781,798
General plan update	50,000	-	-	-	-	50,000
Solar street light repair Installation	50,000	-	-	-	-	50,000
Measure K - Fire Protection Stabilization	941,378	-	-	-	-	941,378
Measure K - Police Protection Stabilization	947,019	-	-	-	-	947,019
Measure K - Fire Protection Vehicle Replacement	1,157,469	-	-	-	-	1,157,469
Total committed	15,927,664	-	-	-	-	15,927,664
Assigned						
Golf course capital	20,000	-	-	-	-	20,000
Debt service	1,112,943	-	-	-	-	1,112,943
OPEB liability	97,339	-	-	-	-	97,339
Future annual stipend payments	740,000	-	-	-	-	740,000
Measure K - Fire Protection	8,306,297	-	-	-	-	8,306,297
Measure K - Police	4,915,570	-	-	-	-	4,915,570
Measure K - Sales Tax Refund Reserve	900,000	-	-	-	-	900,000
Total assigned	16,092,149	-	-	-	-	16,092,149
Unassigned						
	20,022,846	-	-	-	-	20,022,846
Total fund balances	\$ 56,543,738	\$ 19,159,738	\$ 20,998,839	\$ 724,579	\$ 25,408,133	\$ 122,835,027

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 18 – Net Investment in Capital Assets

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

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Component Unit</u>
Total capital assets, net	\$ 194,072,553	\$ 121,216,477	\$ 315,289,030	\$ 4,663,873
Less related debt:				
Subscription liability	(6,343)	-	(6,343)	-
Finance purchase agreement	(16,145,000)	-	(16,145,000)	-
Loans payable	(61,600)	(4,939,000)	(5,000,600)	(2,506,567)
Lease revenue bonds	(3,618,712)	-	(3,618,712)	-
Bonds payable	-	(25,674,320)	(25,674,320)	-
Unspent bond proceeds	654,538	-	654,538	-
Gain on refunding of debt	-	(219,519)	(219,519)	-
Net investment in capital assets	<u>\$ 174,895,436</u>	<u>\$ 90,383,638</u>	<u>\$ 265,279,074</u>	<u>\$ 2,157,306</u>

Note 19 – Adjustments and 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.

	<u>June 30, 2024, As Previously Reported</u>	<u>Restatement - GASB 101 implementation</u>	<u>June 30, 2024, As Restated</u>
Government-wide			
Governmental activities	\$ 245,984,097	\$ (522,247)	\$ 245,461,850
Business-type activities	130,600,597	(147,886)	130,452,711
Total government-wide	<u>\$ 376,584,694</u>	<u>\$ (670,133)</u>	<u>\$ 375,914,561</u>
Proprietary funds			
Enterprise funds			
Major funds:			
Water Fund	\$ 56,253,832	\$ (57,658)	\$ 56,196,174
Sewer Fund	31,548,415	(29,116)	31,519,299
Solid Waste Fund	2,689,299	(31,691)	2,657,608
Drainage Operations Fund	18,267,330	(11,775)	18,255,555
Non-major funds:			
Local Transit Fund	7,657,196	(15,827)	7,641,369
Golf Course Fund	1,271,556	-	1,271,556
Airport Fund	12,912,969	(1,819)	12,911,150
Total enterprise funds	<u>\$ 130,600,597</u>	<u>\$ (147,886)</u>	<u>\$ 130,452,711</u>
Internal service funds			
Fleet Maintenance Fund	\$ 7,754,203	\$ (21,097)	\$ 7,733,106
Facilities Maintenance Fund	(444,921)	(17,935)	(462,856)
Technology Fund	388,749	(6,076)	382,673
Total internal service funds	<u>\$ 7,698,031</u>	<u>\$ (45,108)</u>	<u>\$ 7,652,923</u>

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 20 – Commitments and Contingencies

A. Litigation

The City is currently a party to various claims and legal proceedings. Although the outcome of these lawsuits is not presently determinable, it is management’s opinion that the ultimate liabilities, if any, resulting from such claims and proceedings will not materially affect the financial position of the City.

B. Contingent Liabilities

On March 1, 1993, the City issued Certificates of Participation in the aggregate of \$10,250,000 for the benefit of Madera Community Hospital (Hospital), a California nonprofit public benefit corporation. The Hospital is not included in the City’s reporting entity. The City is obligated to make the principal payments only from and to the extent that it receives revenue from the Hospital. In December of 2023, the Hospital closed and filed for bankruptcy protection on March 10, 2024. The hospital came out of bankruptcy and reopened in March 2025. They are not secured by any pledge of taxes or other revenues of the City. In addition, the purchase payments are insured by the Office of Statewide Health Planning and Development of the State of California. As of June 30, 2025, the City has not recorded revenues from the Hospital.

C. Federal and State Grants

The City participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit act as amended. Accordingly, the City’s compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

D. Contractual Commitments

The City has active construction projects as of June 30, 2025. At year-end, the City’s major contractual commitments are as follows:

	Contract Amount	Spent-to-Date	Remaining Commitment
Avenue 13 Sewer Interceptor Rehabilitation	\$ 12,494,142	\$ 11,548,914	\$ 945,228
Northwest Water Storage Tank	2,507,159	1,211,740	1,295,419
Sidewalk Improvements	2,365,000	698,805	1,666,195
Solar and Energy Efficiency Equipment	18,848,862	18,347,878	500,984
WWTP 24-01 Improvement Project	10,048,924	775,064	9,273,860
Total	<u>\$ 46,264,087</u>	<u>\$ 32,582,401</u>	<u>\$ 13,681,686</u>

In addition, the City has various contracts with developers for the cost of public improvements made through construction of new developments within the City. The agreements are for the reimbursement of reasonable costs for the construction of public improvements within the planned developments. The City agrees to reimburse developers for the City’s proportionate share of the costs of improvements as determined by the City Engineer. The City will not reimburse any expenses beyond the actual and reasonable costs of installing the improvements.

City of Madera
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 20 – Commitments and Contingencies (Continued)

E. Encumbrances

The City uses an encumbrance system as an extension of normal budgetary accounting for all funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restricted, committed or assigned fund balance, depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end are automatically re-appropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end. Encumbrances for operating expenditures outstanding as of June 30, 2025 amounted to \$734,785.

F. Sales Tax Sharing Agreements

In fiscal year 2025, the City of Madera entered into a sales tax sharing agreement with the County of Madera related to the annexation of certain unincorporated areas. Under the agreement, the City retains 95.5% and remits 4.5% of the 1% Bradley-Burns local sales tax generated within the City. The agreement became effective July 1, 2024 and remains in effect for 5 years, unless amended or terminated by mutual consent. The arrangement was established to provide transitional fiscal support to the County for services previously provided to the area. The City recognizes the full sales tax as revenue when measurable and available and records the County's portion as an intergovernmental expenditure. For the year ended June 30, 2025, sales tax revenues totaled \$12,773,834, with \$737,902 remitted to the County.

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REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

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City of Madera
Required Supplementary Information (Unaudited)
Budgetary Information
For the Year Ended June 30, 2025

Budgetary Information

The City adheres to the following general procedures in establishing its annual budget, which is reflected in the accompanying schedules:

- Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. Budgets presented in this report for comparison to actual amounts are presented in accordance with accounting principles generally accepted in the United States of America. From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various City departments. During the year ended June 30, 2025, the City did not prepare a budget for the American Rescue Plan Act Special Revenue Fund, SB-1186 ADA Special Revenue Fund, and Opioid Settlement Special Revenue Fund.
- Reported budget amounts represent the original legally adopted budget as amended. Individual amendments were not material in relation to the original adopted budget amounts. The City Council may amend the budget to increase appropriations only by a duly adopted minute resolution during a regular meeting, providing that sufficient monies are available and that expenditures of proceeds of taxes will not be increased beyond the constitutional appropriation limit as imposed by Article XIII B of the State Constitution. Management can transfer, without City Council approval, budgeted amounts provided they do not increase or decrease total fund appropriations adopted by the City Council.
- Unexpended budgeted amounts lapse at the end of the budget year. Spending control for the fund is established by the amount of expenditures budgeted for the fund, but management control is exercised at the budgetary line item levels.
- Expenditures may not legally exceed overall budgeted appropriations at the budgetary control level. Budgetary control level is the department level for the General Fund and the fund level for all other funds.
- The budgets of the City's capital projects are primarily "long-term" budgets which emphasize major programs and capital outlay plans extending over a number of fiscal periods. Therefore, no budget-to-actual schedules are presented for Capital Projects Funds.

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Property taxes	\$ 13,744,991	\$ 13,744,991	\$ 14,397,410	\$ 652,419
Sales and use taxes	19,831,179	19,831,179	19,712,059	(119,120)
Other taxes	1,890,899	1,890,899	2,462,529	571,630
Investment income	1,206,586	1,206,586	3,151,997	1,945,411
Franchise fees	812,559	812,559	836,662	24,103
Licenses and permits	955,000	955,000	888,204	(66,796)
Fines and forfeitures	469,000	469,000	407,553	(61,447)
Intergovernmental	3,586,528	3,812,464	2,185,542	(1,626,922)
Charges for services	1,005,584	1,005,584	931,029	(74,555)
Miscellaneous	1,182,242	1,186,242	640,283	(545,959)
Total revenues	44,684,568	44,914,504	45,613,268	698,764
EXPENDITURES:				
Current:				
General government				
City clerk	739,678	749,628	619,562	130,066
City manager	923,761	923,761	800,325	123,436
Finance	1,053,815	1,053,815	817,900	235,915
City attorney	361,974	376,541	259,928	116,613
Human resources	491,464	518,121	279,609	238,512
Economic development	951,800	951,800	1,075,427	(123,627)
Public protection				
Police	15,990,574	16,184,819	16,325,405	(140,586)
Fire	7,094,786	7,121,795	6,509,252	612,543
Social services	220,822	220,822	206,450	14,372
Public ways and facilities				
Development and engineering	3,513,444	3,527,862	2,897,099	630,763
Community development				
Parks and community services	6,010,812	6,354,595	4,178,623	2,175,972
Culture and recreation	5,398,997	5,460,444	4,885,103	575,341
Capital outlay	4,204,496	4,881,338	1,233,608	3,647,730
Debt service:				
Principal	275,800	275,800	281,839	(6,039)
Interest and fiscal charges	152,057	152,057	152,344	(287)
Total expenditures	47,384,280	48,753,198	40,522,474	8,230,724
REVENUES OVER (UNDER) EXPENDITURES	(2,699,712)	(3,838,694)	5,090,794	8,929,488
OTHER FINANCING SOURCES (USES):				
Transfers in	4,919,338	4,919,338	4,705,328	(214,010)
Transfers out	(2,001,362)	(2,001,362)	(1,978,323)	23,039
Total other financing sources (uses)	2,917,976	2,917,976	2,727,005	(190,971)
Net change in fund balance	\$ 218,264	\$ (920,718)	7,817,799	\$ 8,738,517
FUND BALANCE:				
Beginning of year			48,725,938	
End of year			<u>\$ 56,543,737</u>	

City of Madera
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedules – General Development Impact Fee Special Revenue Fund
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Favorable/ (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment income	\$ 255,197	\$ 255,197	\$ 913,198	\$ 658,001
Charges for services	2,379,422	2,379,422	801,278	(1,578,144)
Total revenues	<u>2,634,619</u>	<u>2,634,619</u>	<u>1,714,476</u>	<u>(920,143)</u>
EXPENDITURES:				
Current:				
Public ways and facilities	1,611,780	2,159,132	459,774	1,699,358
Capital outlay	1,733,006	2,078,744	71,230	2,007,514
Total expenditures	<u>3,344,786</u>	<u>4,237,876</u>	<u>531,004</u>	<u>3,706,872</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(710,167)</u>	<u>(1,603,257)</u>	<u>1,183,472</u>	<u>2,786,729</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(433,771)	(1,093,411)	(433,771)	(659,640)
Total other financing sources (uses)	<u>(433,771)</u>	<u>(1,093,411)</u>	<u>(433,771)</u>	<u>(659,640)</u>
Net change in fund balance	<u>\$ (1,143,938)</u>	<u>\$ (2,696,668)</u>	749,701	<u>\$ 3,446,369</u>
FUND BALANCE:				
Beginning of year			<u>18,410,037</u>	
End of year			<u>\$ 19,159,738</u>	

City of Madera
Required Supplementary Information (Unaudited) (Continued)
Budgetary Comparison Schedules – Measure “T” Sales Tax Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment income (loss)	\$ 569,370	\$ 569,370	\$ 709,995	\$ 140,625
Intergovernmental	3,403,923	3,403,923	4,202,917	798,994
Total revenues	<u>3,973,293</u>	<u>3,973,293</u>	<u>4,912,912</u>	<u>939,619</u>
EXPENDITURES:				
Current:				
Public ways and facilities	-	30,000	27,565	2,435
Capital outlay	6,187,637	6,274,953	129,198	6,145,755
Total expenditures	<u>6,187,637</u>	<u>6,304,953</u>	<u>156,763</u>	<u>6,148,190</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,214,344)</u>	<u>(2,331,660)</u>	<u>4,756,149</u>	<u>7,087,809</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(860,000)	(860,000)	(860,000)	-
Total other financing sources (uses)	<u>(860,000)</u>	<u>(860,000)</u>	<u>(860,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (3,074,344)</u>	<u>\$ (3,191,660)</u>	3,896,149	<u>\$ 7,087,809</u>
FUND BALANCE:				
Beginning of year			<u>17,102,690</u>	
End of year			<u>\$ 20,998,839</u>	

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

Measurement period, year ended	Last Ten Years Miscellaneous Plan				
	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Total pension liability					
Service cost	\$ 1,992,101	\$ 1,804,008	\$ 1,715,940	\$ 1,606,099	\$ 1,719,344
Interest on total pension liability	7,268,137	7,031,117	6,797,912	6,643,295	6,484,056
Differences between expected and actual experience	200,942	198,213	(550,819)	(711,985)	(758,426)
Changes in assumptions	-	184,586	3,348,073	-	-
Changes in benefit terms	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(5,731,883)	(5,658,183)	(5,463,626)	(5,525,027)	(4,890,282)
Net change in total pension liability	3,729,297	3,559,741	5,847,480	2,012,382	2,554,692
Total pension liability - beginning	107,004,280	103,444,539	97,597,059	95,584,677	93,029,985
Total pension liability - ending (a)	<u>\$ 110,733,577</u>	<u>\$ 107,004,280</u>	<u>\$ 103,444,539</u>	<u>\$ 97,597,059</u>	<u>\$ 95,584,677</u>
Plan fiduciary net position					
Contributions - employer	3,775,033	3,617,848	3,270,441	3,088,563	2,776,816
Contributions - employee	916,390	816,702	719,807	724,414	736,497
Investment income (net of administrative expenses)	7,112,275	4,381,741	(5,929,216)	14,821,011	3,166,226
Benefit payments	(5,731,883)	(5,658,183)	(5,463,626)	(5,525,027)	(4,890,282)
Plan to plan resources	-	-	-	-	-
Other	(60,218)	(52,136)	(48,808)	(65,237)	(89,670)
Net change in plan fiduciary net position	6,011,597	3,105,972	(7,451,402)	13,043,724	1,699,587
Plan fiduciary net position - beginning	74,005,016	70,899,044	78,350,446	65,306,722	63,607,135
Plan fiduciary net position - ending (b)	<u>\$ 80,016,613</u>	<u>\$ 74,005,016</u>	<u>\$ 70,899,044</u>	<u>\$ 78,350,446</u>	<u>\$ 65,306,722</u>
Net pension liability - ending (a)-(b)	<u>\$ 30,716,964</u>	<u>\$ 32,999,264</u>	<u>\$ 32,545,495</u>	<u>\$ 19,246,613</u>	<u>\$ 30,277,955</u>
Plan fiduciary net position as a percentage of the total pension liability	72.26%	69.16%	68.54%	80.28%	68.32%
Covered payroll	\$ 10,427,973	\$ 10,124,246	\$ 9,829,365	\$ 9,543,073	\$ 10,054,641
Net pension liability as a percentage of covered payroll	294.56%	325.94%	331.10%	201.68%	301.13%

