

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2025



Town of Yucca Valley

Yucca Valley, California

Annual Comprehensive Financial Report For the fiscal year ended June 30, 2025



Administrative Services Department

Curtis Yakimow
Town Manager

Jordan Gumbish
Finance Manager



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Town of Yucca Valley

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INTRODUCTORY SECTION





November 18, 2025

Citizens of the Town of Yucca Valley
Honorable Mayor
Members of the Town Council

The annual comprehensive financial report of the Town of Yucca Valley (the “Town”) for the year ended June 30, 2025, is hereby submitted as required by both local ordinances and state statutes. These ordinances and statutes mandate that the Town of Yucca Valley annually issues a report on its financial position and activity and that an independent firm of certified public accountants audit this report. The management of the Town is responsible for the contents of the information contained in this report.

The financial reporting entity (the Town) includes all the funds of the primary government (i.e., the Town of Yucca Valley as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The Town provides a wide range of services including public safety, code enforcement, planning, building and safety, animal control, construction and maintenance of streets and infrastructure, recreational activities and cultural events. The Town provides public safety through a contract with the San Bernardino County Sheriff. Fire protection is provided to the Town and surrounding areas directly by the San Bernardino County Fire Department.

Blended component units, although legally separate entities, are in substance part of the primary government’s operations and are included as part of the primary government. With the dissolution of redevelopment agencies statewide in California following the passage of AB x1 26, redevelopment funds were permanently transitioned to a private purpose trust fund structure for the year ended June 30, 2012, and beyond.

Governmental Structure, Local Economic Condition and Outlook

The Town, incorporated in 1991, is located in the southeastern part of the state, in the Morongo Basin just north of the Coachella Valley. The Town of Yucca Valley currently has a land area of 39 square miles and a population of 21,594. The Town is empowered to levy a voter-approved property tax on both real and personal property located within its boundaries. The Town also has the power by state statute to extend its corporate limits by annexation, when deemed appropriate by the governing council.

The Town has operated under the council-manager form of government since incorporation. Policymaking and legislative authority is vested in the Town Council, which consists of a mayor and a four-member council. The Town Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the Town’s manager and attorney. The Town Manager is responsible for carrying out the policies and ordinances of the Town Council, for overseeing the day-to-day operations of the Town, and for appointing the Town’s management team. The council is elected on a non-partisan basis. During the 2017-18 fiscal year, the Town Council transitioned from an at-large election format to by-district elections.



With the establishment of five separate voting districts, council candidates are required to reside within the voting district which they wish to represent. Additionally, the candidates are elected by voters residing within the same district. Council members are elected to four-year staggered terms with two council members elected every two years and three council members elected on alternate election years. The mayor is annually selected from among the council members.

Located in San Bernardino County, Yucca Valley is considered to be the economic hub of the Morongo Basin. With major financial institutions and a broad base of retail operations, the community serves both the commercial and retail needs of the Morongo Basin. From the early to mid-2000's, the Town experienced a steady increase in its retail sales base, as additional retail providers have entered the Yucca Valley market to serve the increasing residents and visitor population. Despite the statewide and local economic slowdown from 2007 through 2011, the Town has experienced slow but steady growth. Retail interest in the area continues to accelerate in conjunction with the completion of several new retail developments. These additions continue to provide positive development momentum for the Town. Beginning in approximately 2018, the Town has experienced robust sales tax growth, attributable to the increase in tourism visitation.

The Marine Corps Air Ground Combat Center, the largest Marine Corps base in the world (1,100 square miles), is located just 25 miles to the east of Yucca Valley, in the City of Twentynine Palms. The base is home to more than 20,000 service members and dependents and continues to thrive. In 2017 the base expanded its footprint to allow for large-scale multi-branch coordinated training events that were previously not possible. The Town considers the base as a strategic partner as many base personnel or their dependents live, work, shop and play in the Town of Yucca Valley.

Joshua Tree National Park, a stunning backdrop on Yucca Valley's southern border, attracted 3 million visitors in 2024 and has led to a significant increase in short-term vacation rental properties in and around Yucca Valley and neighboring Joshua Tree. Yucca Valley is rich in history and invites the exploration of its many attractions and historical sites. Yucca Valley continues to receive high quality water both now and in future years by its participation in the California State Water Project as provided by the Hi-Desert Water District, subject to broader state water issues and the natural water cycle.

Significant Activities

Strategic Planning. The Town Council continues to actively engage in strategic planning activities in an effort to identify the overarching goals for both the Town and the community in a thoughtful and systematic process. Prioritization of goals occurs with respect to planning, financing, staffing and other needed resources. In fiscal year 2024-25, the Town Council continued to execute its strategic plan in alignment with the adopted budget. Highlights of the plan include:

- Continued improvements to existing parks, in conjunction with the State bond measure Proposition 68 and awarded grant funding.
- Internal Information Technology assessment with corresponding actions and installations.
- Continued coordination with Hi Desert Water District in the launch of the Phase II Town-wide Sewer Collection Project and related road replacement impacts



- Infrastructure improvements in its maintained road system, including expansion of major arterials, sidewalks, and other significant enhancements.
- Assessment, planning, and initiation of long-term capital maintenance and/or replacement projects related to Town facilities for municipal operations.

Infrastructure Development. Infrastructure needs within the community remain great. Compounding the challenge is the fact that the Town has limited resources in meeting the many development needs. However, fiscal year 2017 represented a significant year in infrastructure funding for the Town with the full implementation of Measure Y, Measure Z, California Senate Bill 1 (SB1) and the Hi Desert Water District's Town-wide Sewer Project. Through the combined funding of these resources, the Town has secured more dedicated infrastructure funding than at any other time since Town incorporation.

The Hi Desert Water District's Town wide Sewer Project completed Phase 1 in 2022 and is scheduled to complete Phase 2 by the end of 2028. This project is financed through a sewer assessment district passed by Yucca Valley property owners in May 2015, providing funding for Phase I of the \$146 million regional wastewater project. This project had a significant impact on Yucca Valley residents, businesses, and visitors alike, with disruptions affecting local streets and roads, travel patterns and general commerce. The Town successfully coordinated related street improvement projects as part of the sewer project to ensure the most efficient use of funding available.

Building Activity. The Building and Safety division is an integral segment of the Community Development/Public Works Department. Responsible for all new construction within the Town of Yucca Valley, Building and Safety staff play a critical role in ensuring not just health and safety components of building construction, but also in coordinating the additional construction requirements of other divisions and sections, including engineering, planning, and public works.

In recent years, the Town has experienced slow but consistent activity in both residential and commercial construction. In 2019, The California Department of Fish and Wildlife and Game Commission received the petition for listing the Western Joshua Tree as a candidate for the California Endangered Species list. Due to the prevalence of this native species in the Town's limits, significant impacts have been made to the Town's Building and Safety division and the continuation of residential and commercial construction activity which can be noted through the steady increase in permit activity in the most recent fiscal years. The Western Joshua Tree Conservation Act (WJTCA) was passed in July 2023 to conserve western Joshua tree and its habitat while supporting the state's renewable energy and housing priorities. The WJTCA created a streamlined permitting framework for certain development activities and collects mitigation fees for the acquisition and conservation of western Joshua tree habitat and other actions to conserve western Joshua Trees and will play a large part in the continue development of Town residential and commercial construction.



Recent SFR Permit History

2000-2001	82	2012-2013	2
2001-2002	118	2013-2014	24
2002-2003	188	2014-2015	19
2003-2004	351	2015-2016	8
2004-2005	384	2016-2017	29
2005-2006	244	2018-2019	28
2006-2007	99	2019-2020	62
2007-2008	36	2020-2021	61
2008-2009	7	2021-2022	50
2009-2010	11	2022-2023	59
2010-2011	2	2023-2024	40
2011-2012	13	2024-2025	29

Annual permit valuation in FY 2024-25 totaled \$52,999,997

Long-term financial planning. As part of the budget process, the Town forecasts revenue, expenditure and capital needs to address long-term financial concerns. The forecast is an integral part of the Town’s strategic planning and budget process.

Through this activity, the Town identified the need for additional funding for both public safety and infrastructure. In FY 2015-16, the Town Council established a Revenue Ad Hoc Committee (Committee) to work with various citizen groups and stakeholders in assessing the appropriateness for voter consideration of a local sales tax revenue measure or measures. The Council collectively determined that there was sufficient community interest in meeting certain Town-wide needs through two revenue measures. The measures proposed on the November 2016 ballot included both a half-percent general fund sales tax revenue measure that would be allocated primarily for Town public safety, infrastructure needs, and other Town quality of life programs, and a second half-percent sales tax revenue measure to assist property owners with paying the assessment for the cost of the sewer. Together these measures have generated just over \$14 million in additional revenues since their inception and are anticipated to generate approximately \$2.9 million annually for the remaining two-year period. Both measures were overwhelmingly supported by local voters as Measure Y – Essential Town Services passed with 72% of the vote, and Measure Z – Sewer Assistance passed with 81%. Accordingly, the measures went into effect on April 1, 2017. As the ten-year measures sunset date approached the Town surveyed the community and placed both Measures on the ballot for reauthorization in the November 2024 election. Measure Y passed with 83% of the vote without a sunset date and Measure Z passed with 82% of the vote for an additional 10-year period. With both of these measures approved the Town will be able to continue to meet the high priority needs of the community surrounding public safety, infrastructure and quality of life.



In 2022, the Town secured additional funding for future infrastructure projects through the \$20 million financing lease agreement to fund future costs of capital improvement projects. Major planned projects in the upcoming years include the Town Hall consolidation project, Senior Center rehabilitation, Community Center Athletic facility construction, and the Aquatics and Recreation facility. As supplemental funding to these projects, the Town was awarded over \$7.5 million in funding from the County of San Bernardino via American Rescue Plan Act funds and the County's Board discretionary funds to allow for the timely completion and availability of facilities to the Town and surrounding unincorporated area's residents. In 2025, the Town reached the mid-way construction point for the Yucca Valley Aquatic and Recreation Center Facility Project, with a completion date estimated for July 2026.

Redevelopment Agency. As identified previously, on December 29, 2011, the California Supreme Court upheld Assembly Bill 1x 26 (Bill) that provides for the dissolution of all redevelopment agencies in the State of California. Most cities in California had established a redevelopment agency that was included in the reporting entity of the city or Town as a blended component unit (since the Town Council, in many cases, also served as the governing board for those agencies).

The Bill provided that upon dissolution of a redevelopment agency, either the Town or another unit of local government would agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government.

If the Town declined to accept the role of successor agency, other local agencies had the option to elect to perform this role. If no local agency accepted the role of successor agency, the Governor was empowered by the Bill to establish a "designated local authority" to perform this role. On January 10, 2012, the Town Council met and created a Successor Agency in accordance with the Bill as part of the Town's resolution number 12-01.

After the enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a Countywide Oversight Board, remaining assets can only be used to pay for enforceable obligations in existence at the date of dissolution. The loss of the Yucca Valley Redevelopment Agency (RDA) continues to have a lasting and profound impact on the Town of Yucca Valley. The RDA was the single most impactful tool available to the Town to assist in promoting, encouraging and participating in economic development. The loss of the agency will result in the direct siphoning of \$30-\$35 million from the Town over the next ten years and beyond. As of June 2018, the dissolution process is complete, except for annually required debt service payments and administration. In 2021, the Department of Finance approved the Last and Final Recognized Obligation Payment Schedule which completes the reporting requirements through the life of the Successor Agency's debt obligations.

Financial Information

Management of the Town is responsible for establishing and maintaining a system of internal control designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements that conform to generally accepted accounting principles. The system of internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met.



As a recipient of federal, state and local financial assistance, the Town is also responsible for ensuring that an adequate system of internal control is in place to maintain and document compliance with applicable laws and regulations related to these programs. This system is subject to periodic evaluation by the Town's management.

In addition, the Town maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town Council. Activities of the general fund, certain special revenue funds and debt service funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level.