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

Measurement period, year ended	Last Ten Years Miscellaneous Plan				
	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Total pension liability					
Service cost	\$ 1,915,335	\$ 2,074,876	\$ 1,857,394	\$ 1,556,770	\$ 1,515,655
Interest on total pension liability	6,295,654	5,940,862	5,651,202	5,352,560	5,085,808
Differences between expected and actual experience	1,363,296	1,082,691	1,184,077	337,609	(269,941)
Changes in assumptions	-	(647,285)	4,531,204	-	(1,189,492)
Changes in benefit terms	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(4,548,873)	(4,125,431)	(3,877,650)	(3,532,833)	(3,412,481)
Net change in total pension liability	5,025,412	4,325,713	9,346,227	3,714,106	1,729,549
Total pension liability - beginning	88,004,573	83,678,860	74,332,633	70,618,527	68,888,978
Total pension liability - ending (a)	\$ 93,029,985	\$ 88,004,573	\$ 83,678,860	\$ 74,332,633	\$ 70,618,527
Plan fiduciary net position					
Contributions - employer	2,610,704	\$ 2,395,891	\$ 2,329,046	\$ 1,948,033	\$ 1,603,067
Contributions - employee	798,675	858,755	829,670	775,135	705,875
Investment income (net of administrative expenses)	3,967,331	4,851,004	5,795,462	282,173	1,164,130
Benefit payments	(4,548,873)	(4,125,431)	(3,877,650)	(3,532,833)	(3,412,481)
Plan to plan resources	132	(140)	(1,724)	394	-
Other	(43,264)	(258,000)	(76,926)	(32,095)	(59,277)
Net change in plan fiduciary net position	2,784,705	3,722,079	4,997,878	(559,193)	1,314
Plan fiduciary net position - beginning	60,822,430	57,100,351	52,102,473	52,661,666	52,660,352
Plan fiduciary net position - ending (b)	\$ 63,607,135	\$ 60,822,430	\$ 57,100,351	\$ 52,102,473	\$ 52,661,666
Net pension liability - ending (a)-(b)	\$ 29,422,850	\$ 27,182,143	\$ 26,578,509	\$ 22,230,160	\$ 17,956,861
Plan fiduciary net position as a percentage of the total pension liability	68.37%	69.11%	68.24%	70.09%	74.57%
Covered payroll	\$ 11,058,515	\$ 12,035,942	\$ 10,240,349	\$ 9,298,593	\$ 8,909,327
Net pension liability as a percentage of covered payroll	266.07%	225.84%	259.55%	239.07%	201.55%

City of Madera
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

Measurement period, year ended	Last Ten Years Safety Plan				
	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Plan's proportion of the net pension liability	0.328170%	0.369840%	0.343440%	0.390215%	0.318266%
Plan's proportionate share of the net pension liability	\$ 23,926,654	\$ 24,775,912	\$ 23,599,525	\$ 13,694,549	\$ 21,203,994
Plan's covered payroll	\$ 5,462,393	\$ 5,303,294	\$ 5,148,829	\$ 4,998,863	\$ 4,853,265
Plan's proportionate share of the net pension liability as a percentage of covered payroll	438.03%	467.18%	458.35%	273.95%	436.90%
Plan's fiduciary net position	\$ 59,842,272	\$ 54,670,892	\$ 53,677,069	\$ 58,522,823	\$ 48,543,855
Plan's fiduciary net position as a percentage of the total pension liability	71.44%	68.81%	69.46%	81.04%	69.60%
Plan's proportionate share of aggregate employer contributions	\$ 3,093,988	\$ 3,202,253	\$ 3,055,010	\$ 2,879,830	\$ 2,464,699
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	0.317253%	0.319144%	0.314800%	0.324000%	0.340000%
Plan's proportionate share of the net pension liability	\$ 19,804,633	\$ 18,725,928	\$ 18,807,385	\$ 16,778,473	\$ 14,009,122
Plan's covered payroll	\$ 4,711,908	\$ 4,574,668	\$ 4,428,574	\$ 4,211,168	\$ 3,797,547
Plan's proportionate share of the net pension liability as a percentage of covered payroll	420.31%	409.34%	424.68%	398.43%	368.90%
Plan's fiduciary net position	\$ 48,056,036	\$ 44,837,253	\$ 41,761,897	\$ 37,574,019	\$ 38,216,008
Plan's fiduciary net position as a percentage of the total pension liability	70.82%	44.92%	44.75%	46.68%	53.15%
Plan's proportionate share of aggregate employer contributions	\$ 2,197,168	\$ 1,942,249	\$ 1,806,992	\$ 1,650,502	\$ 1,388,656

City of Madera
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

Last Ten Years
Component Unit - Miscellaneous Plan

Measurement period, year ended	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>
Plan's proportion of the net pension liability	0.084642%	0.082836%	0.086162%	0.132600%	0.084600%
Plan's proportionate share of the net pension liability	\$ 4,093,808	\$ 4,142,152	\$ 4,031,725	\$ 2,517,018	\$ 3,389,295
Plan's covered payroll	\$ 1,004,364	\$ 1,074,450	\$ 941,461	\$ 1,191,513	\$ 1,280,623
Plan's proportionate share of the net pension liability as a percentage of covered payroll	407.60%	412.42%	428.24%	211.25%	264.66%
Plan's fiduciary net position	\$ 8,010,144	\$ 7,606,176	\$ 7,800,039	\$ 8,922,694	\$ 7,134,083
Plan's fiduciary net position as a percentage of the total pension liability	51.11%	54.46%	51.69%	28.21%	47.51%
Plan's proportionate share of aggregate employer contributions	\$ 362,375	\$ 331,109	\$ 336,461	\$ 302,136	\$ 268,409

¹ Information only presented from the implementation year.

Measurement period, year ended	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
Plan's proportion of the net pension liability	0.084400%	0.082100%	0.082800%	0.088100%	0.078600%
Plan's proportionate share of the net pension liability	\$ 3,179,336	\$ 3,235,424	\$ 2,875,227	\$ 2,416,697	\$ 1,966,014
Plan's covered payroll	\$ 1,270,009	\$ 1,140,725	\$ 1,043,730	\$ 982,585	\$ 1,108,052
Plan's proportionate share of the net pension liability as a percentage of covered payroll	250.34%	283.63%	275.48%	245.95%	177.43%
Plan's fiduciary net position	\$ 6,579,986	\$ 5,930,422	\$ 6,264,351	\$ 6,281,657	\$ 5,399,644
Plan's fiduciary net position as a percentage of the total pension liability	48.32%	54.56%	45.90%	38.47%	36.41%
Plan's proportionate share of aggregate employer contributions	\$ 238,140	\$ 257,128	\$ 203,184	\$ 239,779	\$ 232,795

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

Last Ten Years
Miscellaneous Plan

Fiscal Year:	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
Contractually determined contribution (actuarially determined)	\$ 4,084,391	\$ 3,775,033	\$ 3,617,848	\$ 3,270,441	\$ 3,088,563
Contributions in relation to the actuarially determined contributions	(4,084,391)	(3,775,033)	(3,617,848)	(3,270,441)	(3,088,563)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 10,740,813	\$ 10,427,973	\$ 10,124,246	\$ 9,829,365	\$ 9,543,073
Contributions as a percentage of covered payroll	38.03%	36.20%	35.73%	33.27%	32.36%
Fiscal Year:	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>
Contractually determined contribution (actuarially determined)	\$ 2,776,816	\$ 2,610,704	\$ 2,395,891	\$ 2,329,046	\$ 1,948,033
Contributions in relation to the actuarially determined contributions	(2,776,816)	(2,610,704)	(2,395,891)	(2,329,046)	(1,948,033)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 10,054,641	\$ 11,058,515	\$ 12,035,942	\$ 10,240,349	\$ 9,298,593
Contributions as a percentage of covered payroll	27.62%	23.61%	19.91%	22.74%	20.95%

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 Madera
Required Supplementary Information (Unaudited) (Continued)
Schedule of Contributions – Pension (Continued)
For the Year Ended June 30, 2025

	Last Ten Years Safety Plan				
Fiscal Year:	2024-25	2023-24	2022-23	2021-22	2020-21
Contractually determined contribution (actuarially determined)	\$ 2,919,610	\$ 3,093,988	\$ 3,202,253	\$ 3,055,010	\$ 2,879,830
Contributions in relation to the actuarially determined contributions	(2,919,610)	(3,093,988)	(3,202,253)	(3,055,010)	(2,879,830)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 5,626,265	\$ 5,462,393	\$ 5,303,294	\$ 5,148,829	\$ 4,998,863
Contributions as a percentage of covered payroll	51.89%	56.64%	60.38%	59.33%	57.61%
Fiscal Year:	2019-20	2018-19	2017-18	2016-17	2015-16
Contractually determined contribution (actuarially determined)	\$ 2,464,699	\$ 2,197,168	\$ 1,942,249	\$ 1,806,992	\$ 1,650,502
Contributions in relation to the actuarially determined contributions	(2,464,699)	(2,197,168)	(1,942,249)	(1,806,992)	(1,650,502)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 4,853,265	\$ 4,711,908	\$ 4,574,668	\$ 4,428,574	\$ 4,211,168
Contributions as a percentage of covered payroll	50.78%	46.63%	42.46%	40.80%	39.19%

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 Madera
Required Supplementary Information (Unaudited) (Continued)
Schedule of Contributions – Pension (Continued)
For the Year Ended June 30, 2025

Last Ten Years
Component Unit - Miscellaneous Plan

Fiscal Year:	2023-24	2022-23	2021-22	2020-21	2019-20
Contractually determined contribution (actuarially determined)	\$ 317,973	\$ 362,375	\$ 331,109	\$ 336,461	\$ 302,136
Contributions in relation to the actuarially determined contributions	(317,973)	(362,375)	(331,109)	(336,461)	(302,136)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,004,364	\$ 1,074,450	\$ 941,461	\$ 1,191,513	\$ 1,280,623
Contributions as a percentage of covered payroll	31.66%	2.16%	35.17%	28.24%	23.59%
Fiscal Year:	2018-19	2017-18	2016-17	2015-16	2014-15
Contractually determined contribution (actuarially determined)	\$ 268,409	\$ 238,140	\$ 257,128	\$ 203,184	\$ 239,779
Contributions in relation to the actuarially determined contributions	(268,409)	(238,140)	(257,128)	(203,184)	(239,779)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,270,009	\$ 1,140,725	\$ 1,043,730	\$ 982,585	\$ 1,108,052
Contributions as a percentage of covered payroll	21.13%	20.88%	24.64%	20.68%	21.64%

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

Measurement period, year ending:	Last Ten Years ¹						
	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB liability							
Service cost	\$ 399,638	\$ 311,082	\$ 266,779	\$ 188,828	\$ 159,827	\$ 148,304	\$ 196,158
Interest	196,481	177,365	84,763	95,919	104,757	110,666	97,813
Changes of benefit terms	-	-	(179,263)	-	-	-	(219,769)
Differences between expected and actual experience	(295,514)	-	416,211	-	156,277	-	74,529
Changes of assumptions	151,386	(87,924)	(99,963)	255,972	263,250	183,321	(254,393)
Benefit payments, including refunds of member contributions	(275,384)	(137,066)	(145,380)	(92,662)	(196,273)	(132,070)	(89,635)
Net change in total OPEB liability	176,607	263,457	343,147	448,057	487,838	310,221	(195,297)
Total OPEB liability - beginning	4,826,927	4,563,470	4,220,323	3,772,266	3,284,428	2,974,207	3,169,504
Total OPEB liability - ending (a)	<u>\$ 5,003,534</u>	<u>\$ 4,826,927</u>	<u>\$ 4,563,470</u>	<u>\$ 4,220,323</u>	<u>\$ 3,772,266</u>	<u>\$ 3,284,428</u>	<u>\$ 2,974,207</u>
OPEB fiduciary net position²							
Contributions - employer	\$ 275,384	\$ 137,066	\$ 145,380	\$ 92,662	\$ 196,273	\$ 132,070	\$ 89,635
Net investment income	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(275,384)	(137,066)	(145,380)	(92,662)	(196,273)	(132,070)	(89,635)
Administrative expense	-	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan net OPEB liability - ending (a) - (b)	<u>\$ 5,003,534</u>	<u>\$ 4,826,927</u>	<u>\$ 4,563,470</u>	<u>\$ 4,220,323</u>	<u>\$ 3,772,266</u>	<u>\$ 3,284,428</u>	<u>\$ 2,974,207</u>
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	\$ 17,907,652	\$ 15,951,498	\$ 11,444,154	\$ 11,110,829	\$ 10,787,213	\$ 13,763,983	\$ 13,752,967
Plan net OPEB liability as a percentage of covered-employee payroll	27.94%	30.26%	39.88%	37.98%	34.97%	23.86%	21.63%

¹ Information only presented from the implementation year.

² The City has no assets accumulated in a trust that meets the requirements of GASB. Therefore no OPEB fiduciary net position balance is noted.

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SUPPLEMENTARY INFORMATION

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Non-Major Governmental Funds

Special Revenue Funds:

Special Gas Tax Fund - This fund is used to account for the receipt of gasoline tax revenue paid to the City as a subvention from the State of California. These funds support maintenance activities and finance street construction projects as provided by State law.

Business Improvement District Fund - This fund is used to account for the City's efforts of the Business Improvement District (BID) to promote commerce in downtown Madera. The funding source is assessment fees.

Park Development Fund - This fund is used for park land acquisition and development. Principal revenue sources are parks acquisition and development fees collected from developers and state revenues for park development.

Parking District Fund - This fund is used to support the activities of the City's Parking Enforcement Office. Non-sworn officers patrol a designated area in Madera's downtown and issue citations to motorists who violate the City's vehicle ordinances.

Federal Aid Urban Fund - This fund is used to report various federal grants awarded to the City by the Federal government not otherwise accounted for in the General Fund or Capital Projects funds. A separate detailed report by program is available which meets the criteria of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, for all federal grants received by the City.

Street Construction Fund - This fund is used to account for right-of-way acquisition, construction, and improvements related to the City's street system. These projects are funded by various state and federal programs and matching City funds.

Landscape Assessment Fund - This fund is used to account for funds received from the landscaping assessment districts to provide for alternative sources of funding for maintenance and service of landscaping located within the public areas of the assessment districts.

Supplemental Law Enforcement Fund - This fund is used to account for revenues and expenditures associated with front line law enforcement and municipal police services. The funding source is state grant funding.

Intermodal Building Fund - This fund is used to account for the operation and maintenance of the intermodal building facility for use by the City and its tenants. The Intermodal Facility currently houses the MAX system, the Greyhound Bus terminal, and Madera Cab Co. This facility relies solely on grants and rents collected to fund its operations, and therefore does not impact the General Fund budget. The Intermodal Building Fund was consolidated with the local transit enterprise fund during the year ending June 30, 2025.

Economic Development Fund - This fund is used to account for revenues and expenditures related to programs and projects funded with Economic Development grant proceeds.