Independent Audit

State statutes and Town ordinance require an annual audit by independent certified public accountants. The firm of Rogers, Anderson, Malody & Scott, LLP, was re-appointed as the Town's auditors in 2020. Generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States were used by the auditors in conducting the engagement. The auditor's report on general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Other References

Additional information and details are contained in the Management's Discussion and Analysis and the Notes to the Basic Financial Statements found in the Financial Section of the report.

Acknowledgments

The preparation of this report was accomplished by the combined efforts of the Finance Department and other members of Town staff. We appreciate the dedicated efforts and professionalism that our staff members bring to the Town. We would like to thank the members of the Town Council for their continued support in the planning and implementation of the Town of Yucca Valley's fiscal policies.

Respectfully submitted,

Curtis Yakimow
Town Manager

Jordan Gumbish
Finance Manager

Town of Yucca Valley

Elected and Appointed Officials
(as of June 30, 2025)

Elected Officials

Mayor
Jeff Drozd

Mayor Pro Tem
Merl Abel

Council Member
Rick Denison

Council Member
Robert Lombardo

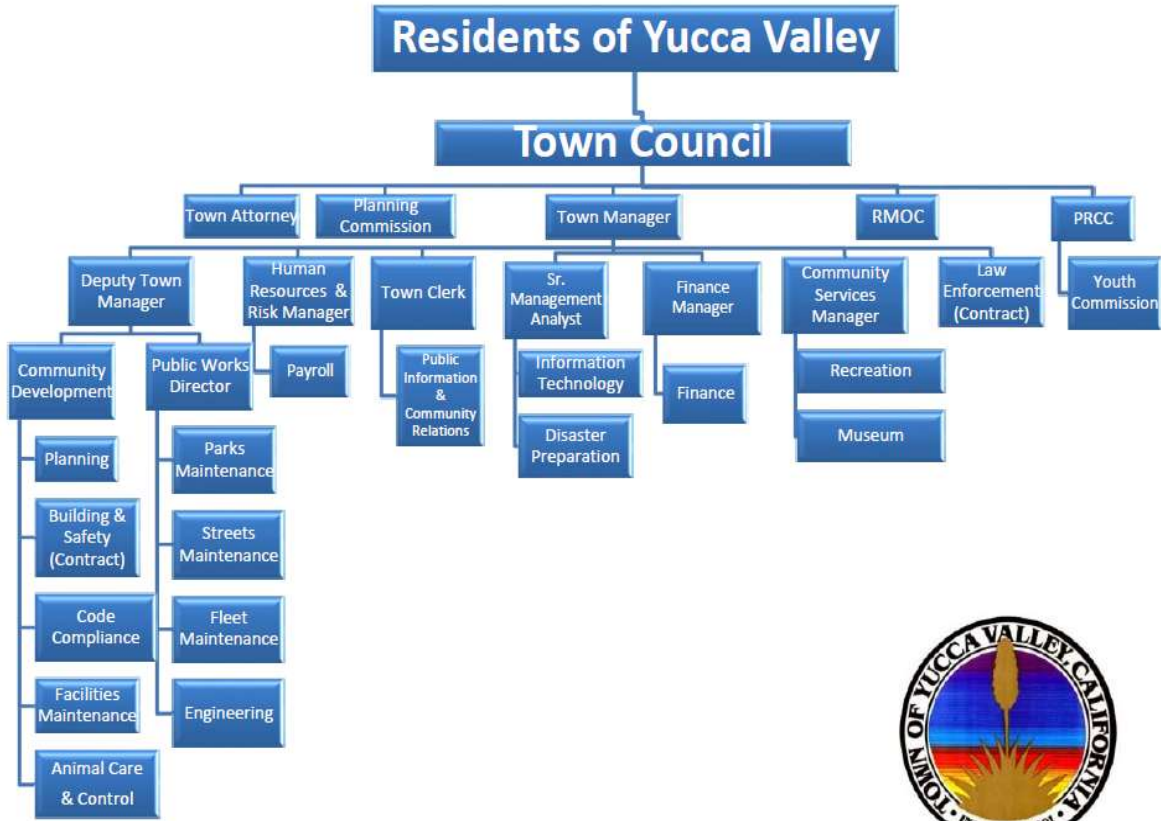
Council Member
Jim Schooler

Appointed Officials

Town Manager
Curtis Yakimow

Town Attorney
Thomas D. Jex

Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Yucca Valley
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO





FINANCIAL SECTION



Independent Auditor's Report

Honorable Mayor and Town Council
Town of Yucca Valley, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Yucca Valley, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 1 to the financial statements during the year ended June 30, 2025, the entity adopted new accounting guidance under Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* and No. 102, *Certain Risk Disclosures*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 entity'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 required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 entity's basic financial statements. The combining and individual nonmajor fund financial statements 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 accompanying supplementary information is 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 comprehensive financial 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2025 on our consideration of entity'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 entity'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 entity's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
November 18, 2025





MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis provide an overview of the financial activities of the Town of Yucca Valley for the fiscal year ended June 30, 2025. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

Using the Accompanying Financial Statements

This report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Also included in the accompanying report are the fund financial statements. The fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

OVERVIEW OF THE FINANCIAL STATEMENTS

This comprehensive annual report consists of three parts – The introductory section, the financial section (includes *management's discussion and analysis* (this section), the *basic financial statements and related notes, required supplementary information*, and an optional section that presents *combining statements* for non-major governmental funds), and the statistical section. The basic financial statements include two kinds of statements that present different views of the Town:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the Town's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the Town government, reporting the Town's operations in *more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that provides additional financial and budgetary information.

Reporting the Town as a Whole

The accompanying **government-wide financial statements** include two statements that present financial data for the Town as a whole. One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report on the Town's net position and changes in them. One can think of the Town's net position – the difference between assets, deferred outflows and deferred inflows of resources, and liabilities – as one way to measure the Town's financial health, or financial position. Over time, increases and decreases in the Town's net position are one indicator of whether its *financial health* is improving or deteriorating. One should consider other nonfinancial factors, however, such as changes in the Town's tax base or demographics, and changes in the condition of various Town infrastructure assets, to assess the *overall health* of the Town. Based on the current year's activity, the overall health of the Town changed due to the net of contributions from developers, the change in pension and OPEB liabilities, and the continuing capitalization and depreciation on capital assets.

Town of Yucca Valley

Management's Discussion and Analysis For the year ended June 30, 2025

Reporting the Town's Major Funds

The **fund financial statements** provide detailed information about the Town's most significant funds, rather than the Town as a whole. Some funds are required to be established by State law or by debt covenants. However, Town management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting administrative responsibilities for using certain taxes, grants, or other money (like grants received).

- **Governmental funds** – Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *current financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Town's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship or differences between *governmental activities* (reported in the Statement of Net Position and the Statement of Activities) and *governmental funds* in reconciliations after each of the fund financial statements.

Reporting the Town's Fiduciary Responsibilities

The Town is an agent for certain assets held for, and under the control of, other organizations and individuals. All of the Town's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

A summary of the Government-wide Statement of Net Position follows:

	As of June 30,		
	2025	2024	Change
Current and other assets	\$ 78,653,146	\$ 72,099,420	\$ 6,553,726
Capital and intangible assets	90,057,898	68,105,326	21,952,572
Total assets	<u>168,711,044</u>	<u>140,204,746</u>	<u>28,506,298</u>
Deferred outflows of resources	<u>2,267,935</u>	<u>2,949,630</u>	<u>(681,695)</u>
Long-term liabilities	25,387,021	25,799,865	(412,844)
Other liabilities	8,210,346	2,377,729	5,832,617
Total liabilities	<u>33,597,367</u>	<u>28,177,594</u>	<u>5,419,773</u>
Deferred inflows of resources	<u>1,022,322</u>	<u>1,273,598</u>	<u>(251,276)</u>
Net position:			
Net investment in capital assets	87,810,398	68,105,326	19,705,072
Restricted	21,230,885	20,889,435	341,450
Unrestricted	27,318,007	24,708,423	2,609,584
Total net position	<u>\$ 136,359,290</u>	<u>\$ 113,703,184</u>	<u>\$ 22,656,106</u>

Town of Yucca Valley

**Management's Discussion and Analysis
For the year ended June 30, 2025**

A summary of the government-wide statement of activities follows (for the year ended June 30):

	For the years ended June 30,		Change
	2025	2024	
Revenues			
Program revenues:			
Charges for services	\$ 2,223,864	\$ 2,392,188	\$ (168,324)
Operating grants and contributions	3,615,289	2,719,668	895,621
Capital grants and contributions	19,364,377	4,524,186	14,840,191
Total program revenues	25,203,530	9,636,042	15,567,488
General revenues:			
Property taxes	7,925,499	7,554,562	370,937
Sales taxes	7,460,926	7,678,688	(217,762)
Transient occupancy taxes	4,315,179	4,283,877	31,302
Franchise taxes	1,319,092	1,329,489	(10,397)
Motor vehicle in-lieu tax	34,320	26,919	7,401
Investment income	2,558,663	1,944,184	614,479
Other	334,362	181,418	152,944
Total general revenues	23,948,041	22,999,137	948,904
Total revenues	49,151,571	32,635,179	16,516,392
Program expenses			
General government	8,016,532	7,123,981	892,551
Public safety	7,961,935	8,325,447	(363,512)
Parks and recreation	1,966,933	1,920,626	46,307
Public works	5,422,254	6,839,128	(1,416,874)
Community development	2,694,744	2,460,823	233,921
Interest and fiscal charges	433,067	454,327	(21,260)
Total expenses	26,495,465	27,124,332	(628,867)
Change in net position	22,656,106	5,510,847	17,145,259
Net position, beginning of year	113,703,184	108,192,337	5,510,847
Net position, end of year	\$ 136,359,290	\$ 113,703,184	\$ 22,656,106

The increase or decrease in net position can provide an indication as to whether the overall financial position of the Town improved or deteriorated during the year. An analysis of the Town's operations reveals the following:

- The net position of the Town increased, from \$113.7 million to \$136.4 million, primarily as a result of increases in property tax and investment program revenues and grants received in the fiscal year. The total change in net position increased by \$22,729,988.
- Property tax revenue increased from the prior year as a result of an increase in the assessed valuation of real property combined with increased real estate sales activity. It appears the aggregate property valuations have somewhat stabilized, and it is likely that revenues will continue at the same level of modest growth in the near future.
- Sales tax decreased from the prior year as a result of stabilizing growth of tourism and reduced consumer spending and is in line with nationwide economic trends in the fiscal year.
- Continuation and implementation of long-term capital maintenance and/or replacement projects related to Town facilities for municipal operations.

MAJOR FUNDS

As noted earlier, the Town uses fund accounting to provide proper financial management of the Town's resources and to demonstrate compliance with finance-related legal requirements.

The **General Fund** is the primary operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$16,832,444, comprising the majority of the total fund balance of \$22,644,597. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 102% of total General Fund expenditures, while total fund balance represents 131% of that same amount. General Fund revenues exceeded expenditures by \$5,380,497. This excess was related to increased property values which resulted in increased property taxes and increased investment revenues from utilization of the Town's expanded investment program combined with conservative spending activity across all departments.

The **Town Housing Special Revenue Fund** is a special revenue fund established for transactions related to the Town's housing activities. The fund was established as the Housing Successor of the former Yucca Valley Redevelopment Agency's Low and Moderate Housing fund which was eliminated as of February 1, 2012. The revenue source is currently repayment of funds loaned to the Successor Agency. At the end of the current fiscal year, the unassigned fund balance (deficit) totaled (\$214,263). The deficit fund balance is due to advances due from the Successor Agency from prior year RDA dissolution activities. Town Housing Fund reported expenditures exceeding revenues by (\$5,008).

The **Measure Y – Town Essential Services** is a special revenue fund established from the voter approved one-half percent of sales tax on retail sales within the Town limits to fund projects recommended by the Revenue Measure Oversight Commission and/or Town Council. At the end of the current fiscal year, the restricted fund balance totaled \$3,753,411. The Measure Y Fund revenues exceeded expenditures by \$516,789 due to extension of scheduled projects that will be completed in the upcoming fiscal year. Tax revenues grew only moderately at 1% in comparison to the prior year due to reduced consumer spending trends.

The **Measure Z – Sewer Assistance Fund** is a special revenue fund established from the voter approved one-half percent of sales tax on retail sales within the Town limits to assist citizens with the sewer assessments costs. At the end of the current fiscal year, the restricted fund balance totaled \$709,940. The Measure Z Fund expenditures exceeded revenues by (\$25,924). Tax revenues grew only moderately at 1% in comparison to the prior year due to reduced consumer spending trends and stabilization of local tourism rates.

The **Desert Community Program Prop 68 Grant Fund** is a special revenue fund established for reporting the transactions related to the \$22 million Prop 68 Grant allocated toward the construction of the Yucca Valley Aquatic and Recreation Center. At the end of the current fiscal year, the restricted fund balance totaled (\$765,926). The Desert Community Prop 68 Grant Fund expenditures exceeded revenues by \$752,827 as the portion of project expenditures not reimbursed by the grant as of the year-end are held in retention as restricted cash until the contractor's performance obligations are complete.

The **Capital Projects Reserve Fund** is a special revenue fund established to maintain a capital projects reserve for the purpose of providing funding for the planning, construction, repair and rehabilitation of the Town's capital assets. At the end of the current fiscal year, the assigned fund balance totaled \$12,409,367. The 2% decrease in fund balance is attributable to the increased capital project expenditures in the current fiscal year off-set by the transfers into the fund; which are appropriated from the unassigned fund balance of the General Fund as directed by Council from prior year excess fund balances.

**Management's Discussion and Analysis
For the year ended June 30, 2025**

MAJOR FUNDS (CONTINUED)

The Debt Service Fund is a special revenue fund used to account for the Town's debt activity. At the end of the current fiscal year, the restricted fund balance totaled \$18,749,122. The Debt Service Fund expenditures exceeded revenues by (\$477,473) due to the annual debt service payments and the drawdown of funds allocated towards the Senior Center Improvement project.

GENERAL FUND BUDGET

Aggregate differences between the original budget and the final budget of the General Fund revenues were somewhat significant in fiscal year 2025. Total actual revenues exceeded the final budget by \$2,544,988. 60% of that excess was due to various tax revenues exceeding the final budget by \$1,516,938.

Aggregate differences between the original budget and the final amended budget of the General Fund expenditures were less than the final budget, due to cost savings across departments. The General Fund was \$1,469,976 under final budgeted amounts or 8%. Significant variances include Community Development and Public Safety which was under budget by \$541,766 due to the reduction of professional services costs during the year.

These deviations did not significantly affect the General Fund's liquidity or ability to provide future government services as fund balances in the General Fund remain within the levels in the reserve policy.

CAPITAL ASSETS

Capital assets, net of accumulated depreciation at year end are as follows:

	As of June 30,	
	2025	2024
Land	\$ 6,395,361	\$ 6,395,361
Land improvements	2,542,383	2,735,570
Structures and improvements	12,703,342	12,165,227
Licensed vehicles	601,834	675,653
Machinery and equipment	1,706,265	1,502,830
Infrastructure	38,564,620	40,145,706
Intangible right to use asset	6,519	31,682
Construction in progress	27,537,574	4,453,297
Total	\$ 90,057,898	\$ 68,105,326

- Land improvements decreased with the annual depreciation expense of existing capital assets.
- Structures and improvements increased with the completion of the Welcome Center and Park Improvement projects.
- Licensed vehicles decreased with the disposal of Town fleet vehicles for public works and parks divisions that were at the end of their useful lives.
- Machinery and equipment increased with the purchase of public works division equipment.
- Infrastructure decreased with the annual depreciation expense of existing capital assets.

There were several unexpended construction commitments as of year-end. For more information on the unexpended commitments and additional information on the Town's capital assets, please see Note 16 to the financial statements.

**Management's Discussion and Analysis
For the year ended June 30, 2025**

LONG-TERM LIABILITIES AND LONG-TERM DEBT

At the end of the current fiscal year, the Town had long term liabilities (excluding compensated absences) outstanding of \$19,466,962. As of June 30, 2025, the long-term liabilities of the Town are a leaseback agreement, obligations related to employee pensions and Other Post-Employment Benefits (OPEB) and lease liabilities.

The Town's pension plan has three levels of benefits for employees, represented as Tier One, Tier Two, and Tier Three Plans. As of June 30, 2024 valuation date, the three Tiers are funded at an aggregate of 78.1%, excluding the Section 115 trust restricted amount of \$3,284,524. The net pension liability is measured as total pension liability less the pension plan's fiduciary net position. The total pension liability is based on actuarial assumptions to which a long-term discount rate is applied. The long-term discount rate and the investment return on the plan influence the net pension liability from year to year and may create fluctuations that may or may not be immaterial.

The Town authorized and established a multi-employer irrevocable trust to administer the OPEB and Pension Plan benefits in 2018. The OPEB balance in the trust is netted against the total OPEB liability. The OPEB Plan balance in the Trust is \$1,322,999 as of June 30, 2024 actuarial valuation. These funds will fund future obligations.

Other long-term liabilities

	As of June 30,	
	2025	2024
Leaseback agreement	\$ 18,054,000	\$ 18,939,000
Compensated absences	547,141	278,623
Lease liabilities	6,653	32,064
Arbitrage liability	859,168	548,259
Total	<u>\$ 19,466,962</u>	<u>\$ 19,797,946</u>

Additional information on the Town's long-term liabilities and debt can be found in the Notes 8, 9, and 10 of the accompanying financial statements.

Contacting Town Management

This financial report is designed to provide citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, you may contact the Finance Department at the Town of Yucca Valley, 57090 Twentynine Palms Highway, Yucca Valley, California 92284.



BASIC FINANCIAL STATEMENTS



Town of Yucca Valley

**Statement of Net Position
June 30, 2025**

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 66,894,215
Restricted cash and investments	3,949,118
Accounts receivable	533,556
Due from other governments	3,163,334
Interest receivable	276,449
Notes receivable	2,925,000
Lease receivable	556,026
Prepaid expenses	206,946
Net OPEB asset	148,502
Capital assets, not being depreciated	33,932,935
Capital assets, depreciated, net	<u>56,124,963</u>
Total assets	<u>168,711,044</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	2,075,966
OPEB related	<u>191,969</u>
Total deferred outflow of resources	<u>2,267,935</u>
LIABILITIES	
Accounts payable and accrued liabilities	6,675,132
Unearned revenues	1,357,683
Interest payable	177,531
Noncurrent liabilities:	
Due within one year	
Long-term liabilities	912,317
Compensated absences	136,785
Due beyond one year	
Long-term liabilities	18,007,504
Net pension liability	5,920,059
Compensated absences	<u>410,356</u>
Total liabilities	<u>33,597,367</u>
DEFERRED INFLOWS OF RESOURCES	
Lease related	556,026
Pension related	220,434
OPEB related	<u>245,862</u>
Total deferred inflows of resources	<u>1,022,322</u>
NET POSITION	
Net investment in capital assets	87,810,398
Restricted for:	
Investment in Section 115 trust	3,284,524
General government/OPEB asset	563,481
Public safety	1,477,377
Public works	12,091,276
Parks and recreation	799,429
Community development	3,014,798
Unrestricted	<u>27,318,007</u>
Total net position	<u>\$ 136,359,290</u>

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



Town of Yucca Valley

**Statement of Activities
For the year ended June 30, 2025**

Functions	Expenses	Program Revenues			Net Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 8,016,532	\$ 255,223	\$ -	\$ -	\$ (7,761,309)
Public safety	7,961,935	821,523	273,147	-	(6,867,265)
Parks and recreation	1,966,933	209,333	26,085	-	(1,731,515)
Public works	5,422,254	122,492	1,220,292	14,453,805	10,374,335
Community development	2,694,744	815,293	2,095,765	4,910,572	5,126,886
Interest and fiscal charges:	433,067	-	-	-	(433,067)
Total governmental activities	\$ 26,495,465	\$ 2,223,864	\$ 3,615,289	\$ 19,364,377	(1,291,935)
General revenues:					
Taxes					
Property tax, levied for general purpose					7,925,499
Sales tax					7,460,926
Transient occupancy tax					4,315,179
Franchise taxes					1,319,092
Motor vehicle in lieu tax					34,320
Investment earnings					2,558,663
Other					334,362
Total general revenues					23,948,041
Change in net position					22,656,106
Net position					
Beginning of year					113,703,184
End of year					\$ 136,359,290

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

Town of Yucca Valley

**Balance Sheet - Governmental Funds
June 30, 2025**

	Special Revenue			
	General	Town Housing	Measure Y - Essential Services	Measure Z - Sewer Assessment Assistance
ASSETS				
Cash and investments	\$ 18,851,532	\$ 546,622	\$ 3,404,485	\$ 1,003,325
Restricted cash and investments	3,284,524	-	-	-
Receivables:				
Accounts, net	503,330	6,639	-	-
Due from other governments	991,451	-	410,016	410,016
Interest	102,174	-	-	-
Leases	556,026	-	-	-
Prepaid items	206,946	-	-	-
Due from other funds	-	-	-	-
Advance to other funds	184,819	-	-	-
Total assets	\$ 24,680,802	\$ 553,261	\$ 3,814,501	\$ 1,413,341
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 758,115	\$ -	\$ 59,256	\$ 703,401
Accrued salaries	671,007	-	1,834	-
Retentions payable	-	-	-	-
Unearned revenue	50,157	-	-	-
Due to other funds	900	-	-	-
Advance from other funds	-	767,524	-	-
Total liabilities	1,480,179	767,524	61,090	703,401
Deferred inflows of resources:				
Lease related	556,026	-	-	-
Total deferred inflows of resources	556,026	-	-	-
Fund balances (deficit):				
Nonspendable:				
Advance to other funds	184,819	-	-	-
Prepaid items	206,946	-	-	-
Restricted:				
General government	-	-	-	-
Public safety	296,404	-	-	-
Parks and recreation	39,460	-	-	-
Community development	-	-	-	-
Public works	-	-	3,753,411	709,940
Section 115 Trust	3,284,524	-	-	-
Assigned	1,800,000	-	-	-
Unassigned	16,832,444	(214,263)	-	-
Total fund balances	22,644,597	(214,263)	3,753,411	709,940
Total liabilities, deferred inflows of resources and fund balances	\$ 24,680,802	\$ 553,261	\$ 3,814,501	\$ 1,413,341

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

<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>		
Desert Community Program Prop 68 Grant (formerly non-major)	Capital Projects Reserve	Debt Service	Total Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,045,269	\$ 12,955,392	\$ 18,749,122	\$ 8,338,468	\$ 66,894,215
664,594	-	-	-	3,949,118
-	-	-	23,587	533,556
-	-	-	1,351,851	3,163,334
-	-	-	-	102,174
-	-	-	-	556,026
-	-	-	-	206,946
900	-	-	-	900
-	-	-	582,705	767,524
<u>\$ 3,710,763</u>	<u>\$ 12,955,392</u>	<u>\$ 18,749,122</u>	<u>\$ 10,296,611</u>	<u>\$ 76,173,793</u>
\$ 2,403,244	\$ 416,103	\$ -	\$ 672,191	\$ 5,012,310
-	-	-	11,634	684,475
765,919	129,922	-	82,506	978,347
1,307,526	-	-	-	1,357,683
-	-	-	-	900
-	-	-	-	767,524
<u>4,476,689</u>	<u>546,025</u>	<u>-</u>	<u>766,331</u>	<u>8,801,239</u>
-	-	-	-	556,026
-	-	-	-	556,026
-	-	-	-	184,819
-	-	-	-	206,946
-	-	-	563,481	563,481
-	-	-	1,180,973	1,477,377
(765,926)	-	-	-	(726,466)
-	-	18,749,122	99,301	18,848,423
-	-	-	7,627,925	12,091,276
-	-	-	-	3,284,524
-	12,409,367	-	58,600	14,267,967
-	-	-	-	16,618,181
<u>(765,926)</u>	<u>12,409,367</u>	<u>18,749,122</u>	<u>9,530,280</u>	<u>66,816,528</u>
<u>\$ 3,710,763</u>	<u>\$ 12,955,392</u>	<u>\$ 18,749,122</u>	<u>\$ 10,296,611</u>	<u>\$ 76,173,793</u>



Town of Yucca Valley

**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025**

Fund balances of governmental funds \$ 66,816,528

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

Long-term receivables are not reported in the governmental funds balance sheet, however, they are reported under full accrual in the Statement of Net Position.