Residential Rehab Fund - This fund is used to account for revenues and expenditures related to the City's Down Payment Assistance Program (DAP) which assists low-income residents with purchasing their first homes and the Owner Occupied Rehabilitation (OOR) program that helps existing low-income homeowners make health and safety repairs to their homes.

Non-Major Governmental Funds (Continued)

Special Revenue Funds (Continued):

Low and Moderate Income Housing Fund - This fund is used to account for the balances of the former low and moderate income housing funds of the former Madera Redevelopment Agency and revenues and expenditures related to such housing projects and programs.

Community Facilities Districts (CFD) Fund - This fund is used to account for bond and annual tax assessment proceeds to be used for the construction and implementation of off-site infrastructure improvements. In addition, the Fund accounts for services and administration of assessments received annually.

SB-1186 ADA Fund - This fund is used to account for the revenues and expenditures related to the City's SB-1186 ADA collections and disbursements.

Opioid Settlement Fund - This fund is used to account for the revenues and expenditures related to the City's share of the Opioid Settlements.

Capital Projects Funds:

Solar Energy Lease Capital Projects Fund - This fund accounts for the construction of the Solar Energy Lease Purchase projects. These projects are funded by the Solar Energy Lease Purchase debt obligations.

Streets and Roads Fund - This fund is used to account for right-of-way acquisition, construction, and improvements related to the City's street system. These projects are funded by various state and federal programs and matching City funds.

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

	Special Revenue			
	Special Gas Tax Fund	Business Improvement District	Park Development	Parking District
ASSETS				
Cash and investments	\$ 5,132,365	\$ 5,026	\$ 207,970	\$ 106,956
Restricted cash and investments	-	-	-	-
Accounts receivable, net	-	14,238	-	17,023
Intergovernmental receivable	1,719,579	-	4,332	-
Notes receivable	-	-	-	-
Prepaid items	-	-	-	-
Land held for resale	-	-	-	-
Total assets	\$ 6,851,944	\$ 19,264	\$ 212,302	\$ 123,979
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 46,516	\$ 584
Accrued payroll	-	-	1,293	138
Due to other funds	-	-	-	-
Deposits payable	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	-	47,809	722
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	6,851,944	19,264	164,493	123,257
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	6,851,944	19,264	164,493	123,257
Total liabilities and fund balances	\$ 6,851,944	\$ 19,264	\$ 212,302	\$ 123,979

(Continued)

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

	Special Revenue			
	Federal Aid	Street	Landscape	Supplemental
	Urban	Construction	Assessment	Law Enforcement
ASSETS				
Cash and investments	\$ -	\$ -	\$ 678,767	\$ 952,275
Restricted cash and investments	-	-	-	-
Accounts receivable, net	-	-	-	56
Intergovernmental receivable	183,947	1,405,118	6,340	51,394
Notes receivable	-	-	-	-
Prepaid items	-	13,910	-	2,778
Land held for resale	-	-	-	-
Total assets	\$ 183,947	\$ 1,419,028	\$ 685,107	\$ 1,006,503
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 349	\$ 390,748	\$ 730	\$ 58,740
Accrued payroll	-	-	-	16,666
Due to other funds	88,454	525,441	-	-
Deposits payable	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	88,803	916,189	730	75,406
Fund Balances:				
Nonspendable	-	13,910	-	2,778
Restricted	95,144	488,929	684,377	928,319
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	95,144	502,839	684,377	931,097
Total liabilities and fund balances	\$ 183,947	\$ 1,419,028	\$ 685,107	\$ 1,006,503

(Continued)

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

	Special Revenue			
	Intermodal Building	Economic Development	Residential Rehab	Low and Moderate Income Housing
ASSETS				
Cash and investments	\$ -	\$ 1,511,219	\$ 1,666,619	\$ 261,643
Restricted cash and investments	-	-	-	-
Accounts receivable, net	-	-	14,664	2,675
Intergovernmental receivable	-	-	-	-
Notes receivable	-	-	7,996,577	7,000
Prepaid items	-	-	2,720	-
Land held for resale	-	-	-	670,000
Total assets	\$ -	\$ 1,511,219	\$ 9,680,580	\$ 941,318
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 10,345	\$ 225,961
Accrued payroll	-	-	189	-
Due to other funds	-	-	-	-
Deposits payable	-	-	-	74
Unearned revenues	-	-	-	-
Total liabilities	-	-	10,534	226,035
Fund Balances:				
Nonspendable	-	-	2,720	-
Restricted	-	1,511,219	9,667,326	715,283
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	-	1,511,219	9,670,046	715,283
Total liabilities and fund balances	\$ -	\$ 1,511,219	\$ 9,680,580	\$ 941,318

(Continued)

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

	Special Revenue			Capital Projects
	Community Facilities Districts	SB-1186 Fund	Opioid Settlement Fund	Solar Energy Lease
ASSETS				
Cash and investments	\$ 3,528,224	\$ 18,497	\$ 257,132	\$ -
Restricted cash and investments	-	-	-	2,517,025
Accounts receivable, net	-	4,243	-	-
Intergovernmental receivable	6,577	-	-	-
Notes receivable	-	-	-	-
Prepaid items	-	-	-	-
Land held for resale	-	-	-	-
Total assets	\$ 3,534,801	\$ 22,740	\$ 257,132	\$ 2,517,025
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	1,999,040
Deposits payable	-	-	-	-
Unearned revenues	76,516	-	121,000	-
Total liabilities	76,516	-	121,000	1,999,040
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	3,458,285	22,740	136,132	517,985
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	3,458,285	22,740	136,132	517,985
Total liabilities and fund balances	\$ 3,534,801	\$ 22,740	\$ 257,132	\$ 2,517,025

(Continued)

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

	<u>Capital Projects</u>	
	<u>Streets and Roads</u>	<u>Total Other Governmental Funds</u>
ASSETS		
Cash and investments	\$ 4,028	\$ 14,330,721
Restricted cash and investments	-	2,517,025
Accounts receivable, net	-	52,899
Intergovernmental receivable	-	3,377,287
Notes receivable	-	8,003,577
Prepaid items	-	19,408
Land held for resale	-	670,000
Total assets	\$ 4,028	\$ 28,970,917
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ -	\$ 733,973
Accrued payroll	-	18,286
Due to other funds	-	2,612,935
Deposits payable	-	74
Unearned revenues	-	197,516
Total liabilities	-	3,562,784
Fund Balances:		
Nonspendable	-	19,408
Restricted	4,028	25,388,725
Unassigned (deficit)	-	-
Total fund balances (deficit)	4,028	25,408,133
Total liabilities and fund balances	\$ 4,028	\$ 28,970,917

(Concluded)

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

	Special Revenue			
	Special Gas Tax Fund	Business Improvement District	Park Development	Parking District
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Investment income (loss)	-	-	-	-
Fines and forfeitures	-	-	-	5,250
Intergovernmental	5,488,746	-	722,083	-
Charges for services	-	14,196	-	12,125
Miscellaneous	-	-	99,234	3,324
Total revenues	5,488,746	14,196	821,317	20,699
EXPENDITURES:				
Current:				
General government	-	17,150	-	-
Public protection	-	-	-	-
Public ways and facilities	419,504	-	-	-
Community development	-	-	-	24,458
Culture and recreation	-	-	109,371	-
Capital outlay	1,428,513	-	95,994	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,848,017	17,150	205,365	24,458
REVENUES OVER (UNDER) EXPENDITURES	3,640,729	(2,954)	615,952	(3,759)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(1,808,414)	-	-	(4,857)
Total other financing sources (uses)	(1,808,414)	-	-	(4,857)
NET CHANGES IN FUND BALANCES	1,832,315	(2,954)	615,952	(8,616)
FUND BALANCES (DEFICIT):				
Beginning of year	5,019,629	22,218	(451,459)	131,873
End of year	<u>\$ 6,851,944</u>	<u>\$ 19,264</u>	<u>\$ 164,493</u>	<u>\$ 123,257</u>

(Continued)

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

	Special Revenue			
	Federal Aid	Street	Landscape	Supplemental
	Urban	Construction	Assessment	Law Enforcement
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	473,603	-
Investment income (loss)	-	-	-	25,447
Fines and forfeitures	-	-	-	-
Intergovernmental	327,925	1,699,129	-	819,189
Charges for services	-	-	-	391,062
Miscellaneous	-	-	-	131,312
Total revenues	327,925	1,699,129	473,603	1,367,010
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public protection	-	-	-	1,781,442
Public ways and facilities	-	27,567	489,773	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	35,203	1,001,247	-	167,498
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	35,203	1,028,814	489,773	1,948,940
REVENUES OVER (UNDER) EXPENDITURES	292,722	670,315	(16,170)	(581,930)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	158,459	433,744
Transfers out	-	(598,800)	(3,662)	(300,000)
Total other financing sources (uses)	-	(598,800)	154,797	133,744
NET CHANGES IN FUND BALANCES	292,722	71,515	138,627	(448,186)
FUND BALANCES (DEFICIT):				
Beginning of year	(197,578)	431,324	545,750	1,379,283
End of year	<u>\$ 95,144</u>	<u>\$ 502,839</u>	<u>\$ 684,377</u>	<u>\$ 931,097</u>

(Continued)

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

	Special Revenue			
	Intermodal Building	Economic Development	Residential Rehab	Low and Moderate Income Housing
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Investment income (loss)	-	68,716	197,011	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	466,782
Charges for services	-	-	8,724	-
Miscellaneous	-	-	1,889	-
Total revenues	-	68,716	207,624	466,782
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public protection	-	-	-	-
Public ways and facilities	-	-	-	-
Community development	-	-	198,240	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	853,987
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	198,240	853,987
REVENUES OVER (UNDER) EXPENDITURES	-	68,716	9,384	(387,205)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	131,107	-
Transfers out	(52,758)	-	-	-
Total other financing sources (uses)	(52,758)	-	131,107	-
NET CHANGES IN FUND BALANCES	(52,758)	68,716	140,491	(387,205)
FUND BALANCES (DEFICIT):				
Beginning of year	52,758	1,442,503	9,529,555	1,102,488
End of year	<u>\$ -</u>	<u>\$ 1,511,219</u>	<u>\$ 9,670,046</u>	<u>\$ 715,283</u>

(Continued)

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

	Special Revenue			Capital Projects
	Community Facilities Districts	SB-1186 Fund	Opioid Settlement Fund	Solar Energy Lease
REVENUES:				
Property taxes	\$ 1,179,511	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Investment income (loss)	117,379	-	10,662	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	195,470	-
Charges for services	-	13,716	-	-
Miscellaneous	-	-	-	-
Total revenues	1,296,890	13,716	206,132	-
EXPENDITURES:				
Current:				
General government	8,828	-	-	-
Public protection	-	-	-	-
Public ways and facilities	-	1,355	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	153,554
Debt service:				
Principal	-	-	-	856,000
Interest and fiscal charges	-	-	-	459,072
Total expenditures	8,828	1,355	-	1,468,626
REVENUES OVER (UNDER) EXPENDITURES	1,288,062	12,361	206,132	(1,468,626)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	2,661,070
Transfers out	(316,440)	-	(70,000)	-
Total other financing sources (uses)	(316,440)	-	(70,000)	2,661,070
NET CHANGES IN FUND BALANCES	971,622	12,361	136,132	1,192,444
FUND BALANCES (DEFICIT):				
Beginning of year	2,486,663	10,379	-	(674,459)
End of year	<u>\$ 3,458,285</u>	<u>\$ 22,740</u>	<u>\$ 136,132</u>	<u>\$ 517,985</u>

(Continued)

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

	Capital Projects	
	Streets and Roads	Total Other Governmental Funds
REVENUES:		
Property taxes	\$ -	\$ 1,179,511
Other taxes	-	473,603
Investment income (loss)	-	419,215
Fines and forfeitures	-	5,250
Intergovernmental	-	9,719,324
Charges for services	-	439,823
Miscellaneous	-	235,759
Total revenues	-	12,472,485
EXPENDITURES:		
Current:		
General government	-	25,978
Public protection	-	1,781,442
Public ways and facilities	-	938,199
Community development	-	222,698
Culture and recreation	-	109,371
Capital outlay	-	3,735,996
Debt service:		
Principal	-	856,000
Interest and fiscal charges	-	459,072
Total expenditures	-	8,128,756
REVENUES OVER (UNDER) EXPENDITURES	-	4,343,729
OTHER FINANCING SOURCES (USES):		
Transfers in	-	3,384,380
Transfers out	-	(3,154,931)
Total other financing sources (uses)	-	229,449
NET CHANGES IN FUND BALANCES	-	4,573,178
FUND BALANCES (DEFICIT):		
Beginning of year	4,028	20,834,955
End of year	\$ 4,028	\$ 25,408,133

(Concluded)

City of Madera
Budgetary Comparison Schedule
Special Gas Tax Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 7,872,818	\$ 7,872,818	\$ 5,488,746	\$ (2,384,072)
Total revenues	<u>7,872,818</u>	<u>7,872,818</u>	<u>5,488,746</u>	<u>(2,384,072)</u>
EXPENDITURES:				
Current:				
Public ways and facilities	690,715	690,715	419,504	271,211
Capital outlay	9,160,089	10,722,567	1,428,513	9,294,054
Total expenditures	<u>9,850,804</u>	<u>11,413,282</u>	<u>1,848,017</u>	<u>9,565,265</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,977,986)</u>	<u>(3,540,464)</u>	<u>3,640,729</u>	<u>7,181,193</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	4,236,913	-	(4,236,913)
Transfers out	(1,117,699)	(5,354,612)	(1,808,414)	3,546,198
Total other financing sources (uses)	<u>(1,117,699)</u>	<u>(1,117,699)</u>	<u>(1,808,414)</u>	<u>(690,715)</u>
Net change in fund balance	<u><u>\$ (3,095,685)</u></u>	<u><u>\$ (4,658,163)</u></u>	1,832,315	<u><u>\$ 6,490,478</u></u>
FUND BALANCE:				
Beginning of year			5,019,629	
End of year			<u><u>\$ 6,851,944</u></u>	

City of Madera
Budgetary Comparison Schedule
Business Improvement District Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ 18,217	\$ 18,217	\$ 14,196	\$ (4,021)
Total revenues	<u>18,217</u>	<u>18,217</u>	<u>14,196</u>	<u>(4,021)</u>
EXPENDITURES:				
Current:				
General government	18,217	18,217	17,150	1,067
Total expenditures	<u>18,217</u>	<u>18,217</u>	<u>17,150</u>	<u>1,067</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(2,954)	<u>\$ (2,954)</u>
FUND BALANCE:				
Beginning of year			<u>22,218</u>	
End of year			<u>\$ 19,264</u>	

City of Madera
Budgetary Comparison Schedule
Parking Development Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 4,125,055	\$ 4,784,695	\$ 722,083	\$ (4,062,612)
Miscellaneous	62,651	164,204	99,234	(64,970)
Total revenues	<u>4,187,706</u>	<u>4,948,899</u>	<u>821,317</u>	<u>(4,127,582)</u>
EXPENDITURES:				
Current:				
Culture and recreation	\$ 1,628,775	\$ 1,832,464	\$ 109,371	\$ 1,723,093
Capital outlay	1,813,936	3,233,009	95,994	3,137,015
Total expenditures	<u>3,442,711</u>	<u>5,065,473</u>	<u>205,365</u>	<u>4,860,108</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>744,995</u>	<u>(116,574)</u>	<u>615,952</u>	<u>732,526</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	659,640	-	(659,640)
Total other financing sources (uses)	<u>-</u>	<u>659,640</u>	<u>-</u>	<u>(659,640)</u>
Net change in fund balance	<u>\$ 744,995</u>	<u>\$ 543,066</u>	615,952	<u>\$ 72,886</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(451,459)</u>	
End of year			<u>\$ 164,493</u>	