Notes receivable	2,925,000
Interest receivable	174,275

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds:

Capital assets	136,783,188
Accumulated depreciation/amortization	(46,725,290)

Accrued interest payable for the current portion of interest due on the leaseback agreement that has not been reported in the governmental funds.	(177,531)
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Long-term liabilities are not due and payable in the current period:

Net OPEB asset	148,502
Compensated absences	(547,141)
Net pension liability	(5,920,059)
Long term debt	(18,919,821)

Deferred inflows and outflows of resources related to pensions and OPEB are not reported in the governmental funds.

Net deferred inflows of resources:	
Pension related	(220,434)
OPEB related	(245,862)
Net deferred outflows of resources:	
Pension related	2,075,966
OPEB related	191,969

Net position of governmental activities	<u>\$ 136,359,290</u>
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The accompanying notes are an integral part of these financial statements.

Town of Yucca Valley

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2025**

	Special Revenue			
	General	Town Housing	Measure Y - Essential Services	Measure Z - Sewer Assessment Assistance
REVENUES				
Taxes	\$ 18,263,863	\$ -	\$ 2,756,833	\$ 2,756,833
Licenses and permits	85,368	-	-	-
Intergovernmental	743,057	-	-	-
Charges for services	1,325,145	-	-	-
Fines, fees and forfeitures	135,813	-	-	-
Investment earnings	1,896,669	3,785	25,343	6,652
Other	168,193	-	-	-
Total revenues	22,618,108	3,785	2,782,176	2,763,485
EXPENDITURES				
Current:				
General government	4,094,384	1,250	128,067	2,789,409
Public safety	7,015,095	-	930,000	-
Parks and recreation	2,095,596	-	446,961	-
Public works	1,622,112	7,543	685,359	-
Community development	2,410,424	-	75,000	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	17,237,611	8,793	2,265,387	2,789,409
Excess of revenues over (under) expenditures	5,380,497	(5,008)	516,789	(25,924)
OTHER FINANCING SOURCES (USES)				
Transfers in	54,000	-	100,000	-
Transfers out	(5,416,000)	-	(250,000)	-
Total other financing sources (uses)	(5,362,000)	-	(150,000)	-
Net change in fund balances	18,497	(5,008)	366,789	(25,924)
FUND BALANCES (DEFICIT)				
Beginning of year, previously reported	22,626,100	(209,255)	3,386,622	735,864
Adjustment - change from nonmajor to major	-	-	-	-
Beginning of year	22,626,100	(209,255)	3,386,622	735,864
End of year	\$ 22,644,597	\$ (214,263)	\$ 3,753,411	\$ 709,940

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

<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>		
Desert Community Program Prop 68 Grant (formerly non-major)	Capital Projects Reserve	Debt Service	Total Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 114,384	\$ 23,891,913
-	-	-	-	85,368
12,754,896	-	-	7,341,848	20,839,801
-	-	-	10,186	1,335,331
-	-	-	66,811	202,624
46,072	7,975	849,296	57,324	2,893,116
-	-	-	31,509	199,702
<u>12,800,968</u>	<u>7,975</u>	<u>849,296</u>	<u>7,622,062</u>	<u>49,447,855</u>
-	3,742,212	-	40,500	10,795,822
-	-	-	68,099	8,013,194
1,347,060	2,300	-	1,697,551	5,589,468
16,111,333	618,827	-	1,435,854	20,481,028
-	119,735	-	18,254	2,623,413
-	-	885,000	-	885,000
-	-	441,769	-	441,769
<u>17,458,393</u>	<u>4,483,074</u>	<u>1,326,769</u>	<u>3,260,258</u>	<u>48,829,694</u>
<u>(4,657,425)</u>	<u>(4,475,099)</u>	<u>(477,473)</u>	<u>4,361,804</u>	<u>618,161</u>
3,904,598	4,336,000	1,330,000	1,747,339	11,471,937
-	(100,000)	(1,262,500)	(4,443,437)	(11,471,937)
<u>3,904,598</u>	<u>4,236,000</u>	<u>67,500</u>	<u>(2,696,098)</u>	<u>-</u>
(752,827)	(239,099)	(409,973)	1,665,706	618,161
-	12,648,466	19,159,095	7,851,475	66,198,367
(13,099)	-	-	13,099	-
<u>(13,099)</u>	<u>12,648,466</u>	<u>19,159,095</u>	<u>7,864,574</u>	<u>66,198,367</u>
<u>\$ (765,926)</u>	<u>\$ 12,409,367</u>	<u>\$ 18,749,122</u>	<u>\$ 9,530,280</u>	<u>\$ 66,816,528</u>

Town of Yucca Valley

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the year ended June 30, 2025**

Net change in fund balances - total governmental funds \$ 618,161

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:

Cost of assets capitalized, net of disposals	24,803,049
Depreciation/amortization expense	(2,850,477)

The issuance of long term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on long-term debt	910,411
Change in arbitrage liability	(310,909)

Some expenses reported in the statements of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in compensated absences	(268,518)
Change in accrued interest	8,702

Governmental funds report all contributions for pensions and OPEB as expenditures, however, in the Statement of Activities, pension and OPEB expenses are actuarially determined:

Pension related net adjustments	(453,449)
OPEB related net adjustments	184,511

Revenues in the statement of activities that do not provide for current financial resources are not reported as revenues in the governmental funds:

Interest on long-term note receivable	<u>14,625</u>
---------------------------------------	---------------

Change in net position of governmental activities \$ 22,656,106

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

Town of Yucca Valley

**Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025**

	Private Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and investments	\$ 334,267	\$ 825,196
Cash and investments with fiscal agent	348	-
Accounts receivable	-	250
	<hr/>	<hr/>
Total assets	334,615	825,446
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refunded debt	182,543	-
	<hr/>	<hr/>
LIABILITIES		
Liabilities:		
Accounts payable	24,264	29,750
Deposits	-	795,696
Accrued liabilities	30,606	-
Long-term liabilities:		
Due within one year	364,000	-
Due in more than one year	5,591,000	-
	<hr/>	<hr/>
Total liabilities	6,009,870	825,446
	<hr/>	<hr/>
NET POSITION (DEFICIT)		
Restricted for:		
Held in trust for successor agency	(5,492,713)	-
Individuals, organizations and other governments	-	-
	<hr/>	<hr/>
Total net position	<u>\$ (5,492,713)</u>	<u>\$ -</u>

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

Town of Yucca Valley

**Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2025**

	Private Purpose Trust Fund	Custodial Funds
ADDITIONS		
RPTTF distributions	\$ 620,450	\$ -
Investment earnings	1,926	-
Payments from individuals and organizations	-	380,950
	<hr/>	<hr/>
Total additions	622,376	380,950
	<hr/>	<hr/>
DEDUCTIONS		
Payments to individuals and organizations	-	11,605
Administrative payments	35,250	
Other payments	-	721,118
Interest expense	247,057	-
	<hr/>	<hr/>
Total deductions	282,307	732,723
	<hr/>	<hr/>
Net increase in fiduciary net position	340,069	(351,773)
NET POSITION (DEFICIT)		
Beginning of year	(5,832,782)	351,773
	<hr/>	<hr/>
End of year	\$ (5,492,713)	\$ -
	<hr/>	<hr/>

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

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 1: Summary of significant accounting policies

The financial statements of the Town of Yucca Valley, California (Town) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Town's significant accounting policies are described below.

(a) Reporting entity

The Town of Yucca Valley, California was incorporated November 27, 1991, under the general laws of the State of California. The Town operates under an elected Council/Town Manager form of government.

As required by generally accepted accounting principles in the United States of America, these financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. The Town is considered to be financially accountable for an organization if the Town appoints a voting majority of that organization's governing body and the Town is able to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the Town. The Town is also considered to be financially accountable for an organization if that organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the Town). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the Town are such that their exclusion would cause the Town's financial statements to be misleading or incomplete. All of the Town's component units are blended component units. Blended component units, although legally separate entities, are in substance, part of the Town's operations and so data from these units are reported with the inter-fund data of the primary government. A brief description of the Town's component units are as follows:

- The Yucca Valley Redevelopment Agency (Agency) was activated in September 1992, by the Town as a separate governing body. The Town Council declared by Ordinance that the Town Council will serve as the Board of Directors of the Agency. The primary purpose of the Agency was to eliminate blighted areas by encouraging development of residential, commercial, industrial, recreational, and public facilities. The Town's Councilmembers designate management and have a full accountability of the Agency's fiscal matters. As of February 1, 2012, the Redevelopment Agency ceased all operations in accordance with ABx1 26. All assets and activity of the former redevelopment agency (except for low- and moderate-income housing assets), as of February 1, 2012, were transferred to the Successor Agency to the Yucca Valley Redevelopment Agency (Successor Agency) (a private purpose trust fund). Since the Successor Agency is a private purpose trust fund, it can no longer be considered a component unit of the Town. Furthermore, the Town of Yucca Valley elected to be the Housing Successor and chose to retain the housing assets and functions previously held and performed by the former redevelopment agency.
- The Yucca Valley Financing Authority (Financing Authority) was activated in November 1995, by a Joint Exercise of Powers Agreement between the Town and the Financing Authority. The Financing Authority was created for the purpose of assisting the financing or refinancing of certain public capital facilities within the Town. The Financing Authority's activities are blended with those of the Town in these financial statements.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 1: Summary of significant accounting policies (continued)

(b) Measurement focus and basis of accounting

The *basic financial statements* of the Town are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-wide financial statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units), as well as the discretely presented component units. The Town has no business-type activities or discretely presented component units. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated), however, inter-fund services provided and used are not eliminated in the process of consolidation.

Government-wide financial statements are presented using the *economic resources measurement focus* and *accrual basis of accounting*. Under the economic resource's measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. *Basis of accounting* refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the *accrual basis of accounting*, revenues, expenses, gains, losses, assets, deferred outflows, liabilities, and deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows, liabilities, and deferred inflows resulting from the non-exchange transactions are recognized in accordance with the requirements of generally accepted accounting principles (GAAP).

Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by the Town, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included as program revenues are reported as general revenues.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as expenditures.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Note 1: Summary of significant accounting policies (continued)

(b) *Measurement focus and basis of accounting (continued)*

Fund financial statements

The underlying accounting system of the Town is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The fund financial statements for the primary government's governmental, proprietary, and fiduciary funds are represented after the government-wide financial statements. These statements display information about major funds individually, and non-major funds in the aggregate, for governmental funds. Fiduciary statements include financial information for fiduciary funds and similar component units. Fiduciary funds of the Town primarily represent assets held by the Town in a custodial capacity for other individuals or organizations.

Governmental funds

In the fund financial statements, governmental funds are presented using the *modified-accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available* as net current assets. *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 Town used an availability period of 60 days; however, grant reimbursements revenues are considered available if received within 6 months of the end of the current fiscal year.

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 they are normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Revenue recognition is subject to the *measurable* and *availability* criteria for governmental funds. *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* are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 1: Summary of significant accounting policies (continued)

(b) Measurement focus and basis of accounting (continued)

Non-current portions of long-term receivables due to governmental funds are reported in their balance sheets in spite of their spending measurement focus. Special reporting treatment is used to indicate they should not be considered "available spendable resources," since they do not represent net current assets.

Recognition of governmental fund type revenue represented by non-current receivables are deferred until they become current receivables. Non-current portions of long-term receivables are offset by fund balance accounts.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the unrestricted components of fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Due to the nature of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. Amounts expended to acquire capital assets are recorded as *expenditures* in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as *other financing sources* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When both restricted and unrestricted sources are combined in a fund, expenses/expenditures are considered to be paid first from restricted resources, and then from unrestricted resources.

Fiduciary funds

In the fund financial statements, fiduciary funds are presented using the *full-accrual basis of accounting* and economic resources method of accounting. Additions are recognized when they are earned, and deductions are recognized when the related goods or services are delivered. This means that all assets and deferred outflows of resources, and all liabilities and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on their balance sheets. Fiduciary funds are excluded from the government-wide financial statements.

(c) Fund classifications

The funds designated as major funds in the fund financial statements are determined by a mathematical calculation consistent with generally accepted accounting principles.

The Town reports the following major governmental funds:

General Fund – The General Fund is used to account for resources traditionally associated with governments, which are not legally required or by sound financial management, to be accounted for in another fund.

Town of Yucca Valley

Notes to the Basic Financial Statements For the year ended June 30, 2025

Note 1: Summary of significant accounting policies (continued)

(c) Fund classifications, (continued)

Town Housing Fund – This fund accounts for activities related to the Town's housing activities. The fund was established as the Housing Successor of the former redevelopment agency's Low- and Moderate-Income Housing Fund. Sources of revenue are investment income and interest from loans.

Measure Y Town Essential Services – This fund accounts for revenues and expenditures apportioned from the voter approved one-half percent of sales tax on retail sales within the Town limits to fund projects recommended by the Revenue Measure Oversight Commission and/or Town Council.

Measure Z Sewer Assessment Assistance – This fund accounts for revenues and expenditures apportioned from the voter approved one-half percent of sales tax on retail sales within the Town limits to assist citizens with the sewer assessments costs. This fund is overseen by the Revenue Measure Oversight Commission and/or Town Council.

Desert Community Program Prop 68 Grant – Established to account for receipts and expenditures from the Statewide Parks Desert Community Program – Prop 68 Grant for the development of public facilities that will assist in achieving active recreational projects, including aquatic and fitness centers.

Capital Projects Reserve – Established to maintain a capital projects reserve for the purpose of providing funding for the planning, construction, repair and rehabilitation of the Town's capital assets.

Debt Service – To account for the Town's debt activity.

The Town's fund structure also includes the following fund types:

Special Revenue Funds – Established to account for the proceeds of resources that are restricted or committed for specific purposes other than debt service or capital projects of the Town. The proceeds of resources are a substantial portion of the inflows reported in each special revenue fund.

Capital Projects Funds – Established to maintain capital projects reserves for the purpose of providing funding for the planning, construction, repair and rehabilitation of the Town's capital assets and to track the progress and expenditures in other capital projects of the Town.

Custodial Fund – Established as a fund to account for deposits advanced to the Town to fund development related services provided by the Town's Community Development department.

Private Purpose Trust Fund – This fund accounts for the activities of the Successor Agency to the former Town of Yucca Valley Redevelopment Agency. The fund primary purpose is to expedite the dissolution of the former redevelopment agency.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 1: Summary of significant accounting policies (continued)

(d) Appropriations limit

Under Article XIII B of the California Constitution (the GANN Spending Limitation Initiative), the Town is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules, or other refund agreements. For the fiscal year ended June 30, 2025, proceeds of taxes did not exceed allowed appropriations.

(e) Cash and investments

Cash and investments are defined as 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. Cash equivalents have an original maturity date of three months or less from the date of purchase.

Investments are reported in the accompanying balance sheet at fair value, except for certain certificates of deposit and investment contracts that are reported at cost because they are not transferable and 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 earnings reported for that fiscal year. Investment earnings include interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The Town pools cash investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

(f) Capital assets

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Developers contributed capital assets are valued at their estimated fair market value at the date of the contribution. Donated capital assets are recorded at their estimated acquisition value at the date of acquisition. Generally, capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of three years or more. Capital assets include additions to public domain (infrastructure) consisting of certain improvements including roads, streets, sidewalks, medians, and storm drains.

The following schedule summarizes capital asset useful lives:

Improvements	10-66 years
Buildings	20-50 years
Vehicles	8 years
Furniture and Equipment	3-25 years
Infrastructure	20-99 years

Depreciation has been provided using the straight-line method over the estimated useful life of the asset in the government-wide financial statements.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 1: Summary of significant accounting policies (continued)

(g) Compensated absences

In accordance with generally accepted accounting principles, a liability is recorded in the government-wide financial statements for compensated absences (unpaid vacation, sick leave and compensatory time) since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Under generally accepted accounting principles and GASBS 101, a liability is recorded for the amount of sick leave that is "more likely than not" to be used by the employee. This expectation is based on historical usage and can change significantly from year to year.

(h) Advances to other funds

Long-term inter-fund advances are recorded as receivables and as a non-spendable fund balance by the advancing governmental fund, and as a liability in the receiving fund.

(i) Prepaid items

Prepaid items are reported in the governmental funds under consumption method. Prepaid items are offset equally by a fund balance designation which indicates that they do not constitute expendable available resources and therefore are not available for appropriation.

(j) Claims and judgments

The Town records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability has been incurred prior to year-end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated.

(k) Property taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to the cities based on complex formulas.

Accordingly, the Town accrues only those taxes, which are received from the county within 60 days after year-end:

Lien date	January 1
Levy date	March 1
Due dates	November 1 and February 1
Collection dates	December 10 and April 10

The County of San Bernardino bills and collects the property taxes and remits them to the Town in installments during the year.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 1: Summary of significant accounting policies (continued)

(l) Use of estimates

The financial statements have been prepared in accordance with generally accepted accounting principles and necessarily include amounts based on estimates and assumptions made by Management. Actual results could differ from those amounts.

(m) Fund balance reporting/flow assumptions

In accordance with generally accepted accounting principles, the following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or by enabling legislation.
- Committed – amounts constrained to specific purposes by a government itself, using the highest level of decision-making authority, a Town Council Action; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- Assigned – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned – amounts that are for any purpose; positive amounts are reported only in a general fund.

The Town Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. The Town of Yucca Valley Fund Balance Policy authorizes the Town Manager to assign Fund Balances for specific purposes. When both restricted and unrestricted resources are available for use when expenditures are incurred, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. It is also the Town's policy to consider committed amounts as being reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

(n) Inventories

Inventories are stated at average cost. Physical counts of inventory are taken on a cyclical basis during each fiscal year with perpetual records adjusted to actual at that time. The Town uses the consumption method of accounting for inventories.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 1: Summary of significant accounting policies (continued)

(o) *Pension plan*

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website at www.calpers.ca.gov.

Generally accepted accounting principles requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD)	June 30, 2023
Measurement Date (MD)	June 30, 2024
Measurement Period (MP)	July 1, 2023 to June 30, 2024

These liabilities are typically liquidated from resources of the General Fund.

(p) *Other post-employment 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 Town's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value.

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

Valuation Date (VD)	June 30, 2023
Measurement Date (MD)	June 30, 2024
Measurement Period (MP)	July 1, 2023 to June 30, 2024

These liabilities are typically liquidated from resources of the General Fund.

(q) *Implementation of new pronouncements*

GASB Statement No. 101 – *Compensated Absences* The requirements of this statement will take effect for financial statements for fiscal year ended of June 30, 2025.

GASB Statement No. 102 – *Certain Risk Disclosures*. The requirements of this statement will take effect for financial statements for fiscal year that ended of June 30, 2025.

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 2: Cash and investments

Cash and investments are reported as follows:

Statement of net position:	
Cash and investments	\$ 66,894,215
Restricted cash and investments*	3,949,118
Statement of fiduciary net position:	
Cash and investments	1,159,463
Cash and investments with fiscal agent	348
	<hr/>
Total cash and investments	<u>\$ 72,003,144</u>
Cash and investments held by the Town consist of the following:	
Cash on hand	\$ 3,390
Deposits with financial institutions	9,721,648
Investments	<u>62,278,106</u>
	<hr/>
Total cash and investments	<u>\$ 72,003,144</u>

*Restricted cash and investments are related to the Pension Trust Fund being held with PARS to supplement the Town's Pension Plan and retention escrow account from Desert Community Program Prop 68 Grant fund.

Investments authorized by debt agreements

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

<u>Authorized investment type</u>	<u>Maximum maturity</u>	<u>Maximum percentage allowed</u>	<u>Maximum investment in one issuer</u>
U.S. Treasury obligations	None	None	None
U.S. Agency securities	None	None	None
Bankers' acceptances	180 days	None	None
Commercial paper	270 days	25%	None
Money market mutual funds	N/A	None	None
Repurchase agreements	270 days	None	None
Investment contracts	30 years	None	None
Medium-term notes (Corporate)	5 years	30%	None
Mortgage-backed securities	5 years	20%	None

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 2: Cash and investments (continued)

Investments authorized by the California Government Code and the Town's investment policy

The table below identifies the *investment types* that are authorized for the Town by the California Government Code and the Town's investment policy. The table also identifies certain provisions of the California Code (or the Town'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 Town, rather than the general provisions of the California Government Code or the Town's investment policy.

Investment types authorized by investment policy	Maximum maturity*	Maximum percentage of portfolio*	Maximum investment in one issuer*
U.S. Treasury obligations	5 years	None	None
U.S. Agency securities	5 years	None	None
Money market mutual funds	N/A	20%	None
Local Agency Investment Fund	N/A	None	\$75,000,000

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

In accordance with its investment policy, the Town is authorized to invest in any securities allowed under California Government Code Section 53601.

Disclosure relating to interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Town manages its exposure to interest rate risk is by diversifying its investment maturities 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 Town's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investment by maturity:

Investment type	Totals	Remaining maturity (in months)		
		12 or less	13 to 24	25 to 60
Asset backed securities	\$ 955,410	\$ 280,152	\$ 115,868	\$ 559,390
Federal agency securities	2,860,290	1,434,788	206,129	1,219,373
Mortgage backed securities	906,919	169,529	98,812	638,578
Corporate securities	2,858,375	893,938	846,021	1,118,416
Collateralized mortgage obligations	98,788	-	98,788	-
U.S. treasury obligations	13,768,389	11,147,290	244,658	2,376,441
State investment pool	9,337,001	9,337,001	-	-
Money market	28,008,010	28,008,010	-	-
PARS Pension Trust - moderate blend	3,284,524	3,284,524	-	-
Supranational	200,052	100,357	99,695	-
Held by bond trustee:				
Money market	348	348	-	-
Total investments	\$ 62,278,106	\$ 54,655,937	\$ 1,709,971	\$ 5,912,198

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 2: Cash and investments (continued)

Disclosures relating to credit risk

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

Investment type	Amount	Ratings at fiscal year end			
		A+/A/A-	AA+/AA/AA-	AAA	Not rated
Asset backed securities	\$ 955,410	\$ -	\$ -	\$ 523,397	\$ 432,013
Federal agency obligations	2,860,290	-	2,860,290	-	-
Mortgage backed securities	906,919	-	758,777	148,142	-
Corporate securities	2,858,375	2,235,477	473,549	149,349	-
Collateralized mortgage obligations	98,788	-	98,788	-	-
U.S. treasury obligations	13,768,389	-	13,768,389	-	-
State investment pool	9,337,001	-	-	-	9,337,001
Money market	28,008,010	-	-	1,910,114	26,097,896
PARS Pension Trust - moderate blend	3,284,524	-	-	-	3,284,524
Supranational	200,052	-	-	200,052	-
Held by bond trustees:					
Money market	348	-	-	-	348
Totals	\$ 62,278,106	\$ 2,235,477	\$ 17,959,793	\$ 2,931,054	\$ 39,151,782

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 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 Town'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 provisions 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 Town deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2025, the Town held deposits with financial institutions in excess of Federal Depository Insurance Corporation (FDIC) limits. These funds were held in collateralized accounts as required by the California Government Code as stated above.

As of June 30, 2025, the Successor Agency's held deposits with financial institutions in excess of Federal Depository Insurance Corporation (FDIC) limits. These funds were held in collateralized accounts as required by the California Government Code as stated above.

For investments identified as held by bond trustee, the bond trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 2: Cash and investments (continued)

Investment in State investment pool

The Town is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Town's investment in this pool is reported in the accompanying financial statements at amounts based upon the Town's pro-rata share of the fair value provided for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on an amortized costs basis. LAIF is not rated. LAIF has a minimum \$5,000 transaction amount in increments of \$1,000 with a maximum of 15 transactions (combination of deposits and withdrawals) per month. LAIF requires a one-day prior notice for deposits and withdrawals of \$10 million or more.