City of Madera
Budgetary Comparison Schedule
Parking District Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Fines and forfeitures	\$ 8,200	\$ 8,200	\$ 5,250	\$ (2,950)
Charges for services	17,750	17,750	12,125	(5,625)
Miscellaneous	-	-	3,324	3,324
Total revenues	<u>25,950</u>	<u>25,950</u>	<u>20,699</u>	<u>(5,251)</u>
EXPENDITURES:				
Current:				
Community development	33,751	33,909	24,458	9,451
Total expenditures	<u>33,751</u>	<u>33,909</u>	<u>24,458</u>	<u>9,451</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(7,801)</u>	<u>(7,959)</u>	<u>(3,759)</u>	<u>4,200</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(2,223)	(2,223)	(4,857)	(2,634)
Total other financing sources (uses)	<u>(2,223)</u>	<u>(2,223)</u>	<u>(4,857)</u>	<u>(2,634)</u>
Net change in fund balance	<u>\$ (10,024)</u>	<u>\$ (10,182)</u>	(8,616)	<u>\$ 1,566</u>
FUND BALANCE:				
Beginning of year			<u>131,873</u>	
End of year			<u>\$ 123,257</u>	

City of Madera
Budgetary Comparison Schedule
Federal Aid Urban Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 4,333,656	\$ 4,333,656	\$ 327,925	\$ (4,005,731)
Total revenues	<u>4,333,656</u>	<u>4,333,656</u>	<u>327,925</u>	<u>(4,005,731)</u>
EXPENDITURES:				
Current:				
Capital outlay	4,333,656	4,379,688	35,203	4,344,485
Total expenditures	<u>4,333,656</u>	<u>4,379,688</u>	<u>35,203</u>	<u>4,344,485</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (46,032)</u>	292,722	<u>\$ 338,754</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(197,578)</u>	
End of year			<u>\$ 95,144</u>	

City of Madera
Budgetary Comparison Schedule
Street Construction Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 2,331,538	\$ 2,331,538	\$ 1,699,129	\$ (632,409)
Total revenues	<u>2,331,538</u>	<u>2,331,538</u>	<u>1,699,129</u>	<u>(632,409)</u>
EXPENDITURES:				
Current:				
Public ways and facilities	115,926	145,926	27,567	118,359
Capital outlay	<u>3,708,124</u>	<u>3,768,407</u>	<u>1,001,247</u>	<u>2,767,160</u>
Total expenditures	<u>3,824,050</u>	<u>3,914,333</u>	<u>1,028,814</u>	<u>2,885,519</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,492,512)</u>	<u>(1,582,795)</u>	<u>670,315</u>	<u>2,253,110</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(598,800)</u>	<u>(598,800)</u>	<u>(598,800)</u>	<u>-</u>
Total other financing sources (uses)	<u>(598,800)</u>	<u>(598,800)</u>	<u>(598,800)</u>	<u>-</u>
Net change in fund balance	<u><u>\$ (2,091,312)</u></u>	<u><u>\$ (2,181,595)</u></u>	<u>71,515</u>	<u><u>\$ 2,253,110</u></u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>431,324</u>	
End of year			<u><u>\$ 502,839</u></u>	

City of Madera
Budgetary Comparison Schedule
Landscape Assessment Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Other taxes	\$ 487,488	\$ 487,488	\$ 473,603	\$ (13,885)
Miscellaneous	4,828	4,828	-	(4,828)
Total revenues	<u>492,316</u>	<u>492,316</u>	<u>473,603</u>	<u>(18,713)</u>
EXPENDITURES:				
Current:				
Public ways and facilities	803,519	803,519	489,773	313,746
Total expenditures	<u>803,519</u>	<u>803,519</u>	<u>489,773</u>	<u>313,746</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(311,203)</u>	<u>(311,203)</u>	<u>(16,170)</u>	<u>295,033</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	158,459	158,459	158,459	-
Total other financing sources (uses)	<u>158,459</u>	<u>158,459</u>	<u>154,797</u>	<u>(3,662)</u>
Net change in fund balance	<u>\$ (152,744)</u>	<u>\$ (152,744)</u>	138,627	<u>\$ 291,371</u>
FUND BALANCE:				
Beginning of year			<u>545,750</u>	
End of year			<u>\$ 684,377</u>	

City of Madera
Budgetary Comparison Schedule
Supplemental Law Enforcement Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment income (loss)	\$ -	\$ -	\$ 25,447	\$ 25,447
Intergovernmental	992,626	1,153,117	819,189	(333,928)
Charges for services	419,203	419,203	391,062	(28,141)
Miscellaneous	148,236	148,236	131,312	(16,924)
Total revenues	<u>1,560,065</u>	<u>1,720,556</u>	<u>1,367,010</u>	<u>(353,546)</u>
EXPENDITURES:				
Current:				
Public protection	1,875,231	2,016,187	1,781,442	234,745
Capital outlay	439,200	659,524	167,498	492,026
Total expenditures	<u>2,314,431</u>	<u>2,675,711</u>	<u>1,948,940</u>	<u>726,771</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(754,366)</u>	<u>(955,155)</u>	<u>(581,930)</u>	<u>373,225</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	458,997	458,997	433,744	(25,253)
Transfers out	(300,000)	(300,000)	(300,000)	-
Total other financing sources (uses)	<u>158,997</u>	<u>158,997</u>	<u>133,744</u>	<u>(25,253)</u>
Net change in fund balance	<u>\$ (595,369)</u>	<u>\$ (796,158)</u>	(448,186)	<u>\$ 347,972</u>
FUND BALANCE:				
Beginning of year			<u>1,379,283</u>	
End of year			<u>\$ 931,097</u>	

City of Madera
Budgetary Comparison Schedule
Intermodal Building Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
OTHER FINANCING SOURCES (USES):				
Transfers out	\$ -	\$ -	\$ (52,758)	\$ (52,758)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(52,758)</u>	<u>(52,758)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(52,758)</u>	<u>\$ (52,758)</u>
FUND BALANCE:				
Beginning of year			<u>52,758</u>	
End of year			<u>\$ -</u>	

City of Madera
Budgetary Comparison Schedule
Economic Development Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment income (loss)	\$ 18,958	\$ 18,958	\$ 68,716	\$ 49,758
Total revenues	<u>18,958</u>	<u>18,958</u>	<u>68,716</u>	<u>49,758</u>
EXPENDITURES:				
Current:				
Community development	2,500	2,500	-	2,500
Capital outlay	<u>156,500</u>	<u>156,500</u>	<u>-</u>	<u>156,500</u>
Total expenditures	<u>159,000</u>	<u>159,000</u>	<u>-</u>	<u>159,000</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(140,042)</u>	<u>(140,042)</u>	<u>68,716</u>	<u>208,758</u>
Net change in fund balance	<u>\$ (140,042)</u>	<u>\$ (140,042)</u>	<u>68,716</u>	<u>\$ 208,758</u>
FUND BALANCE:				
Beginning of year			<u>1,442,503</u>	
End of year			<u>\$ 1,511,219</u>	

City of Madera
Budgetary Comparison Schedule
Residential Rehab Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment income (loss)	\$ 37,000	\$ 37,000	\$ 197,011	\$ 160,011
Intergovernmental	372,065	372,065	-	(372,065)
Charges for services	5,000	5,000	8,724	3,724
Miscellaneous	15,000	15,000	1,889	(13,111)
Total revenues	429,065	429,065	207,624	(221,441)
EXPENDITURES:				
Current:				
Community development	1,278,321	1,278,321	198,240	1,080,081
Total expenditures	1,278,321	1,278,321	198,240	1,080,081
REVENUES OVER (UNDER) EXPENDITURES	(849,256)	(849,256)	9,384	858,640
OTHER FINANCING SOURCES (USES):				
Transfers in	131,107	131,107	131,107	-
Total other financing sources (uses)	131,107	131,107	131,107	-
Net change in fund balance	\$ (718,149)	\$ (718,149)	140,491	\$ 858,640
FUND BALANCE:				
Beginning of year			9,529,555	
End of year			<u>\$ 9,670,046</u>	

City of Madera
Budgetary Comparison Schedule
Low and Moderate Income Housing Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 2,889,428	\$ 2,889,428	\$ 466,782	\$ (2,422,646)
Total revenues	<u>2,889,428</u>	<u>2,889,428</u>	<u>466,782</u>	<u>(2,422,646)</u>
EXPENDITURES:				
Current:				
Community development	-	12,000	-	12,000
Capital outlay	2,128,600	2,264,236	853,987	1,410,249
Total expenditures	<u>2,128,600</u>	<u>2,276,236</u>	<u>853,987</u>	<u>1,422,249</u>
Net change in fund balance	<u>\$ 760,828</u>	<u>\$ 613,192</u>	(387,205)	<u>\$ (1,000,397)</u>
FUND BALANCE:				
Beginning of year			1,102,488	
End of year			<u>\$ 715,283</u>	

City of Madera
Budgetary Comparison Schedule
Community Facilities District Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Property taxes	\$ 1,261,146	\$ 1,261,146	\$ 1,179,511	\$ (81,635)
Investment income (loss)	29,400	30,400	117,379	86,979
Total revenues	<u>1,290,546</u>	<u>1,291,546</u>	<u>1,296,890</u>	<u>5,344</u>
EXPENDITURES:				
Current:				
General government	8,403	9,403	8,828	575
Total expenditures	<u>8,403</u>	<u>9,403</u>	<u>8,828</u>	<u>575</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,282,143</u>	<u>1,282,143</u>	<u>1,288,062</u>	<u>5,919</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(316,440)	(316,440)	(316,440)	-
Total other financing sources (uses)	<u>(316,440)</u>	<u>(316,440)</u>	<u>(316,440)</u>	<u>-</u>
Net change in fund balance	<u>\$ 965,703</u>	<u>\$ 965,703</u>	971,622	<u>\$ 5,919</u>
FUND BALANCE:				
Beginning of year			<u>2,486,663</u>	
End of year			<u>\$ 3,458,285</u>	

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Non-Major Enterprise Funds

Local Transit Fund - This fund is used to account for the activities of the City's public transit operations.

Golf Course Fund - This fund is used to account for the activities of the City's golf course operations.

Airport Fund - This fund is used to account for the activities of the City's airport operations.

City of Madera
Combining Statement of Net Position
Non-Major Enterprise Funds
June 30, 2025

	Local Transit Fund	Golf Course Fund	Airport Fund	Total
ASSETS				
Current assets:				
Cash and investments	\$ -	\$ -	\$ 2,182,181	\$ 2,182,181
Accounts receivable, net	5,498	16,670	4,270	26,438
Intergovernmental receivable	1,596,951	-	42,977	1,639,928
Lease receivable - due within one year	-	64,566	42,409	106,975
Prepaid items	1,818	-	10,732	12,550
Total current assets	<u>1,604,267</u>	<u>81,236</u>	<u>2,282,569</u>	<u>3,968,072</u>
Noncurrent assets:				
Lease receivable - due in more than one year	-	129,644	793,281	922,925
Capital assets:				
Non-depreciable	558,189	146,933	4,242,875	4,947,997
Depreciable, net	<u>7,386,769</u>	<u>1,564,957</u>	<u>6,672,869</u>	<u>15,624,595</u>
Total capital assets	<u>7,944,958</u>	<u>1,711,890</u>	<u>10,915,744</u>	<u>20,572,592</u>
Total noncurrent assets	<u>7,944,958</u>	<u>1,841,534</u>	<u>11,709,025</u>	<u>21,495,517</u>
Total assets	<u><u>9,549,225</u></u>	<u><u>1,922,770</u></u>	<u><u>13,991,594</u></u>	<u><u>25,463,589</u></u>
DEFERRED OUTFLOW OF RESOURCES				
Related to OPEB	-	-	5,182	5,182
Related to pensions	143,600	-	43,401	187,001
Total deferred outflow of resources	<u>143,600</u>	<u>-</u>	<u>48,583</u>	<u>192,183</u>
LIABILITIES				
Current liabilities:				
Accounts payable	403,289	-	6,066	409,355
Accrued payroll	6,777	-	2,316	9,093
Due to other funds	1,005,480	505,124	-	1,510,604
Deposits payable	-	-	13,500	13,500
Total OPEB liability - due within one year	-	-	1,202	1,202
Compensated absences - due within one year	29,682	-	374	30,056
Total current liabilities	<u>1,445,228</u>	<u>505,124</u>	<u>23,458</u>	<u>1,973,810</u>
Noncurrent liabilities:				
Total OPEB liability - due in more than one year	-	-	19,999	19,999
Aggregate net pension liability	823,215	-	248,808	1,072,023
Compensated absences - due in more than one year	28,069	-	1,378	29,447
Total noncurrent liabilities	<u>851,284</u>	<u>-</u>	<u>270,185</u>	<u>1,121,469</u>
Total liabilities	<u><u>2,296,512</u></u>	<u><u>505,124</u></u>	<u><u>293,643</u></u>	<u><u>3,095,279</u></u>
DEFERRED INFLOWS OF RESOURCES				
Related to leases	-	193,743	807,809	1,001,552
Related to OPEB	-	-	1,903	1,903
Total deferred inflows of resources	<u>-</u>	<u>193,743</u>	<u>809,712</u>	<u>1,003,455</u>
NET POSITION				
Net investment in capital assets	7,944,958	1,711,890	10,915,744	20,572,592
Unrestricted (deficit)	<u>(548,645)</u>	<u>(487,987)</u>	<u>2,021,078</u>	<u>984,446</u>
Total net position	<u><u>\$ 7,396,313</u></u>	<u><u>\$ 1,223,903</u></u>	<u><u>\$ 12,936,822</u></u>	<u><u>\$ 21,557,038</u></u>

City of Madera
Combining Statement of Revenues, Expenses, and Changes in Net Position
Non-Major Enterprise Funds
For the Year Ended June 30, 2025

	Local Transit Fund	Golf Course Fund	Airport Fund	Total
OPERATING REVENUES:				
Charges for services	\$ 2,739,217	\$ 175,906	\$ 325,468	\$ 3,240,591
Miscellaneous revenue	23,701	-	220,694	244,395
Total operating revenues	2,762,918	175,906	546,162	3,484,986
OPERATING EXPENSES:				
Salaries and benefits	469,617	-	160,111	629,728
General and administrative	2,456,353	84,100	297,817	2,838,270
Supplies and miscellaneous	298,224	22,156	38,686	359,066
Utilities	17,747	-	12,228	29,975
Depreciation	514,351	167,906	297,675	979,932
Total operating expenses	3,756,292	274,162	806,517	4,836,971
OPERATING INCOME (LOSS)	(993,374)	(98,256)	(260,355)	(1,351,985)
NONOPERATING REVENUES (EXPENSES):				
Investment income (loss)	5,684	603	106,532	112,819
Property taxes	-	-	203,503	203,503
Operating grants	648,454	-	-	648,454
Total nonoperating revenues (expenses)	654,138	603	310,035	964,776
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(339,236)	(97,653)	49,680	(387,209)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital contributions	95,233	50,000	-	145,233
Capital grants	26,141	-	36,260	62,401
Transfers in	52,758	-	13,281	66,039
Transfers out	(79,952)	-	(73,549)	(153,501)
Total capital contributions and transfers	94,180	50,000	(24,008)	120,172
Changes in net position	(245,056)	(47,653)	25,672	(267,037)
NET POSITION:				
Beginning of year, as restated (Note 19)	7,641,369	1,271,556	12,911,150	21,824,075
End of year	<u>\$ 7,396,313</u>	<u>\$ 1,223,903</u>	<u>\$ 12,936,822</u>	<u>\$ 21,557,038</u>