Concentration of credit risk

The investment policy of the Town contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2025, there were no investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that exceeded 5% or more of total Town investments.

Fair value measurements

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs that are observable for an asset or liability, either directly or indirectly, and Level 3 inputs have the lowest priority and consist of unobservable inputs for an asset or liability.

As of June 30, 2025, the investments held by the Town were subject to classification under the fair value hierarchy are listed below.

Investments by Fair Value Level	Total	Level 1	Level 2	Level 3
Investments by fair value level				
Asset backed securities	\$ 955,410	\$ -	\$ 955,410	\$ -
Federal agency securities	2,860,290	-	2,860,290	-
Mortgage backed securities	906,919	-	906,919	-
Corporate securities	2,858,375	-	2,858,375	-
Collateralized mortgage obligations	98,788	-	98,788	-
U.S. treasury obligations	13,768,389	-	13,768,389	-
Supranational	200,052	-	200,052	-
	21,648,223	\$ -	\$ 21,648,223	\$ -
Investments not subject to fair value				
Held by Bond Trustee:				
Money market	348			
Money market	28,008,010			
State investment pool	9,337,001			
PARS Pension Trust - moderate blend	3,284,524			
Total investments	\$ 62,278,106			

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 3: Advances/Due from/to other funds

Interfund advances balances as of June 30, 2025 were as follows:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Town Housing - Major Special Revenue Fund	\$ 184,819
Non Major Governmental Funds	Town Housing - Major Special Revenue Fund	582,705
	Total	<u>\$ 767,524</u>

These represent prior years borrowings from the Town Housing Fund to fund the Senior Housing Project described in Note 4.

Due to/from other funds balances as of June 30, 2025 were as follows:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
Prop 68 Grant	General Fund	\$ 900
	Total	<u>\$ 900</u>

The balance due to Prop 68 grant is related to interfund borrowings.

Note 4: Loan receivable

On or about March 20, 2012, the Town of Yucca Valley entered into certain Affordable Housing, Financing and Disposition and Development Agreement (Loan) that concerns the development of a 75-unit affordable rental housing complex for senior citizens (Project) with Yucca Valley Senior Housing Partners, LP (Developer) in the amount not to exceed Two Million Nine Hundred Twenty-Five Thousand Even Dollars (\$2,925,000) repayable to the Town with residual receipts after completion of the project. The loan amount includes the purchase price of the site being conveyed by the Town to the Developer plus such amounts of the Town loan advanced to the Developer. Interest shall accrue on the outstanding principal amount at the simple rate of one-half of one percent (0.5 %) per annum until repaid in full. Interest accrued on the loan as of June 30, 2025 is \$174,275. This amount is included in the interest receivable balance as of June 30, 2025. The principal outstanding balance of the loan receivable as of June 30, 2025 is \$2,925,000.

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 5: Transfers in and out

Transfers in and out for the year ended June 30, 2025 were as follows:

Transfers in	Transfers out	Amount
General Fund	Nonmajor Governmental Funds (a)	\$ 54,000
Debt Service Fund	General Fund (b)	1,330,000
Nonmajor Governmental Funds	Nonmajor Governmental Funds (c)	484,839
	Debt Service	1,262,500
		1,747,339
Measure Y Essential Services	Capital Projects Reserve (d)	100,000
Desert Community Program Prop 68 Grant	Nonmajor Governmental Funds (d)	3,904,598
Capital Reserve	General Fund (e)	4,086,000
	Measure Y Essential Services (d)	250,000
		4,336,000
Total transfers		\$ 11,471,937

- (a) Transfer was for funding of the Animal Shelter Facility.
- (b) Transfer was for annual debt service payments.
- (c) Transfer was to return unused project funding to its source.
- (d) Transfer for capital project funding.
- (e) Transfer was for various reserve allocations.
- (f) Transfer was for the Senior Center Project

Note 6: Due from other governments

The amounts due from other governments as of June 30, 2025 consist of the following:

	Amount
County of San Bernardino	\$ 1,492,247
State of California	1,653,562
Other	17,525
	3,163,334
Total due from other governments	\$ 3,163,334

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 7: Capital assets

Capital asset activity for the year ended June 30, 2025 is as follows:

	Beginning balance	Additions	Deletions	Ending balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,395,361	\$ -	\$ -	\$ 6,395,361
Construction in progress	4,453,297	23,084,277	-	27,537,574
Total capital assets not being depreciated	10,848,658	23,084,277	-	33,932,935
Capital assets being depreciated:				
Building and improvements				
Land improvements	8,726,393	-	-	8,726,393
Structures and improvements	18,014,891	908,456	-	18,923,347
Infrastructure	69,271,148	-	-	69,271,148
Vehicles and equipment				
Machinery and equipment	3,615,271	603,123	(124,324)	4,094,070
Licensed vehicles	1,675,902	207,193	(73,882)	1,809,213
Right to use asset - equipment	93,896	-	(67,814)	26,082
Total capital assets being depreciated/amortized	101,397,501	1,718,772	(266,020)	102,850,253
Less accumulated depreciation/amortization for:				
Building and improvements				
Land improvements	(5,990,823)	(193,187)	-	(6,184,010)
Structures and improvements	(5,849,664)	(370,341)	-	(6,220,005)
Infrastructure	(29,125,442)	(1,581,086)	-	(30,706,528)
Vehicles and equipment				
Machinery and equipment	(2,112,441)	(399,688)	124,324	(2,387,805)
Licensed vehicles	(1,000,249)	(281,012)	73,882	(1,207,379)
Right to use asset - equipment	(62,214)	(25,163)	67,814	(19,563)
Total accumulated depreciation/amortization	(44,140,833)	(2,850,477)	266,020	(46,725,290)
Total capital assets, being depreciated/amortized, net	57,256,668	(1,131,705)	-	56,124,963
Governmental activities capital assets, net	\$ 68,105,326	\$ 21,952,572	\$ -	\$ 90,057,898

Depreciation/amortization expense was charged to the following functions in the statement of activities:

General government	\$ 365,467
Public safety	32,734
Parks and recreation	162,424
Public works	2,275,309
Community development	14,543
Total depreciation/amortization expense	\$ 2,850,477

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 8: Long-term liabilities

Changes in long-term liabilities during the year ended June 30, 2025 were as follows:

<i>Governmental activities:</i>	Beginning balance	Additions	Deletions	Ending balance	Due within one year
Leaseback agreement	\$ 18,939,000	\$ -	\$ (885,000)	\$ 18,054,000	\$ 907,000
Compensated absences	278,623	268,518	-	547,141	136,785
Lease liabilities	32,064	-	(25,411)	6,653	5,317
Arbitrage liability	548,259	310,909	-	859,168	-
Total long-term liabilities	<u>\$ 19,797,946</u>	<u>\$ 579,427</u>	<u>\$ (910,411)</u>	<u>\$ 19,466,962</u>	<u>\$1,049,102</u>

Compensated absences change is shown net.

Leaseback agreement

On February 1, 2022, the Town entered into a \$20,229,000 lease-leaseback agreement to finance the cost of various General Fund capital improvements, including the Town Hall consolidation project, Senior Center rehabilitation project and the building of an Aquatics and Recreation facility. The lease agreement is using the Yucca Valley Town Hall, Yucca Valley Community Center, Hi Desert Nature Museum and Senior Center as the subject leased properties. The lease agreement has a rate of 2.36% on the unpaid principal with the term ending on August 1, 2041, or on the date on which all of the lease payments have been paid in full. The value of the assets are \$22,376,728, which are included in the construction in progress balance on Note 7.

Future payments on the lease-leaseback agreement are as follows:

Leaseback agreement		
Year ending June 30	Principal	Interest
2026	\$ 907,000	\$ 420,752
2027	928,000	399,228
2028	950,000	377,198
2029	972,000	354,648
2030	996,000	331,567
2031-2035	5,346,000	1,291,718
2036-2040	6,010,000	626,401
2041-2045	1,945,000	46,078
Totals	<u>\$18,054,000</u>	<u>\$ 3,847,590</u>

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 8: Long-term liabilities (continued)

Lease liabilities

The Town entered into various leases as Lessee for the use of equipment ranging from 51 to 60 months. As of June 30, 2025, the value of the lease liabilities is \$6,653. The Town is required to make quarterly fixed payments ranging from \$216 to \$231. The leases have an interest rate of 1.09%. The equipment's estimated useful lives range from 60 to 68 months as of the contract commencement. The value of the right to use asset as of June 30, 2025 of \$26,082 with accumulated amortization of \$19,563.

Future payments on the total lease liabilities are as follows:

<u>Year ending June 30</u>	<u>Leases</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 5,317	\$ 47
2027	1,336	2
Totals	<u>\$ 6,653</u>	<u>\$ 49</u>

Note 9: Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. 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 generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The Town sponsors three miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and Town's 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, at www.calpers.ca.gov.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 9: Defined Benefit Pension Plan (continued)

General Information about the Pension Plan (continued)

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plans' provisions and benefits in effect at June 30, 2025 are summarized as follows:

	<u>Miscellaneous First Tier</u>	<u>Miscellaneous Second Tier</u>	<u>Miscellaneous PEPRA</u>
Hire date	July 1, 2011	December 31, 2012	January 1, 2013
Benefit formula	2.7% @ 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	50	52
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.092% to 2.272%	1.0% to 2.5%
Required employer contribution rates	15.24%	10.15%	7.87%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are 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. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer contributions to the Plan for the fiscal year ended June 30, 2025 were \$886,812.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 9: Defined Benefit Pension Plan (continued)

Net Pension Liability

The Town's net pension liability for the Plan 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 as follows.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The collective total pension liability for the June 30, 2024 measurement period was determined by an actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension liability to June 30, 2024. The collective total pension liability was based on the following assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Actuarial Cost Method
Asset Valuation Method	Fair Value of Assets
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ⁽¹⁾	Derived using CALPERS' membership data for all funds
Post Retirement Benefit Increase	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 rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of scale MP-2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Long-term Expected Rate of Return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 9: Defined Benefit Pension Plan (continued)

Net Pension Liability (continued)

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

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return</u> ^{1,2}
Global Equity - cap-weighted	30.00%	4.54%
Global Equity - non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

¹ An expected inflation of 2.30% used for this period

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

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Pension Plan Fiduciary Net Position

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 9: Defined Benefit Pension Plan (continued)

Proportionate Share of Net Pension Liability

The following table shows the Plans' proportionate share of the net pension liability over the measurement period.

	Town's share of Increase (Decrease)		
	Plan Total	Plan Fiduciary	Plan Net
	Pension Liability (a)	Net Position (b)	Pension Liability (c) = (a) - (b)
Balance at: 6/30/2023 (VD)	\$ 26,852,996	\$ 20,851,077	\$ 6,001,919
Balance at: 6/30/2024 (MD)	28,638,235	22,718,176	5,920,059
Net change during 2023-24	<u>\$ 1,785,239</u>	<u>\$ 1,867,099</u>	<u>\$ (81,860)</u>

Valuation Date (VD), Measurement Date (MD).

The Town's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov. The Local Government's proportionate share of the net pension liability for the miscellaneous Plan as of the June 30, 2023 and 2024 measurement dates were as follows:

Proportionate Share - June 30, 2023	0.12003%
Proportionate Share - June 30, 2024	0.12240%
Change - Increase (Decrease)	<u>0.00237%</u>

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

The following presents the Town's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Net Pension Liability	<u>\$ 9,784,513</u>	<u>\$ 5,920,059</u>	<u>\$ 2,739,044</u>

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 9: Defined Benefit Pension Plan (continued)

Proportionate Share of Net Pension Liability (continued)

Amortization of Deferred Outflows and Deferred Inflows of Resources

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:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

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

As of the start of the measurement period (July 1, 2023), the Town's net pension liability was \$6,001,919. For the measurement period ending June 30, 2024 (the measurement date), the Town incurred a pension expense of \$1,340,258.