City of Madera
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Year Ended June 30, 2025

	Local Transit Fund	Golf Course Fund	Airport Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 2,739,298	\$ 175,722	\$ 348,201	\$ 3,263,221
Cash payments to suppliers for goods and services	(2,577,258)	(151,554)	(350,729)	(3,079,541)
Cash payments to employees for services	(575,901)	-	(183,750)	(759,651)
Receipts from other operating revenues	23,701	-	220,694	244,395
Net cash provided by (used in) operating activities	(390,160)	24,168	34,416	(331,576)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating grants	653,946	-	-	653,946
Property taxes	-	-	203,503	203,503
Due to other funds	(243,592)	13,044	-	(230,548)
Transfers from other funds	52,758	-	13,281	66,039
Transfers to other funds	(79,952)	-	(73,549)	(153,501)
Net cash provided by (used in) noncapital financing activities	383,160	13,044	143,235	539,439
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital grants	26,141	50,000	59,825	135,966
Acquisition of capital assets	(24,825)	(87,815)	(90,532)	(203,172)
Net cash provided by (used in) capital and related financing activities	1,316	(37,815)	(30,707)	(67,206)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest from investments	5,684	603	106,532	112,819
Net cash provided by investing activities	5,684	603	106,532	112,819
Net change in cash and cash equivalents	-	-	253,476	253,476
CASH AND CASH EQUIVALENTS:				
Beginning of year	-	-	1,928,705	1,928,705
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,182,181</u>	<u>\$ 2,182,181</u>

(Continued)

City of Madera
Combining Statement of Cash Flows (Continued)
Non-Major Enterprise Funds
For the Year Ended June 30, 2025

	Local Transit Fund	Golf Course Fund	Airport Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ (993,374)	\$ (98,256)	\$ (260,355)	\$ (1,351,985)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	514,351	167,906	297,675	979,932
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	81	-	30,193	30,274
Lease receivable	-	64,397	(13,528)	50,869
Prepaid items	(1,818)	2	(2,294)	(4,110)
Deferred outflows - OPEB related	-	-	(523)	(523)
Deferred outflows - pension related	102,460	-	24,077	126,537
Accounts payable	196,884	(45,300)	296	151,880
Accrued payroll	1,354	-	1,404	2,758
Deposits payable	-	-	29	29
Compensated absences	986	-	(14,801)	(13,815)
Aggregate net pension liability	(207,643)	-	(33,887)	(241,530)
Total OPEB liability	-	-	123	123
Deferred inflows - lease related	-	(64,581)	6,039	(58,542)
Deferred inflows - OPEB related	-	-	911	911
Deferred inflows - pension related	(3,441)	-	(943)	(4,384)
Total adjustments	603,214	122,424	294,771	1,020,409
Net cash provided by (used in) operating activities	\$ (390,160)	\$ 24,168	\$ 34,416	\$ (331,576)
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:				
Contributed property, plant and equipment	\$ 95,233	\$ -	\$ -	\$ 95,233
Total noncash capital and related financing activities	\$ 95,233	\$ -	\$ -	\$ 95,233

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Internal Service Funds

Fleet Maintenance Fund - This fund is used to account for the accumulation and allocation of costs associated with the maintenance of the City's fleet of vehicles.

Facilities Maintenance Fund - This fund is used to account for the accumulation and allocation of costs associated with the maintenance of the City Hall building and other City buildings.

Technology Fund - This fund is used to account for the costs associated with automation maintenance of the City's various computers, servers and interdepartmental electronic communications.

City of Madera
Combining Statement of Net Position
All Internal Service Funds
June 30, 2025

	Fleet Maintenance	Facilities Maintenance	Technology	Total
ASSETS				
Current assets:				
Cash and investments	\$ 4,229,285	\$ 1,485,645	\$ 859,833	\$ 6,574,763
Accounts receivable, net	7,990	50	35,085	43,125
Prepaid items	8	12	183,348	183,368
Total current assets	4,237,283	1,485,707	1,078,266	6,801,256
Noncurrent assets:				
Capital assets:				
Non-depreciable	300,157	-	-	300,157
Depreciable, net	5,774,221	13,494	501,918	6,289,633
Total capital assets	6,074,378	13,494	501,918	6,589,790
Total noncurrent assets	6,074,378	13,494	501,918	6,589,790
Total assets	10,311,661	1,499,201	1,580,184	13,391,046
DEFERRED OUTFLOW OF RESOURCES				
Related to OPEB	31,091	25,909	15,545	72,545
Related to pensions	127,525	221,830	173,606	522,961
Total deferred outflow of resources	158,616	247,739	189,151	595,506
LIABILITIES				
Current liabilities:				
Accounts payable	44,488	73,443	30,180	148,111
Accrued payroll	3,710	6,904	4,924	15,538
Total OPEB liability - due within one year	7,211	6,009	3,606	16,826
Compensated absences - due within one year	23,031	34,045	28,357	85,433
Total current liabilities	78,440	120,401	67,067	265,908
Noncurrent liabilities:				
Total OPEB liability - due in more than one year	119,997	99,998	59,998	279,993
Aggregate net pension liability	731,063	1,271,682	995,230	2,997,975
Compensated absences - due in more than one year	60,276	62,018	18,674	140,968
Total noncurrent liabilities	911,336	1,433,698	1,073,902	3,418,936
Total liabilities	989,776	1,554,099	1,140,969	3,684,844
DEFERRED INFLOWS OF RESOURCES				
Related to OPEB	11,417	9,514	5,708	26,639
Total deferred inflows of resources	11,417	9,514	5,708	26,639
NET POSITION				
Investment in capital assets	6,074,378	13,494	501,918	6,589,790
Unrestricted	3,394,706	169,833	120,740	3,685,279
Total net position	\$ 9,469,084	\$ 183,327	\$ 622,658	\$ 10,275,069

City of Madera
Combining Statement of Revenues, Expenses, and Changes in Net Position
All Internal Service Funds
For the Year Ended June 30, 2025

	Fleet Maintenance	Facilities Maintenance	Technology	Total
OPERATING REVENUES:				
Charges for services	\$ 2,575,460	\$ 2,161,395	\$ 1,548,780	\$ 6,285,635
Miscellaneous revenue	30,023	407,422	-	437,445
Total operating revenues	2,605,483	2,568,817	1,548,780	6,723,080
OPERATING EXPENSES:				
Salaries and benefits	347,237	459,848	624,588	1,431,673
General and administrative	413,522	367,159	308,331	1,089,012
Supplies and miscellaneous	101,678	174,423	226,372	502,473
Utilities	224	561,694	2,259	564,177
Depreciation and amortization	654,679	1,912	195,863	852,454
Total operating expenses	1,517,340	1,565,036	1,357,413	4,439,789
OPERATING INCOME	1,088,143	1,003,781	191,367	2,283,291
NONOPERATING REVENUES (EXPENSES):				
Investment income	167,411	56,410	34,262	258,083
Gain (loss) on disposal of property	-	-	(2,604)	(2,604)
Interest expense	-	-	(1,756)	(1,756)
Total nonoperating revenues (expenses)	167,411	56,410	29,902	253,723
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,255,554	1,060,191	221,269	2,537,014
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Capital contributions	1,743	-	-	1,743
Transfers in	478,681	85,006	18,716	582,403
Transfers out	-	(499,014)	-	(499,014)
Total capital contributions and transfers	480,424	(414,008)	18,716	85,132
Changes in net position	1,735,978	646,183	239,985	2,622,146
NET POSITION (DEFICIT):				
Beginning of year, as restated (Note 19)	7,733,106	(462,856)	382,673	7,652,923
End of year	\$ 9,469,084	\$ 183,327	\$ 622,658	\$ 10,275,069

City of Madera
Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended June 30, 2025

	Fleet Maintenance	Facilities Maintenance	Technology	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 2,647,619	\$ 2,161,345	\$ 1,514,361	\$ 6,323,325
Cash payments to suppliers for goods and services	(663,467)	(1,153,627)	(752,302)	(2,569,396)
Cash payments to employees for services	(476,732)	(993,490)	(681,194)	(2,151,416)
Receipts from other operating activities	30,023	407,422	-	437,445
Net cash provided by operating activities	1,537,443	421,650	80,865	2,039,958
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers from other funds	478,681	85,006	18,716	582,403
Transfers to other funds	-	(499,014)	-	(499,014)
Net cash provided by (used in) noncapital financing activities	478,681	(414,008)	18,716	83,389
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	(2,275,572)	(12,985)	(240,164)	(2,528,721)
Principal payment of long-term debt	-	-	(96,792)	(96,792)
Interest paid on debt	-	-	(1,756)	(1,756)
Net cash (used in) capital and related financing activities	(2,275,572)	(12,985)	(338,712)	(2,627,269)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest from investments	167,411	56,410	34,262	258,083
Net cash provided by investing activities	167,411	56,410	34,262	258,083
Net change in cash and cash equivalents	(92,037)	51,067	(204,869)	(245,839)
CASH AND CASH EQUIVALENTS:				
Beginning of year	4,321,322	1,434,578	1,064,702	6,820,602
End of year	\$ 4,229,285	\$ 1,485,645	\$ 859,833	\$ 6,574,763

(Continued)

City of Madera
Combining Statement of Cash Flows (Continued)
All Internal Service Funds
For the Year Ended June 30, 2025

	Fleet Maintenance	Facilities Maintenance	Technology	Total
RECONCILIATION OF OPERATING INCOME				
TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income	\$ 1,088,143	\$ 1,003,781	\$ 191,367	\$ 2,283,291
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	654,679	1,912	195,863	852,454
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	72,159	(50)	(34,419)	37,690
Prepaid items	(8)	(12)	(90,103)	(90,123)
Deferred outflows - OPEB related	(3,134)	11,366	3,094	11,326
Deferred outflows -pension related	104,587	242,225	100,855	447,667
Accounts payable	(148,035)	(50,339)	(125,237)	(323,611)
Accrued payroll	1,305	418	1,957	3,680
Compensated absences	6,146	(47,667)	14,903	(26,618)
Aggregate net pension liability	(241,356)	(672,452)	(154,607)	(1,068,415)
Total OPEB liability	738	(62,619)	(20,709)	(82,590)
Deferred inflows - OPEB related	5,465	1,577	1,740	8,782
Deferred inflows - pension related	(3,246)	(6,490)	(3,839)	(13,575)
Total adjustments	449,300	(582,131)	(110,502)	(243,333)
Net cash provided by operating activities	\$ 1,537,443	\$ 421,650	\$ 80,865	\$ 2,039,958
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:				
Contributed property, plant and equipment	\$ 1,743	\$ -	\$ -	\$ 1,743
Total noncash capital and related financing activities	\$ 1,743	\$ -	\$ -	\$ 1,743

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Custodial Funds

The Custodial Funds are used to account for assets held by the City in a custodial capacity for individuals, private organizations, other governments, and/or other funds. The City maintains the following custodial funds for the purposes indicated:

General Deposit Fund - This fund is used to account for all money held as deposits on behalf of others.

Community Facilities Districts - This fund is used to account for the collection of assessments from property owners and for the remittance of such assessments to bondholders as required by the Improvement Bond Act of 1915 and related California State statutes for the Community Facilities District No. 2006-1.

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City of Madera
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

	General Deposit Fund	Community Facilities Districts	Total
ASSETS			
Cash and investments	\$ 2,047,853	\$ 371,703	\$ 2,419,556
Accounts receivable, net	-	958	958
Prepaid items	-	925	925
Restricted cash and investments with fiscal agents	-	54,039	54,039
Total assets	2,047,853	427,625	2,475,478
LIABILITIES			
Accounts payable	36,026	-	36,026
Total liabilities	36,026	-	36,026
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	2,011,827	427,625	2,439,452
Total net position	\$ 2,011,827	\$ 427,625	\$ 2,439,452

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

	General Deposit Fund	Community Facilities Districts	Total
ADDITIONS:			
Fee collections for others	\$ 1,624,275	\$ -	\$ 1,624,275
Special assessments for other governments	-	195,301	195,301
Investment income (loss)	12,014	10,689	22,703
Total additions	1,636,289	205,990	1,842,279
DEDUCTIONS:			
Administration	-	8,202	8,202
Project payments	1,606,966	-	1,606,966
Payments on conduit bonds - principal	-	107,744	107,744
Payments on conduit bonds - interest	-	73,389	73,389
Total deductions	1,606,966	189,335	1,796,301
Changes in net position	29,323	16,655	45,978
NET POSITION:			
Beginning of year	1,982,504	410,970	2,393,474
End of year	<u>\$ 2,011,827</u>	<u>\$ 427,625</u>	<u>\$ 2,439,452</u>

STATISTICAL SECTION

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CITY OF MADERA - STATISTICAL SECTION

This part of the City of Madera's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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Sources: Unless otherwise noted, the information in these schedules is derived from the City's annual comprehensive financial reports for the relevant year

City of Madera
Schedule 1
Net Position by Component
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Years				
	2025	2024	2023	2022	2021
Governmental activities					
Net investment in capital assets	\$ 174,895,436	\$ 172,147,075	\$ 173,636,768	\$ 177,369,996	\$ 178,947,614
Restricted	66,135,749	58,005,517	50,277,926	44,524,605	46,349,016
Unrestricted	22,379,977	15,831,505	16,130,158	1,380,440	(9,774,183)
Total governmental activities net position	<u>\$ 263,411,162</u>	<u>\$ 245,984,097</u>	<u>\$ 240,044,852</u>	<u>\$ 223,275,041</u>	<u>\$ 215,522,447</u>
Business type activities					
Net investment in capital assets	\$ 90,383,638	\$ 70,690,021	\$ 65,561,102	\$ 65,475,770	\$ 65,967,085
Restricted	2,634,242	2,057,640	2,579,539	1,794,447	963,474
Unrestricted	63,413,260	57,852,936	43,636,832	41,013,126	33,447,161
Total business type activities net position	<u>\$ 156,431,140</u>	<u>\$ 130,600,597</u>	<u>\$ 111,777,473</u>	<u>\$ 108,283,343</u>	<u>\$ 100,377,720</u>
Primary government					
Net investment in capital assets	\$ 265,279,074	\$ 242,837,096	\$ 239,197,870	\$ 242,845,766	\$ 244,914,699
Restricted	68,769,991	60,063,157	52,857,465	46,319,052	47,312,490
Unrestricted	85,793,237	73,684,441	59,766,990	42,393,566	23,672,978
Total primary government net position	<u>\$ 419,842,302</u>	<u>\$ 376,584,694</u>	<u>\$ 351,822,325</u>	<u>\$ 331,558,384</u>	<u>\$ 315,900,167</u>