As of June 30, 2025, the Town has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred outflows of resources	Deferred inflows of resources
Changes of assumptions	\$ 152,158	\$ -
Differences between expected and actual experience	511,843	19,972
Differences between projected and actual investment earnings	340,811	-
Differences between employer's contributions and proportionate share of contributions	-	200,462
Change in employer's proportion	184,342	-
Pension contributions made subsequent to measurement date	886,812	-
Total	<u>\$ 2,075,966</u>	<u>\$ 220,434</u>

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 9: Defined Benefit Pension Plan (continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (continued)

The amounts above are net of outflows and inflows recognized in the 2023-24 measurement period expense. Contributions subsequent to the measurement date of \$886,812 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2025	\$ 344,445
2026	738,411
2027	2,656
2028	(116,792)
2029	-
Thereafter	-

Payable to the Pension Plan

As of June 30, 2025, Town reported a payable of \$16,689 for the outstanding amount of contributions to the pension plan required for the year then ended.

Note 10: Other post-employment benefits (OPEB)

Plan Description

The Town has established an agent multiple-employer Retiree Healthcare Plan (HC Plan). This coverage is available for employees who satisfy the requirements for retirement under the California Public Employees Retirement System (PERS), which requires the attainment of age 50 (age 52, if new to CalPERS on or after January 1, 2013) with five years of State or public agency service or approved disability retirement. The healthcare coverage provided by PERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 75. Medical plan benefits are provided through CalPERS, as permitted by the Public Employees' Medical and Hospital and Care Act (PEMHCA). As a PEMHCA employer, the Town has elected the unequal contribution method, where the contribution will be increased annually until it reaches the same employer contribution as active employee medical plan coverage. A separate financial report is not prepared for the HC Plan.

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 10: Other post-employment benefits (OPEB) (continued)

Employees Covered

As of the June 30, 2023 valuation date, the following current and former employees were covered by the benefit terms under the HC Plan:

Active employees	48
Inactive employees or beneficiaries currently receiving benefits	5
Total	53
Inactive plan members entitled but not receiving benefits	28
*Retirees eligible to return to the Town for PEMHCA coverage.	

Contributions

The HC Plan and its contribution requirements are established and may be amended by the Town Council. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2025, the Town's contributions were \$81,446 in payments to the trust, \$7,560 in contributions in the form of direct benefit payments (not reimbursed by the trust), and the estimated implied subsidy was \$48,339 resulting in a total of \$137,345. In fiscal year 2015, the Town established an Irrevocable Trust with the Public Agency Retirement Services (PARS). The Irrevocable Trust was required to fully implement the Town Council's direction of prefunding the Town's OPEB liability.

Net OPEB Liability

The Town's net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2023, based on the following actuarial methods and assumptions:

Actuarial Assumptions:

Discount Rate	6.00%
Inflation	2.50% per year
Salary Increases	3.00% per year, used to allocate the cost of benefits between service years
Investment Rate of Return	6.00% as of June 30, 2024, and 6.0% as of June 30, 2023 net of plan investment related expenses.
Mortality	MacLeod Watt Scale 2022 applied generationally from 2017
Healthcare Trend Rate	6.50% and going down to 3.90% for years 2075 and on

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Weight	Asset Class Expected Return
Equity	60.00%	6.60% to 8.50%
Fixed Income	35.00%	3.30% to 5.70%
Cash	5.00%	2.60%
Total	<u>100.00%</u>	

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 10: Other post-employment benefits (OPEB) (continued)

Changes in Assumptions

There were no changes since the previous measurement period.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

The changes in the net OPEB liability for the HC Plan are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (B)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2024 (Measurement Date June 30, 2023)	\$ 901,425	\$ 923,944	\$ (22,519)
Changes recognized for the measurement period:			
Service cost	65,044	-	65,044
Interest	56,593	-	56,593
Differences between expected and actual experience	-	66,255	(66,255)
Contributions - employer	-	123,615	(123,615)
Net investment income	-	57,750	(57,750)
Benefit payments	(46,496)	(46,496)	-
Net change	<u>75,141</u>	<u>201,124</u>	<u>(125,983)</u>
Balance at June 30, 2025 (Measurement Date June 30, 2024)	<u>\$ 976,566</u>	<u>\$ 1,125,068</u>	<u>\$ (148,502)</u>

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

The following presents the net OPEB liability of the Town if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2024:

	1% Decrease 5.00%	Current discount rate 6.00%	1% Increase 7.00%
Net OPEB Liability	<u>\$ (29,866)</u>	<u>\$ (148,502)</u>	<u>\$ (246,783)</u>

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 10: Other post-employment benefits (OPEB) (continued)

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

The following presents the net OPEB liability of the Town if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2024:

	1% Decrease	Current healthcare cost trend rates	1% Increase
Net OPEB Liability	<u>\$ (262,194)</u>	<u>\$ (148,502)</u>	<u>\$ (8,575)</u>

OPEB Plan Fiduciary Net Position

PARS issues a publicly available financial report that may be obtained from the Public Agency Retirement Services, 4350 Von Karman Ave, Newport Beach, CA 92660.

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on trust earnings	5-year straight-line recognition
All other amounts	Straight-line recognition over the expected average remaining services lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period (9.01 years). In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having 0 remaining service years.

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 10: Other post-employment benefits (OPEB) (continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2025, the Town recognized OPEB expense of \$9,139, and deferred inflows and outflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Changes of assumptions	\$ 54,624	\$ 41,111
Differences between expected and actual experience	-	175,930
Net difference between projected and actual earnings on investments	-	28,821
Contributions subsequent to measurement date	<u>137,345</u>	<u>-</u>
Total	<u>\$ 191,969</u>	<u>\$ 245,862</u>

The \$137,345 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2023 measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal year ended June 30:	Deferred outflows/(inflows) of resources
2026	\$ (54,386)
2027	(23,894)
2028	(30,006)
2029	(24,064)
2030	(19,448)
Thereafter:	(39,440)

Note 11: Risk Management

The Town is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters. As such, the Town is a member of the Public Agency Risk Sharing Authority of California (PARSAC), a joint powers authority formed under Section 990 of the California Government Code for the purpose of providing joint-protection coverage and related risk management services.

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 11: Risk Management (continued)

Public Agency Risk Sharing Authority of California (PARSAC) Liability Program offers a combination of pooled and commercially purchased auto and general liability coverage, plus errors and omissions coverage, above individual Member Entity self-insured retentions to limits of \$35 million per occurrence. The self-insured retentions range from \$5,000 to \$750,000. The Town's retention is \$100,000 per occurrence. PARSAC provides coverage to \$1 million and above PARSAC's coverage layer, the CSAC Excess Insurance Authority provides pooled coverage to \$5 million. Above \$5 million, PARSAC Member Entities are covered through a combination of commercial excess insurance and reinsurance.

Employment Practices Liability coverage is provided through the Employment Risk Management Authority (ERMA). ERMA provides coverage above the Town's retention to \$1 million. Losses above \$1 million to \$35 million are covered through CSAC.

PARSAC implemented a Workers' Compensation Program on July 1, 1990. The Workers' Compensation Program offers coverage consistent with that mandated by state law. PARSAC provides coverage to \$500,000 above the Member Entity's self-insured retention which ranges from \$0 to \$350,000. The Local Agency Workers' Compensation Excess Pool (LAWCX) provides coverage above \$500,000 to \$5 million and losses above \$5 million to statutory limits are covered through joint purchased commercial excess insurance.

There was no significant reduction in insurance coverage by major categories from fiscal year 2020 to 2022 and no settlements exceeding insurance coverage over the past three years. Separate financial statements of PARSAC can be obtained from 1525 Response Road - Suite One, Sacramento California 95815.

Note 12: Successor Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26 (Bill) that provided for the dissolution of all redevelopment agencies in the State of California. Most cities in California had established a redevelopment agency that was included in its reporting entity as a blended component unit (since the Town's council, in many cases, also served as the governing board for those agencies). The Bill provided that upon dissolution of a redevelopment agency, either the Town or another unit of local government will agree to serve as the "Successor Agency" to hold the assets until they are distributed to other units of state and local government. On January 10, 2012 the Town of Yucca Valley's Council met and created the "Successor Agency" in accordance with the Bill as part of the Town's resolution number 12-01. In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

Subject to the control of a newly established Oversight Board, remaining 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 tax revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former Town of Yucca Valley Redevelopment Agency until all enforceable obligations of the prior redevelopment agency have been paid in full.

The movement of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) was reported from governmental funds of the Town to a Private-Purpose Trust Fiduciary Fund in the fiscal year 2012.

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 12: Successor Agency (continued)

The debt of the Successor Agency as of June 30, 2025 is as follows:

<u>Successor Agency:</u>	<u>Beginning balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>	<u>Long Term Debt</u>
Bonds 2018 - Direct lending	\$ 6,304,000	\$ -	\$ (349,000)	\$ 5,955,000	\$ 364,000	\$ 5,591,000

Tax Allocation Refunding Bonds 2018 (refunded 2008 Tax Allocation Bonds) – Direct lending

As of February 1, 2012, the former Redevelopment Agency's 2008 Tax Allocation Bonds were transferred to the Successor Agency to the Yucca Valley Redevelopment Agency due to ABx1 26, which dissolved redevelopment agencies in the State of California as of February 1, 2012. The Successor Agency, a separate legal entity, is responsible for the repayment of the principal and interest of the outstanding bonds. Revenues to the Successor Agency, in the form of property taxes, have been pledged for the repayment of enforceable obligations (which include the bonds).

In July, 2018, the Successor Agency to the Redevelopment Agency issued its Tax Allocation Refunding Bonds, Series 2018 (Federally Taxable) to fully refund the former Redevelopment Agency's 2008 Tax Allocation Bonds. The refunding resulted in significant annual savings by lowering the annual debt service payments, an economic gain of \$1,317,886, and in a cash flow net difference between service requirements of \$3,035,222.

In the event of default the Trustee may, by notice in writing by the owners of the bonds, declare the entire principal amount of the unpaid Tax Allocation Refunding Bonds 2018 and the accrued interest thereon to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable. The trustee shall exercise any other remedies available to the Trustee and the bond owners in law or at equity.

The outstanding balance of the refunding debt as of June 30, 2025 is \$5,955,000.

Future debt service requirements for the Tax Allocation Refunding Bonds 2018 are as follows:

Bonds payable		
<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 364,000	\$ 221,477
2027	378,000	207,598
2028	391,000	193,709
2029	404,000	178,310
2030	420,000	162,901
2031-2035	2,355,000	561,912
2036-2040	1,643,000	110,164
Totals	<u>\$ 5,955,000</u>	<u>\$ 1,636,071</u>

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 13: Risks and Uncertainties

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts may, or may not be immaterial.

Successor Agency

Deductions (expenses) incurred by the Successor Agency for the year ended June 30, 2025 (and subsequent years in which the Successor Agency is in operation) are subject to review by various State agencies and County in which the Successor Agency resides. If any expenses incurred or transfers made by the Successor Agency are disallowed by the State agencies or County, the Town, acting as the Successor Agency could be liable for the repayment of the disallowed costs from either its own funds or by the State withholding tax revenue remittances normally paid to the Town. The amount, if any, of expenses that may be disallowed by the State agencies or County, cannot be determined at this time, although management of the Successor Agency expects such amounts may, or may not be immaterial.

Note 14: Conduit Debt

Currently, the Town is a member of the California Municipal Finance Authority (Authority), which was formed on January 1, 2004, to provide financing in order to promote economic, cultural and community development, through the financing of economic development and charitable activities throughout California.

To further preservation of local affordable housing, the Town has approved the issuance of tax exempt revenue bonds in an aggregate amount not to exceed \$166,000,000 in order for Caritas Affordable Housing, Inc. (Caritas) to refund its previous 2014 bond issue and to obtain new money for the acquisition, construction, improvement and equipping of certain property located in San Clement, CA (b) certain capital expenditures for the properties that were financed with the 2014 bonds, including, but not limited to, the replacement of asphalt surfaces in and about such properties, including at the Aztec Mobile Home Estates (located in the Town); and (c) certain working capital expenditures as permitted by federal tax law.