City of Madera
Schedule 1
Net Position by Component (Continued)
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Years				
	2020	2019	2018	2017	2016
Governmental activities					
Net investment in capital assets	\$ 160,970,918	\$ 172,189,172	\$ 176,114,816	\$ 178,119,000	\$ 178,483,617
Restricted	55,679,367	44,311,906	37,033,179	34,863,951	32,193,071
Unrestricted	(10,495,207)	(12,968,431)	(10,128,387)	(9,560,807)	(11,207,039)
Total governmental activities net position	<u>\$ 206,155,078</u>	<u>\$ 203,532,647</u>	<u>\$ 203,019,608</u>	<u>\$ 203,422,144</u>	<u>\$ 199,469,649</u>
Business type activities					
Net investment in capital assets	\$ 64,433,636	\$ 61,048,060	\$ 58,537,120	\$ 58,792,617	\$ 57,639,498
Restricted	1,166,101	4,940,553	1,125,151	1,076,451	-
Unrestricted	26,306,961	17,336,248	15,846,498	13,966,875	17,152,594
Total business type activities net position	<u>\$ 91,906,698</u>	<u>\$ 83,324,861</u>	<u>\$ 75,508,769</u>	<u>\$ 73,835,943</u>	<u>\$ 74,792,092</u>
Primary government					
Net investment in capital assets	\$ 225,404,554	\$ 233,237,232	\$ 234,651,936	\$ 236,911,617	\$ 236,123,115
Restricted	56,845,468	49,252,459	38,158,330	35,940,402	32,193,071
Unrestricted	15,811,754	4,367,817	5,718,111	4,406,068	5,945,555
Total primary government net position	<u>\$ 298,061,776</u>	<u>\$ 286,857,508</u>	<u>\$ 278,528,377</u>	<u>\$ 277,258,087</u>	<u>\$ 274,261,741</u>

City of Madera
Schedule 2
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Years				
	2025	2024	2023	2022	2021
Expenses					
Governmental activities:					
General government	\$ 8,972,158	\$ 9,944,817	\$ 8,709,507	\$ 9,503,665	\$ 9,700,357
Public protection	26,221,115	28,100,984	19,843,489	21,670,917	18,826,073
Social services	228,413	250,491	(12,583)	1,061,114	133,639
Public ways and facilities	5,715,045	6,232,346	3,690,713	5,320,754	3,741,698
Culture and recreation	4,515,931	4,923,898	4,195,329	5,136,917	5,993,699
Community development	5,734,478	6,213,201	4,670,551	3,158,176	3,509,000
Interest on long-term debt	573,255	607,460	643,406	671,356	692,894
Total governmental activities expenses	51,960,395	56,273,197	41,740,412	46,522,899	42,597,360
Business type activities:					
Water	7,541,494	9,719,879	9,595,209	7,317,498	7,427,430
Sewer	11,173,895	11,880,792	12,320,078	8,737,728	9,216,976
Solid waste	9,083,822	8,832,375	9,379,389	6,146,265	5,758,119
Drainage operations	1,261,194	1,466,632	1,241,082	929,265	943,353
Local transit	3,756,292	3,965,092	3,904,438	3,104,405	2,499,127
Golf course	274,162	365,238	75,993	85,044	94,635
Airport	806,517	847,330	1,227,634	883,402	787,373
Total business type activities expenses	33,897,376	37,077,338	37,743,823	27,203,607	26,727,013
Total primary government expenses	\$ 85,857,771	\$ 93,350,535	\$ 79,484,235	\$ 73,726,506	\$ 69,324,373
Program Revenues					
Governmental activities:					
Program revenues:					
General government	\$ 606,982	\$ 543,635	\$ 806,808	\$ 951,582	\$ 1,174,107
Public protection	1,744,523	2,816,096	1,654,817	1,583,277	1,906,334
Social services	-	-	-	-	-
Public ways and facilities	24,868,514	18,931,794	15,013,053	11,479,145	10,910,045
Community development	3,636,060	2,495,619	3,868,158	4,842,711	5,645,305
Culture and recreation	1,195,915	1,071,327	1,225,283	638,302	1,048,539
Total governmental activities program revenues	32,051,994	25,858,471	22,568,119	19,495,017	20,684,330
Business type activities:					
Program revenues:					
Water	13,374,625	12,347,034	12,178,109	13,727,980	13,538,219
Sewer	13,747,083	12,932,039	11,734,950	10,921,383	11,352,608
Solid waste	12,034,821	11,826,131	8,288,152	6,096,051	5,890,825
Drainage operations	1,741,258	903,681	1,078,836	1,510,375	1,070,277
Local transit	3,509,045	4,162,380	3,581,550	2,842,877	2,398,029
Golf course	225,906	226,091	84,107	74,712	78,053
Airport	361,728	1,490,573	348,230	442,548	617,608
Total business type activities program revenues	44,994,466	43,887,929	37,293,934	35,615,926	34,945,619
Total primary government program revenues	\$ 77,046,460	\$ 69,746,400	\$ 59,862,053	\$ 55,110,943	\$ 55,629,949
Net (Expense)/Revenue					
Governmental activities	\$ (19,908,401)	\$ (30,414,726)	\$ (19,172,293)	\$ (27,027,882)	\$ (21,913,030)
Business type activities	11,097,090	6,810,591	(449,889)	8,412,319	8,218,606
Total primary government net expense	\$ (8,811,311)	\$ (23,604,135)	\$ (19,622,182)	\$ (18,615,563)	\$ (13,694,424)

City of Madera
Schedule 2
Changes in Net Position (Continued)
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Years				
	2020	2019	2018	2017	2016
Expenses					
Governmental activities:					
General government	\$ 9,574,371	\$ 9,703,723	\$ 8,697,525	\$ 7,692,256	\$ 8,890,092
Public protection	20,182,145	18,983,486	18,425,675	12,903,321	14,722,091
Social services	422,270	330,498	346,863	303,015	182,286
Public ways and facilities	7,369,948	5,478,070	5,081,612	4,607,237	6,852,731
Culture and recreation	4,056,088	4,525,133	4,744,555	4,421,827	4,451,155
Community development	4,654,520	4,492,799	4,022,163	3,029,515	5,249,438
Interest on long-term debt	509,977	210,504	74,490	110,856	280,037
Total governmental activities expenses	46,769,319	43,724,213	41,392,883	33,068,027	40,627,830
Business type activities:					
Water	8,295,137	7,654,315	9,262,549	10,066,546	5,590,810
Sewer	10,038,430	9,924,665	9,854,304	8,758,885	8,476,744
Solid waste	5,875,225	6,056,309	5,811,095	6,305,944	4,936,291
Drainage operations	1,110,864	1,149,676	887,698	956,287	1,024,498
Local transit	2,403,789	2,321,063	2,166,293	2,184,533	2,051,814
Golf course	103,861	120,763	199,012	115,882	74,596
Airport	801,043	842,652	1,163,134	893,106	852,560
Total business type activities expenses	28,628,349	28,069,443	29,344,085	29,281,183	23,007,313
Total primary government expenses	\$ 75,397,668	\$ 71,793,656	\$ 70,736,968	\$ 62,349,210	\$ 63,635,143
Program Revenues					
Governmental activities:					
Program revenues:					
General government	\$ 242,424	\$ 6,223,401	\$ 5,727,717	\$ 5,526,628	\$ 6,996,758
Public protection	2,492,680	1,498,740	1,268,539	1,160,181	1,414,790
Social services	42,549	45,159	87,568	82,637	69,314
Public ways and facilities	9,246,144	10,385,688	6,320,845	7,164,876	7,865,237
Community development	2,866,097	3,434,002	2,831,560	3,085,754	3,833,881
Culture and recreation	696,197	941,359	837,220	934,173	1,529,999
Total governmental activities program revenues	15,586,091	22,528,349	17,073,449	17,954,249	21,709,979
Business type activities:					
Program revenues:					
Water	12,414,215	12,323,836	11,932,955	9,232,389	7,312,514
Sewer	10,797,565	10,352,115	8,791,285	8,108,977	7,469,167
Solid waste	5,982,010	5,890,085	5,872,152	5,889,675	5,695,241
Drainage operations	869,502	938,423	692,227	706,793	955,602
Local transit	5,873,660	4,316,816	2,263,648	2,297,400	2,811,840
Golf course	101,734	95,889	100,469	93,797	96,542
Airport	581,739	579,745	1,038,032	1,810,619	551,005
Total business type activities program revenues	36,620,425	34,496,909	30,690,768	28,139,650	24,891,911
Total primary government program revenues	\$ 52,206,516	\$ 57,025,258	\$ 47,764,217	\$ 46,093,899	\$ 46,601,890
Net (Expense)/Revenue					
Governmental activities	\$ (31,183,228)	\$ (21,195,864)	\$ (24,319,434)	\$ (15,113,778)	\$ (18,917,851)
Business type activities	7,992,076	6,427,466	1,346,683	(1,141,533)	1,884,598
Total primary government net expense	\$ (23,191,152)	\$ (14,768,398)	\$ (22,972,751)	\$ (16,255,311)	\$ (17,033,253)

City of Madera
Schedule 2
Changes in Net Position (Continued)
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Years				
	2025	2024	2023	2022	2021
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 15,576,920	\$ 15,005,070	\$ 13,505,386	\$ 12,134,288	\$ 11,020,353
Sales and use taxes	19,712,059	19,360,846	19,291,534	19,440,017	16,894,337
Franchises taxes	836,662	818,740	841,540	763,276	721,028
Other taxes	2,702,053	2,506,305	2,281,598	2,462,689	1,813,979
Investment income (loss)	5,261,320	3,785,488	959,461	(1,475,300)	(97,360)
Miscellaneous	1,069,475	1,063,760	980,194	934,376	317,971
Gain (loss) on sale of capital assets	-	-	-	-	35,469
Transfers	(7,300,763)	(6,186,238)	(1,917,609)	521,130	574,622
Special items - Transfers of assets	-	-	-	-	-
Total governmental activities	37,857,726	36,353,971	35,942,104	34,780,476	31,280,399
Business type activities:					
Property taxes	382,076	324,924	258,727	247,624	237,264
Investment income (loss)	3,080,055	3,264,842	679,254	(913,654)	340,816
Miscellaneous	4,118,432	2,236,529	1,035,824	680,464	113,658
Gain (loss) on sale of capital assets	-	-	52,605	-	135,300
Transfers	7,300,763	6,186,238	1,917,609	(521,130)	(574,622)
Total business type activities	14,881,326	12,012,533	3,944,019	(506,696)	252,416
Total primary government	\$ 52,739,052	\$ 48,366,504	\$ 39,886,123	\$ 34,273,780	\$ 31,532,815
Change in Net Position					
Governmental activities	\$ 17,949,325	\$ 5,939,245	\$ 16,769,811	\$ 7,752,594	\$ 9,367,369
Business type activities	25,978,416	18,823,124	3,494,130	7,905,623	8,471,022
Total primary government	\$ 43,927,741	\$ 24,762,369	\$ 20,263,941	\$ 15,658,217	\$ 17,838,391

City of Madera
Schedule 2
Changes in Net Position (Continued)
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Years				
	2020	2019	2018	2017	2016
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 11,045,364	\$ 4,332,639	\$ 3,824,185	\$ 4,040,067	\$ 3,571,669
Sales and use taxes	15,227,811	13,399,196	12,923,918	9,112,909	6,506,004
Franchises taxes	688,563	649,666	666,238	649,415	678,438
Other taxes	2,019,087	1,964,472	1,707,452	1,694,786	2,172,574
Investment income (loss)	1,247,564	1,910,967	265,581	203,973	603,795
Miscellaneous	1,205,394	829,050	1,147,727	343,287	580,398
Gain (loss) on sale of capital assets	(42,920)	43,791	-	31,374	16,304
Transfers	352,225	275,116	374,407	172,913	1,718,751
Special items - Transfers of assets	2,062,571	-	-	-	-
Total governmental activities	33,805,659	23,404,897	20,909,508	16,248,724	15,847,933
Business type activities:					
Property taxes	228,943	209,374	182,390	171,878	58,333
Investment income (loss)	548,322	407,450	68,049	120,594	210,257
Miscellaneous	78,165	76,531	3,956	26,004	34,976
Gain (loss) on sale of capital assets	86,556	-	12,990	39,821	4,250
Transfers	(352,225)	(275,116)	(372,671)	(172,913)	(1,718,751)
Total business type activities	589,761	418,239	(105,286)	185,384	(1,410,935)
Total primary government	\$ 34,395,420	\$ 23,823,136	\$ 20,804,222	\$ 16,434,108	\$ 14,436,998
Change in Net Position					
Governmental activities	\$ 2,622,431	\$ 2,209,033	\$ (286,356)	\$ (8,070,710)	\$ 734,155
Business type activities	8,581,837	6,845,705	6,322,180	1,532,067	(2,552,468)
Total primary government	\$ 11,204,268	\$ 9,054,738	\$ 6,035,824	\$ (6,538,643)	\$ (1,818,313)

City of Madera
Schedule 3
Fund Balances of Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Years				
	2025	2024	2023	2022	2021
General Fund					
Nonspendable	\$ 201,626	\$ 159,692	\$ 141,842	\$ 149,510	\$ 139,843
Restricted	4,299,453	4,073,298	2,365,453	-	-
Committed	15,927,664	16,011,311	15,130,431	10,903,504	11,194,964
Assigned	16,092,149	13,819,239	15,797,488	16,614,848	13,906,278
Unassigned	20,022,846	14,662,398	12,291,870	10,908,284	5,482,689
Total General Fund	56,543,738	48,725,938	45,727,084	38,576,146	30,723,774
All other Governmental Funds					
Nonspendable	19,408	12,879	13,131	-	4,010
Restricted	66,271,881	58,005,517	50,277,926	43,876,531	45,692,871
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	-	(1,323,496)	(1,927,931)	(1,300,623)	(1,460,591)
Total all other Governmental Funds	66,291,289	56,694,900	48,363,126	42,575,908	44,236,290
TOTAL FUND BALANCES	\$ 122,835,027	\$ 105,420,838	\$ 94,090,210	\$ 81,152,054	\$ 74,960,064

City of Madera
Schedule 3
Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Years				
	2020	2019	2018	2017	2016
General Fund					
Nonspendable	\$ 249,637	\$ 202,901	\$ 601,522	\$ 272,102	\$ 368,959
Restricted	401,700	4,934,403	-	-	-
Committed	10,292,405	10,483,246	11,574,005	-	-
Assigned	6,763,704	5,528,814	1,199,518	1,199,518	1,199,518
Unassigned	7,398,714	3,049,282	4,673,303	13,968,482	12,879,473
Total General Fund	25,106,160	24,198,646	18,048,348	15,440,102	14,447,950
All other Governmental Funds					
Nonspendable	3,815	27	42	-	8,547,157
Restricted	55,277,667	39,377,503	35,986,212	33,857,600	23,974,874
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	(959,555)	-	-	-	(231,803)
Total all other Governmental Funds	54,321,927	39,377,530	35,986,254	33,857,600	32,290,228
TOTAL FUND BALANCES	\$ 79,428,087	\$ 63,576,176	\$ 54,034,602	\$ 49,297,702	\$ 46,738,178

City of Madera
Schedule 4
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Years				
	2025	2024	2023	2022	2021
Revenues					
Property taxes	\$ 15,576,921	\$ 15,005,070	\$ 5,773,982	\$ 4,971,690	\$ 4,331,022
Sales and use taxes	19,712,059	19,360,846	19,291,534	19,440,017	16,894,337
Other taxes	2,936,132	2,472,470	2,470,829	2,644,500	1,921,747
Use of money and property	5,194,405	3,882,264	1,052,683	(689,229)	323,569
Franchises	836,662	818,740	841,540	763,276	721,028
Licenses, permits and fees	888,204	1,131,638	1,502,455	1,174,652	1,555,955
Fines	412,803	549,370	468,972	436,032	452,319
Intergovernmental	25,531,979	21,972,342	19,995,869	17,976,535	17,641,730
Charges for services	2,172,130	3,839,896	5,588,835	4,995,341	5,118,683
Other revenue	876,042	887,902	1,412,845	1,212,449	578,896
Total revenues	74,137,337	69,920,538	58,399,544	52,925,263	49,539,286
Expenditures					
General government	3,878,728	3,047,895	3,874,775	4,301,922	3,628,480
Public protection	24,616,099	26,653,619	21,617,953	20,383,663	19,854,358
Social services	206,450	180,978	181,934	45,991	131,881
Public ways and facilities	4,322,637	5,566,275	3,800,991	6,072,097	3,319,019
Community development	4,401,321	4,658,934	5,178,403	4,548,230	5,839,428
Culture and recreation	4,994,474	5,381,085	4,687,240	3,237,150	2,796,274
Capital outlay	5,170,032	4,507,480	2,621,252	6,955,986	18,538,217
Debt service:	-	-	-	-	-
Principal	1,137,839	1,106,145	1,074,909	1,034,200	401,700
Interest	611,416	645,712	678,464	709,092	730,344
Total expenditures	49,338,996	51,748,123	43,715,921	47,288,331	55,239,701
Culture and recreation					
Excess of revenues over (under) expenditures	24,798,341	18,172,415	14,683,623	5,636,932	(5,700,415)
Other financing sources (uses)					
Proceeds from sale of property	-	-	33,429	400	513,267
Proceeds from issuance of long-term debt	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-
Cost of issuance	-	-	23,636	-	-
Transfers in	8,185,357	6,001,583	4,304,318	3,350,930	5,103,755
Transfers out	(15,569,509)	(12,843,370)	(6,106,850)	(2,796,272)	(4,384,630)
Total other financing sources (uses)	(7,384,152)	(6,841,787)	(1,745,467)	555,058	1,232,392
Net change in fund balances	\$ 17,414,189	\$ 11,330,628	\$ 12,938,156	\$ 6,191,990	\$ (4,468,023)
Debt service as a percentage of non-capital expenditures	4.0%	3.7%	4.3%	4.3%	3.1%

City of Madera
Schedule 4
Changes in Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Years				
	2020	2019	2018	2017	2016
Revenues					
Property taxes	\$ 4,613,254	\$ 4,332,639	\$ 3,825,921	\$ 4,054,503	\$ 3,115,740
Sales and use taxes	15,227,811	13,399,196	13,262,908	8,741,373	6,506,004
Other taxes	2,114,190	2,081,211	1,707,452	1,698,487	2,141,433
Use of money and property	1,378,494	2,078,944	392,428	358,735	767,778
Franchises	688,563	649,666	666,238	649,415	678,438
Licenses, permits and fees	1,106,424	1,322,830	1,049,103	701,825	646,800
Fines	494,823	591,298	588,584	750,388	935,358
Intergovernmental	13,620,058	16,380,444	11,781,034	12,654,660	16,326,841
Charges for services	4,091,909	3,322,989	3,457,257	3,497,588	3,240,452
Other revenue	1,235,377	1,048,977	924,918	632,560	437,305
Total revenues	44,570,903	45,208,194	37,655,843	33,739,534	34,796,149
Expenditures					
General government	2,691,729	3,075,710	2,106,580	1,796,055	2,959,739
Public protection	18,393,027	17,196,886	16,932,579	14,934,669	14,621,471
Social services	198,360	192,633	309,121	405,251	357,699
Public ways and facilities	5,957,037	4,233,896	3,476,106	3,101,070	3,834,908
Community development	3,130,348	3,429,815	3,800,416	3,831,163	3,392,870
Culture and recreation	3,300,189	4,006,826	3,598,837	3,106,938	5,219,577
Capital outlay	13,834,273	6,802,125	2,519,381	3,143,357	7,073,119
Debt service:					
Principal	559,403	633,222	1,452,775	568,464	977,512
Interest	351,820	52,341	75,660	113,860	266,431
Total expenditures	48,416,186	39,623,454	34,271,455	31,000,827	38,703,326
Culture and recreation					
Excess of revenues over (under) expenditures	(3,845,283)	5,584,740	3,384,388	2,738,707	(3,907,177)
Other financing sources (uses)					
Proceeds from sale of property	679,580	46,518	41,691	37,027	9,969
Proceeds from issuance of long-term debt	19,432,000	4,005,000	895,900	-	-
Premium on bond issuance	-	648,613	-	-	1,540,065
Cost of issuance	(84,752)	(153,613)	-	-	-
Transfers in	15,443,432	2,768,183	5,005,541	4,504,230	7,289,955
Transfers out	(15,773,066)	(2,992,087)	(5,284,157)	(4,812,845)	(6,109,973)
Total other financing sources (uses)	19,697,194	4,322,614	658,975	(271,588)	2,730,016
Net change in fund balances	\$ 15,851,911	\$ 9,907,354	\$ 4,043,363	\$ 2,467,119	\$ (1,177,161)
Debt service as a percentage of non-capital expenditures	2.6%	2.1%	4.8%	2.4%	3.9%

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City of Madera
Schedule 5
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years (modified accrual basis of accounting)

Sources of Tax Revenues	Property Tax	Sales Tax*	Franchise Tax	Transient Occupancy Tax	Business License Tax	Other Taxes	TOTAL
2024-2025	\$ 15,576,920	\$ 19,712,059	\$ 836,662	\$ 1,203,857	\$ 628,195	\$ 870,001	\$ 38,827,694
2023-2024	15,005,070	19,360,846	818,740	1,040,936	589,634	875,735	37,690,961
2022-2023	13,505,386	19,291,534	841,540	1,105,972	567,304	608,322	35,920,058
2021-2022	12,134,288	19,440,017	763,276	1,149,939	566,564	746,186	34,800,270
2020-2021	11,020,353	16,894,337	721,028	886,017	291,109	636,853	30,449,697
2019-2020	4,613,254	15,227,811	688,563	804,286	578,040	636,761	22,548,715
2018-2019	4,332,639	13,399,196	649,666	903,124	442,443	-	19,727,068
2017-2018	3,824,186	12,934,817	666,238	-	447,059	-	17,872,300
2016-2017	3,696,995	8,741,373	649,415	-	426,375	-	13,514,158
2015-2016	3,115,740	6,506,004	678,438	-	416,806	-	10,716,988

NOTES:

*The City passed "Measure T" allowing an additional increase of 0.50% in the local sales tax rate. This local measure became effective on April 1, 2007 and ends on March 31, 2027. In addition, the City passed "Measure K", an additional 0.50% sales tax increase specifically for public safety in November 2016 with no sunset date. Measure T was renewed in 2024 for a new 20 year period beginning on April 1, 2027.

City of Madera
Schedule 6
Assessed Value of Taxable Property
Last Ten Fiscal Years

CATEGORY	Fiscal Years				
	2025	2024	2023	2022	2021
Residential	\$ 3,106,606,803	\$ 2,984,054,480	\$ 2,760,446,564	\$ 2,496,189,868	\$ 2,335,164,803
Commercial	572,715,274	552,922,283	520,965,786	498,301,393	483,155,413
Industrial	236,915,946	212,030,045	186,944,825	169,861,323	174,322,830
Agriculture	46,738,672	44,933,880	15,017,779	14,056,096	13,017,642
Dry Farm	17,909,634	17,791,105	16,137,016	15,746,916	15,306,770
Government	2,259,091	1,902,287	-	-	2,036,417
Institutional	-	-	1,426,383	1,603,250	1,920,464
Irrigated	1,544,413	1,512,363	1,732,408	1,697,771	1,680,888
Cross Reference	32,973,874	32,209,818	39,530,686	38,833,078	40,913,367
Vacant Land	340,822,684	245,645,885	212,580,116	207,422,925	196,572,803
SBE Non-Unitary	590,440	590,440	590,440	548,402	548,402
Unsecured	390,992,361	357,997,743	306,329,667	305,755,769	307,490,035
Unknown	27,278,494	180,924	653,585	643,408	638,191
Totals	4,777,347,686	4,451,771,253	4,062,355,255	3,750,660,199	3,572,768,025
Total Direct Rate	13.324%	13.377%	13.287%	12.699%	13.147%

NOTES:

Exempt values are not included in Total

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

City of Madera
Schedule 6
Assessed Value of Taxable Property (Continued)
Last Ten Fiscal Years

CATEGORY	Fiscal Years				
	2020	2019	2018	2017	2016
Residential	\$ 2,201,293,176	\$ 2,035,513,239	\$ 1,917,149,489	\$ 1,824,835,555	\$ 1,739,590,175
Commercial	443,426,571	429,900,137	419,282,129	403,687,826	386,226,705
Industrial	178,171,356	179,040,074	172,661,353	166,063,864	178,416,598
Agriculture	13,457,474	12,920,915	5,840,462	5,275,944	5,153,044
Dry Farm	15,019,028	15,391,780	134,096,409	13,830,501	11,764,375
Government	2,054,539	-	6,069	5,950	5,861
Institutional	1,282,549	1,674,829	2,113,776	1,295,250	1,558,852
Irrigated	1,635,256	1,603,053	1,598,326	1,566,070	1,541,526
Cross Reference	37,692,391	39,817,937	36,669,788	35,511,414	34,716,877
Vacant Land	183,027,173	219,593,087	55,896,615	166,553,864	155,926,515
SBE Non-Unitary	625,460	625,460	625,420	743,768	743,768
Unsecured	287,932,288	280,734,337	237,615,373	221,973,452	201,164,923
Unknown	628,316	1,236,714	4,352,697	4,025,707	3,939,930
Totals	3,366,245,577	3,218,051,562	2,987,907,906	2,845,369,165	2,720,749,149
Total Direct Rate	13.198%	13.281%	13.369%	13.243%	13.255%

NOTES:

Exempt values are not included in Total

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

City of Madera
Schedule 7
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ¹	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2025	\$ 4,926,734	\$ 4,639,013	94.16%	\$ 5,619	\$ 4,644,632	94.27%
2024	4,572,629	4,331,194	94.72%	2,554	4,333,748	94.78%
2023	4,337,253	4,090,897	94.32%	9,509	4,100,406	94.54%
2022	3,804,550	3,763,833	98.93%	5,281	3,769,114	99.07%
2021	3,591,118	3,582,748	99.77%	-	3,582,748	99.77%
2020	3,409,931	3,394,991	99.56%	4,184	3,399,175	97.58%
2019	3,229,350	3,127,793	96.86%	23,314	3,151,107	98.93%
2018	3,128,370	3,093,867	98.90%	1,000	3,094,867	99.11%
2017	2,933,663	2,917,792	99.46%	(10,357)	2,907,435	0.00%
2016	N/A	N/A	0.00%	-	-	0.00%

NOTES:

1) Delinquent tax collections are recorded in the current levy year and the County does not give the detail as to the levy year for delinquent tax collections. Delinquent tax collections do not include interest and penalties.

N/A - Information not available due to the City not preparing the Statistical Section until FY2016/17.

City of Madera
Schedule 8
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30,	City of Madera	Madera Unified School District	State Center Community College	County-wide	Total
2025	0.0%	12.8%	0.8%	100.0%	113.6%
2024	0.0%	15.0%	2.1%	100.0%	117.1%
2023	0.0%	11.4%	2.8%	100.0%	114.3%
2022	0.0%	12.5%	1.8%	100.0%	114.3%
2021	0.0%	12.5%	1.8%	100.0%	114.3%
2020	0.0%	16.5%	2.6%	100.0%	119.1%
2019	0.0%	9.7%	2.3%	100.0%	112.0%
2018	0.0%	10.3%	2.6%	100.0%	112.9%
2017	0.0%	11.4%	0.8%	100.0%	112.2%
2016	0.0%	12.8%	0.8%	100.0%	113.6%

Note: The basis for the tax rates is \$100 per assessed valuation. Only 1% of the value is taxed.

Source: Madera County Auditor-Controller Tax Rate Book

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City of Madera
Schedule 9
Top Ten Principal Property Taxpayers
Fiscal Year 2025 and Nine Years Prior

<u>Taxpayer</u>	<u>2024-2025</u>			<u>2015-2016</u>		
	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>
John Hancock Life Insurance Co.	1	\$ 41,241,153	0.85%			
Severn Peanut Company, Inc.	2	27,943,647	0.58%			
The Almond Company	3	26,619,870	0.55%			
Evapco, Inc.	4	25,616,096	0.53%			
Raven Aviation	5	23,952,533	0.49%			
Sealed Air Corporation	6	23,358,233	0.48%	3	\$ 17,849,191	0.65%
Origo Cold Madera Phase 1	7	21,083,022	0.44%			
Rhino Holdings Madera Marketplace	8	20,950,674	0.43%			
Crossroads Madera California LB1 LLC	9	19,910,755	0.41%			
801 N Granada Drive LLC	10	19,752,200	0.41%			
David L and Patricia R Berry				1	23,635,749	0.86%
OldCastle Precast Inc				2	22,142,310	0.81%
Lowes HIW Inc				4	17,300,072	0.63%
Newman Development Group of Madera LLC				5	16,922,719	0.62%
Eurodrip USA, Inc.				6	16,133,691	0.59%
Advanced Drainage System				7	15,219,993	0.56%
Ready Roast Nut Company LLC				8	14,846,456	0.54%
DMP Development Corporation				9	14,494,075	0.53%
John Bean Technologies Coproration				10	14,308,927	0.52%
Top Ten Totals		\$ 250,428,183	5.17%		\$ 172,853,183	6.32%
CITY TOTALS		\$ 4,846,327,323			\$ 2,734,006,632	

City of Madera
Schedule 10
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

GOVERNMENTAL ACTIVITIES

Fiscal Year	Lease Revenue Bonds	Special Assessment Bonds	Loans Payable	Finance Purchase	Subscription Payable	Total Governmental Activities
2025	\$ 3,618,712	\$ -	\$ 61,600	\$ 16,145,000	\$ 6,343	\$ 19,831,655
2024	3,806,120	-	182,400	17,001,000	109,174	21,098,694
2023	3,988,528	-	299,800	17,834,000	209,417	22,331,745
2022	4,163,695	-	414,200	18,644,000	288,695	23,510,590
2021	4,331,850	-	525,400	19,432,000	-	24,289,250
2020	4,495,005	-	633,600	19,595,500	-	24,724,105
2019	4,653,160	-	738,900	492,602	-	5,884,662
2018	-	-	863,554	1,023,325	-	1,886,879
2017	-	-	60,088	2,425,766	-	2,485,854
2016	-	2,683,119	98,022	3,002,145	-	5,783,286

NOTES:

- a) See Schedule 15 (Demographic and Economic Statistics) for personal income and population data

City of Madera
Schedule 10
Ratios of Outstanding Debt by Type (Continued)
Last Ten Fiscal Years

BUSINESS-TYPE ACTIVITIES

Fiscal Year	Wastewater Bonds	Water Bonds	Loans Payable	Total Business-Type Activities	Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
2025	\$ 19,200,000	\$ 6,474,320	\$ 4,939,000	\$ 30,613,320	\$ 50,444,975	2.97%	\$ 759
2024	20,595,000	6,932,228	5,334,000	32,861,228	53,959,922	5.13%	1,184
2023	21,935,000	7,379,348	5,882,800	35,197,148	57,528,893	6.19%	1,277
2022	21,665,000	9,379,894	6,605,081	37,649,975	61,160,565	7.39%	1,341
2021	22,830,000	9,883,042	7,309,220	40,022,262	64,311,512	8.02%	1,405
2020	23,866,003	10,575,461	8,324,031	42,765,495	67,489,600	9.10%	1,487
2019	25,268,298	11,359,541	8,489,178	45,117,018	51,001,680	8.67%	1,298
2018	26,426,076	11,755,243	9,103,003	47,284,321	49,171,200	9.69%	1,403
2017	27,080,000	12,001,130	9,956,755	49,037,885	51,523,739	10.52%	1,461
2016	28,248,720	12,379,604	10,532,151	51,160,475	56,943,761	11.40%	1,575

NOTES:

- a) See Schedule 15 (Demographic and Economic Statistics) for personal income and population data

City of Madera
Schedule 11
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	GOVERNMENTAL ACTIVITIES		Percentage of Taxable Assessed Property Values ^a	Per Capita ^b
	Special Assessment Bonds	Total		
2025	\$ -	\$ -	0.00%	\$ -
2024	-	-	0.00%	-
2023	-	-	0.00%	-
2022	-	-	0.00%	-
2021	-	-	0.00%	-
2020	-	-	0.00%	-
2019	-	-	0.00%	-
2018	-	-	0.00%	-
2017	-	-	0.00%	-
2016	2,683,119	2,683,119	0.09%	41

NOTES:

- a) Assessed Value and Actual Value of Taxable Property - provided by HdL, Coren & Cone provided data.
- b) Demographic and Economic Statistics for personal income and population data - Schedule 15.

City of Madera
Schedule 12
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

2024-25 Assessed Valuation:

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Debt Outstanding <u>6/30/2025</u>	% <u>Applicable</u> ¹	City's Share of <u>Debt as of 6/30/25</u>
State Center Community College District	\$ 348,985,000	3.894%	\$ 13,589,476
Madera Unified School District	197,706,012	53.852%	106,468,642
City of Madera Community Facilities District No. 2006-1	1,862,277	100.000%	1,862,277
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 121,920,394
 <u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u>			
Madera County General Fund Obligations	56,553,310	22.762%	\$ 12,872,664
Madera County Board of Education General Fund Obligations	17,564,210	22.762%	3,997,965
Madera Unified School District Certificates of Participation	70,065,000	53.852%	37,731,404
City of Madera General Fund Obligations Direct Debt	19,831,655	100.000%	19,831,655
TOTAL DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			\$ 74,433,690
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>	\$ 27,055,000	98.748%	\$ 26,716,271
TOTAL DIRECT DEBT			\$ 19,831,655
TOTAL OVERLAPPING DEBT			\$ 203,238,699
COMBINED TOTAL DEBT			\$ 223,070,354

NOTES:

- (1) Percentage of overlapping agency's assessed valuation located within boundaries of the City.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
- (3) Information provided by CalMuni Statistics, Inc.

City of Madera
Schedule 13
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
Assessed value	\$ 4,846,327,323	\$ 4,519,225,639	\$ 4,130,257,128	\$ 3,750,660,199	\$ 3,750,525,788
Debt limit (15% of assessed value)	726,949,098	677,883,846	619,538,569	562,599,030	562,578,868
Debt applicable to limit:					
General obligation bonds of general obligation debt	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-
Legal Debt Margin	726,949,098	677,883,846	562,599,030	562,578,868	535,895,042
Total debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

NOTES:

Under State Finance Law, the City's outstanding general obligation debt should not exceed 15% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Madera
Schedule 13
Legal Debt Margin Information (Continued)
Last Ten Fiscal Years

Legal Debt Margin Calculation	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Assessed value	\$ 3,572,633,614	\$ 3,366,111,166	\$ 3,214,555,536	\$ 2,984,863,745	\$ 2,843,541,362
Debt limit (15% of assessed value)	535,895,042	504,916,675	482,183,330	447,729,562	426,531,204
Debt applicable to limit:					
General obligation bonds of general obligation debt	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-
Legal Debt Margin	504,916,675	504,916,675	482,183,330	447,729,562	426,531,204
Total debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

NOTES:

Under State Finance Law, the City's outstanding general obligation debt should not exceed 15% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Madera
Schedule 14
Pledged Revenue Coverage
Last Ten Fiscal Years

2015 Water and Wastewater Revenue Bonds

Fiscal Year	Gross Revenues	Net Revenue Available for Debt Service	Debt Service		Coverage
			Principal	Interest	
2025	\$ 41,784,040	\$ 23,068,651	\$ 1,395,000	\$ 762,015	10.69
2024	35,399,561	25,875,825	1,340,000	811,595	12.03
2023	25,365,131	15,129,771	1,295,000	859,510	7.02
2022	24,441,447	12,898,231	1,250,000	905,760	5.98
2021	23,085,235	11,537,418	1,200,000	950,160	5.37
2020	23,244,181	10,309,898	1,155,000	992,895	4.80
2019	21,434,207	6,380,941	1,120,000	1,034,335	2.96
2018	20,664,801	4,378,989	1,075,000	1,074,110	2.04
2017	17,181,561	1,139,743	1,040,000	1,112,590	0.53
2016	14,673,722	3,883,912	70,000	275,697	11.24

2019 Water Refunding Bonds

Fiscal Year	Gross Revenues	Net Revenue Available for Debt Service	Debt Service		Coverage
			Principal	Interest	
2025	\$ 17,819,278	\$ 10,277,784	\$ 457,908	\$ 179,989	16.11
2024	17,889,458	10,637,589	447,120	191,864	16.65
2023	13,244,985	8,306,127	435,546	203,439	13.00
2022	13,465,525	7,402,503	418,148	214,592	12
2021	12,511,993	6,379,309	409,781	225,466	10
2020	12,428,666	6,697,361	374,080	40,336	16
2019	-	-	-	-	-
2018	-	-	-	-	-
2017	-	-	-	-	-
2016	-	-	-	-	-

City of Madera
Schedule 14
Pledged Revenue Coverage (Continued)
Last Ten Fiscal Years

Wastewater Loans Payable

Fiscal Year	Gross Revenues	Net Revenue Available for Debt Service	Debt Service		Coverage
			Principal	Interest	
2025	\$ 23,964,762	\$ 12,790,867	\$ 395,000	\$ 123,790	24.66
2024	17,510,103	15,238,236	387,000	133,057	29.30
2023	12,120,146	6,823,644	379,000	142,037	13.10
2022	10,792,230	5,495,728	372,000	150,626	10.52
2021	10,573,242	5,158,109	331,996	196,593	9.76
2020	10,823,426	4,645,738	322,295	206,439	8.79
2019	9,776,777	986,633	312,877	215,998	1.87
2018	8,788,389	266,204	303,735	225,278	0.50
2017	8,042,174	613,008	294,860	234,287	1.16
2016	7,407,933	788,484	286,244	243,032	1.49

Successor Agency 2018 Tax Allocation Bonds

Fiscal Year	Special Assessment Collections	Net Revenue Available for Debt Service	Debt Service		Coverage
			Principal	Interest	
2025	\$ 3,093,695	\$ 2,233,652	\$ 1,570,000	\$ 1,270,696	0.79
2024	3,037,181	2,787,181	1,515,000	1,339,545	0.98
2023	3,049,112	2,799,112	1,440,000	1,403,216	0.98
2022	2,871,594	2,621,594	1,390,000	1,461,510	0.92
2021	3,375,855	3,056,710	1,325,000	1,516,309	1.08
2020	2,790,658	598,095	1,215,000	1,563,337	0.22
2019	3,343,667	2,227,379	1,215,000	1,777,468	0.74
2018	3,686,763	2,917,577	1,295,000	2,269,784	0.82
2017	3,879,515	2,780,354	1,250,000	2,323,983	0.78
2016	1,951,305	209,883	1,190,000	2,374,693	0.06

City of Madera
Schedule 15
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income	Personal Per Capita Income (1)	School Enrollment	Unemployment Rate
2024	66,443	\$ 1,697,636,000	\$ 25,550	32,284	8.1%
2023	66,560	1,536,404,480	23,083	32,318	8.0%
2022	65,540	1,352,811,140	20,641	32,161	6.6%
2021	65,843	1,194,391,000	18,139	31,494	9.1%
2020	66,172	1,158,300,000	17,504	32,144	10.9%
2019	65,415	1,069,038,000	16,342	31,925	7.8%
2018	66,419	994,407,000	14,971	31,728	7.7%
2017	66,225	959,263,000	14,484	31,468	7.3%
2016	66,082	917,664,000	13,886	31,077	7.9%
2015	65,474	904,576,000	13,815	30,865	9.1%

NOTES:

Data provided by HdL, Coren & Cone

¹ Demographic data has a lag because of time to tabulate, 2025 data not available at this time.

Source: MuniServices, LLC
www.cde.ca.gov

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City of Madera
Schedule 17
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years (As of June 30)

FUNCTION/PROGRAM	Fiscal Years									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government										
City Attorney	0	0	0	0	0	0	2	2	2	2
City Council	7	7	7	7	7	7	7	7	7	7
City Manager	2.7	2.7	2.7	3.7	2.7	2.7	1.7	1.95	2.7	0.7
City Clerk	2	2	2	2	2	2	2	2	2	2
Finance	14.95	20.8	27.6	24.9	27.7	24.89	24.73	23.73	24.5	24.03
Information Technology	5.48	4	4	4	4.2	4.17	4.25	4	4	4
Human Resources	4	4	4	4	4	4	4	4	4	4
Community Development	12.49	13.56	10.64	10.8	14.9	18.97	19.59	21.46	21.86	22.13
Planning Commissioners	0	0	0	0	0	0	0	0	0	0
Public Safety										
Police Officers-Sworn	76	71	76	71	71	70.3	70.01	69.84	60	57.25
Other Full-Time Employees	31.2	37	32	24	24	24	23.48	23.48	20	20
Public Works										
Engineering	18.15	20	19.44	19.9	17.9	13.63	14.67	11.21	11.69	11.85
Maintenance	21.9	22.25	28.22	24.7	17.5	34.45	27.33	28.88	29.57	30.97
Transit Services	4.75	4.8	4.75	5.3	1.7	2.7	3.08	3.08	3.38	3.38
Airport										
Airport	1.88	1.78	1.88	1.9	1.9	2.86	2.88	2.98	2.46	2.46
Solid Waste Disposal	6.27	6.54	7.26	0.7	0.7	1	6.48	8.88	9.02	7.77
Storm Drainage	4.39	4.74	4.69	4.8	4.1	5.45	5.74	4.54	5.19	4.89
Waster	19.39	21.55	20.54	15.1	18.4	22.34	23.08	25.18	20.66	18.66
Wastewater/Sewer	19.76	20.6	18.82	19.7	25.1	24.66	26.29	26.62	20.32	20.07
Waste Disposal Recycling	0	0	0	0	0	0	1	1.3	1.35	1.3
Successor Agency/RDA										
Successor Agency/RDA	0	0.5	0.5	0.5	0.5	1	1.8	2.3	2.3	2.3
Culture & Recreation	48.84	53.81	53.81	49.1	37.4	47.64	51.42	56.05	61.12	60.9
Total	301.15	318.63	325.85	293.1	282.7	313.76	322.53	330.48	315.12	307.66

City of Madera
Schedule 18
Operating Indicators by Function/Program
Last Ten Fiscal Years (As of June 30)

FUNCTION/PROGRAM	Fiscal Years				
	2025	2024	2023	2022	2021
Police					
Physical Arrests	1,878	1,769	2,317	2,653	1,789
Parking Violations	267	496	401	541	1,432
Traffic Violations	1,294	1,375	1,854	2,676	2,206
Community Development					
Building Permits Issued	2,077	2,580	3,534	3,010	2,236
Building Inspections Performed	13,962	14,609	17,324	20,369	12,003
Planning Permits Issued	201	509	367	270	200
Public Services					
Street Resurfacing (miles)	12	14	18	11	16
Street Light Replacement	276	301	203	186	115
Potholes Filled	3,726	4,165	1,936	4,836	2,864
Waste Water Average Daily Treatment (millions of gallons)	5	5	5	5	5
Transit Route (Service) Miles	357,659	367,430	283,815	238,887	258,599
Transit Passenger Count	93,318	94,880	84,567	52,164	54,683
Parks & Recreation					
Sports Field Participation	3,727	2,952	775	1,603	360
Community Center/Gym/Pool Participation	37,862	26,038	24,222	14,170	24,728
Other Participation	29,454	23,699	19,629	10,152	86,364

NOTES:

N/A - Information not available

City of Madera
Schedule 18
Operating Indicators by Function/Program (Continued)
Last Ten Fiscal Years (As of June 30)

FUNCTION/PROGRAM	Fiscal Years				
	2020	2019	2018	2017	2016
Police					
Physical Arrests	1,829	2,381	1,585	1,014	N/A
Parking Violations	2,189	1,417	953	777	N/A
Traffic Violations	3,385	5,141	1,824	2,801	N/A
Community Development					
Building Permits Issued	1,797	2,202	2,390	N/A	N/A
Building Inspections Performed	12,003	13,322	16,106	15,186	N/A
Planning Permits Issued	153	196	234	211	N/A
Public Services					
Street Resurfacing (miles)	3	5	6	4	8
Street Light Replacement	86	64	92	206	N/A
Potholes Filled	2,012	2,341	2,703	2,542	N/A
Waste Water Average Daily Treatment (millions of gallons)	5	5	5	5	5
Transit Route (Service) Miles	317,504	352,476	140,033	366,788	N/A
Transit Passenger Count	95,326	108,535	143,746	142,991	N/A
Parks & Recreation					
Sports Field Participation	1,802	1,701	N/A	N/A	N/A
Community Center/Gym/Pool Participation	31,779	38,271	N/A	N/A	N/A
Other Participation	124,062	133,186	N/A	N/A	N/A

NOTES:

N/A - Information not available

City of Madera
Schedule 19
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

FUNCTION/PROGRAM	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units (marked)	22	22	19	19	41	41	35	35	34	N/A
Motorcycle unit	5	5	5	5	5	4	4	5	3	N/A
K-9 unit	3	3	3	3	3	3	3	33	3	N/A
Streets										
Streets (Centerline miles)	222	203	203	199	199	199	160	N/A	N/A	N/A
Streetlights	3372	3326	3326	3309	3000	3000	3000	N/A	N/A	N/A
Traffic Signals										
CalTrans maintained	16	16	16	16	15	15	15	N/A	N/A	N/A
City of Madera maintained	41	35	35	34	32	29	29	N/A	N/A	N/A
Culture & Recreation										
Total Park Acreage	163	162	160	160	159	159	151	N/A	N/A	N/A
Parks	18	18	16	16	15	15	13	N/A	N/A	N/A
Baseball Fields	2	2	2	2	2	2	2	N/A	N/A	N/A
Softball Fields	9	9	9	9	9	9	9	N/A	N/A	N/A
Soccer Fields	7	7	7	7	7	7	7	N/A	N/A	N/A
Football Fields	0	0	0	0	0	0	0	N/A	N/A	N/A
Tennis Courts	0	0	0	0	0	0	0	N/A	N/A	N/A
Swimming Pools	3	3	3	3	3	3	3	N/A	N/A	N/A
Community Centers	3	3	3	3	3	3	3	N/A	N/A	N/A
Waste Water										
Sanitary Sewers (miles)	379.5	378.6	375.1	375	375	375	408	0	0	0
Storm Sewers (miles)	0	0	0	0	0	0	0	0	0	0
Treatment Capacity (millions of gallons/day)	7	7	7	0	0	0	0	0	0	0
Transit Services										
Minibuses										
Fixed Route	14	14	11	11	11	11	11	11	11	N/A
Dial A Ride	5	5	6	6	6	6	6	6	6	N/A
Vans										
Dial A Ride	3	3	0	0	0	0	0	0	0	0
Bus Shelters	71	71	71	71	71	71	71	71	71	N/A

NOTES:

N/A - Information not available