The properties financed are pledged as collateral, and the bonds are payable solely from payments received from the rents received from residents. In addition, no commitments beyond the collateral, the payments from the private-sector entities, and maintenance of the tax-exempt status of the conduit debt obligation were extended by the Town for any of those bonds. As of June 30, 2025, the bonds have an aggregate outstanding principal amount payable of \$166.6 million.

The approval by the Town of the issuance of the bonds by the Authority relating to the Aztec Project is neither an approval of the underlying credit issues of the proposed Aztec Project nor an approval of the financial structure of the bonds. Neither the Town nor any department, official or officer thereof shall have any responsibility or liability whatsoever with respect to the bonds or any portion of the project. The bonds shall not constitute an obligation or indebtedness of the Town, and the assets and revenues of the Town are not being pledged as security for the payment of principal or interest on the bonds.

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 15: Fund balance reporting

The following functional detail and principal purpose of Fund Balance is presented to comply with the requirements of generally accepted accounting principles for restricted, committed, and assigned fund balances, to enhance fund balance information reported, and to improve fund balance decision usefulness:

	Special Revenue					Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
	General	Town Housing	Measure Y - Essential Services	Measure Z - Sewer Assessment	Desert Community Program Prop 68 Grant	Capital Projects Reserve	Debt Service		
Nonspendable:									
Advance to other funds	\$ 184,819	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 184,819
Prepaid items	206,946	-	-	-	-	-	-	-	206,946
Restricted:									
General government									
General government services	-	-	-	-	-	-	-	563,481	563,481
Public safety									
Animal services	296,404	-	-	-	-	-	-	-	296,404
Safety programs	-	-	-	-	-	-	-	1,180,973	1,180,973
Parks and recreation									
Recreation programs	39,460	-	-	-	(765,926)	-	-	-	(726,466)
Community development									
Community projects	-	-	-	-	-	-	18,749,122	99,301	18,848,423
Public works									
Fund's program	-	-	3,753,411	709,940	-	-	-	7,627,925	12,091,276
Section 115 Trust	3,284,524	-	-	-	-	-	-	-	3,284,524
Assigned to:									
Capital projects	-	-	-	-	-	12,409,367	-	58,600	12,467,967
Risk management	300,000	-	-	-	-	-	-	-	300,000
Emergency-catastrophic	1,000,000	-	-	-	-	-	-	-	1,000,000
Retirees obligations	500,000	-	-	-	-	-	-	-	500,000
Unassigned	16,832,444	(214,263)	-	-	-	-	-	-	16,618,181
Total fund balances	\$ 22,644,597	\$ (214,263)	\$ 3,753,411	\$ 709,940	\$ (765,926)	\$ 12,409,367	\$ 18,749,122	\$ 9,530,280	\$ 66,816,528

As of June 30, 2025, a deficit fund balance was recorded in the following funds:

<i>Major Special Revenue Funds:</i>	<i>Fund deficit</i>
Town Housing	\$ (214,263)

Town of Yucca Valley

**Notes to the Basic Financial Statements
For the year ended June 30, 2025**

Note 16: Commitments

Construction commitments are as follows:

Project name	Contract amount	Expended	Remaining
Senior Center Improvements	\$ 2,965,000	\$ 1,958,573	\$ 1,006,427
Acquatics/Recreation Center	51,000,000	20,042,775	30,957,225
Town Hall Redesign	500,000	375,380	124,620
TVLL Improvements	109,185	91,525	17,660
Old Town Public Improvements	3,250,000	3,167,607	82,393
Sports Complex Masterplan	120,000	118,017	1,983
Community Center Park Improvements	340,000	297,499	42,501
Townwide Berm Repairs	750,000	497,889	252,111
Totals	\$ 59,034,185	\$ 26,549,265	\$ 32,484,920

Note 17: Lease receivable

The Town entered into a lease agreement as a lessor with the County of San Bernardino for use of a building. The lease term is 15 years with 2 five-year options to extend. Lease payments of \$4,680 are due monthly with payments subject to a 2% increase at the end of the fifth and tenth years. During the year, the Town received \$10,662 and \$46,362 in interest and principal, respectively.

Note 18: Prior Period Restatement

As a result of the implementation of GASB 100, as described in Note 1, the Town is required to restate its June 30, 2024 governmental funds' fund balance. The Desert Community Program Prop 68 Grant Fund was previously reported as a nonmajor fund, and qualified as major for the year ending June 30, 2025. This qualifies as a change to or within the financial reporting entity, under the guidance of GASB 100.

	Desert Community Program Prop 68 Grant	Total Nonmajor Governmental Funds
Fund balance, as previously stated	\$ -	\$ 7,851,475
Change for implementation for GASBS No. 100	(13,099)	13,099
Fund balance, as restated	\$ (13,099)	\$ 7,864,574

Changes to the governmental net position had a net effect of zero on the prior year ending fund balance.





REQUIRED SUPPLEMENTARY INFORMATION



Town of Yucca Valley

**Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the year ended June 30, 2025**

	Budgeted amounts		Actual amounts	Variance with final budget
	Original	Final		
REVENUES				
Taxes:				
Property taxes	\$ 4,429,625	\$ 4,479,625	\$ 4,845,175	\$ 365,550
Property taxes in lieu	2,500,000	2,500,000	3,080,324	580,324
Sales tax	4,850,000	4,600,000	4,704,093	104,093
Transient occupancy tax	3,750,000	3,800,000	4,315,179	515,179
Franchise fees	1,367,300	1,367,300	1,319,092	(48,208)
Total taxes	16,896,925	16,746,925	18,263,863	1,516,938
Licenses and permits	95,000	95,000	85,368	(9,632)
Intergovernmental:				
Motor vehicle in lieu	30,000	30,000	34,320	4,320
HOPTR	25,000	25,000	23,202	(1,798)
Other	688,235	688,235	685,535	(2,700)
Total intergovernmental	743,235	743,235	743,057	(178)
Charges for services:				
Planning, engineering and building fee	905,160	905,160	1,108,193	203,033
Sports programs	125,000	125,000	166,682	41,682
Other	75,600	75,600	50,270	(25,330)
Total charges for services	1,105,760	1,105,760	1,325,145	219,385
Fines and forfeitures	175,000	175,000	135,813	(39,187)
Use of money and property:				
Investment earnings	725,000	1,050,000	1,896,669	846,669
Other	57,200	157,200	168,193	10,993
Total revenues	19,798,120	20,073,120	22,618,108	2,544,988

(continued on next page)

Town of Yucca Valley

**Required Supplementary Information
Budgetary Comparison Schedule, concluded
General Fund
For the year ended June 30, 2025**

	Budgeted amounts		Actual amounts	Variance with final budget
	Original	Final		
EXPENDITURES				
General government:				
Town council	\$ 214,387	\$ 214,387	\$ 181,687	\$ 32,700
Town clerk/attorney	767,027	892,027	797,106	94,921
Interdepartmental	895,193	933,193	687,253	245,940
Town administration	532,657	532,657	500,628	32,029
Management services	1,933,385	2,056,385	1,927,710	128,675
Total general government	4,342,649	4,628,649	4,094,384	534,265
Public safety:				
Police	6,051,000	6,051,000	5,897,558	153,442
Animal control	1,226,722	1,244,722	1,117,537	127,185
Total public safety	7,277,722	7,295,722	7,015,095	280,627
Parks and recreation	2,192,880	2,334,880	2,095,596	239,284
Public works	1,686,773	1,781,773	1,622,112	159,661
Community development	2,671,563	2,666,563	2,410,424	256,139
Total expenditures	18,171,587	18,707,587	17,237,611	1,469,976
Excess (deficiency) of revenues over (under) expenditures	1,626,533	1,365,533	5,380,497	4,014,964
OTHER FINANCING SOURCES (USES)				
Transfers in	54,000	54,000	54,000	-
Transfers out	(1,416,000)	(5,416,000)	(5,416,000)	-
Total other financing sources (uses)	(1,362,000)	(5,362,000)	(5,362,000)	-
Net change in fund balance	264,533	(3,996,467)	18,497	4,014,964
FUND BALANCE				
Beginning of year	22,626,100	22,626,100	22,626,100	-
End of year	\$ 22,890,633	\$ 18,629,633	\$ 22,644,597	\$ 4,014,964

Town of Yucca Valley

**Required Supplementary Information
Budgetary Comparison Schedule
Town Housing Special Revenue Fund
For the year ended June 30, 2025**

	Budgeted amounts		Actual amounts	Variance with final budget
	Original	Final		
REVENUES				
Investment earnings	\$ 2,000	\$ 2,000	\$ 3,785	\$ 1,785
Total revenues	2,000	2,000	3,785	1,785
EXPENDITURES				
Current:				
General government	2,500	2,500	1,250	1,250
Public works	55,500	61,000	7,543	53,457
Total expenditures	58,000	63,500	8,793	54,707
Excess (deficiency) of revenues over (under) expenditures	(56,000)	(61,500)	(5,008)	56,492
FUND BALANCE (DEFICIT)				
Beginning of year	(209,255)	(209,255)	(209,255)	-
End of year	\$ (265,255)	\$ (270,755)	\$ (214,263)	\$ 56,492

Town of Yucca Valley

**Required Supplementary Information
Budgetary Comparison Schedule
Measure Y – Town Essential Services Special Revenue Fund
For the year ended June 30, 2025**

	Budgeted amounts		Actual amounts	Variance with final budget
	Original	Final		
REVENUES				
Taxes	\$ 2,900,000	\$ 2,600,000	\$ 2,756,833	\$ 156,833
Investment earnings	25,000	25,000	25,343	343
Total revenues	<u>2,925,000</u>	<u>2,625,000</u>	<u>2,782,176</u>	<u>157,176</u>
EXPENDITURES				
Current:				
General government	354,000	330,000	128,067	201,933
Public safety	930,000	930,000	930,000	-
Parks and recreation	196,000	504,388	446,961	57,427
Public works	2,585,000	1,405,000	685,359	719,641
Community development	-	-	75,000	(75,000)
Total expenditures	<u>4,065,000</u>	<u>3,169,388</u>	<u>2,265,387</u>	<u>904,001</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,140,000)</u>	<u>(544,388)</u>	<u>516,789</u>	<u>1,061,177</u>
OTHER FINANCING SOURCES				
Transfers in	-	100,000	100,000	-
Transfers out	-	(2,110,000)	(250,000)	1,860,000
Total other financing sources	<u>-</u>	<u>(2,010,000)</u>	<u>(150,000)</u>	<u>1,860,000</u>
Net change in fund balance	(1,140,000)	(2,554,388)	366,789	2,921,177
FUND BALANCE				
Beginning of year	<u>3,386,622</u>	<u>3,386,622</u>	<u>3,386,622</u>	<u>-</u>
End of year	<u>\$ 2,246,622</u>	<u>\$ 832,234</u>	<u>\$ 3,753,411</u>	<u>\$ 2,921,177</u>

Town of Yucca Valley

**Required Supplementary Information
 Budgetary Comparison Schedule
 Measure Z – Sewer Assessment Assistance Special Revenue Fund
 For the year ended June 30, 2025**

	Budgeted amounts		Actual amounts	Variance with final budget
	Original	Final		
REVENUES				
Taxes	\$ 2,900,000	\$ 2,600,000	\$ 2,756,833	\$ 156,833
Investment earnings	5,000	5,000	6,652	1,652
Total revenues	<u>2,905,000</u>	<u>2,605,000</u>	<u>2,763,485</u>	<u>158,485</u>
EXPENDITURES				
Current:				
General government	<u>2,905,000</u>	<u>2,605,000</u>	<u>2,789,409</u>	<u>(184,409)</u>
Total expenditures	<u>2,905,000</u>	<u>2,605,000</u>	<u>2,789,409</u>	<u>(184,409)</u>
Net change in fund balance	-	-	(25,924)	(25,924)
FUND BALANCE				
Beginning of year	<u>735,864</u>	<u>735,864</u>	<u>735,864</u>	<u>-</u>
End of year	<u>\$ 735,864</u>	<u>\$ 735,864</u>	<u>\$ 709,940</u>	<u>\$ (25,924)</u>

Town of Yucca Valley

**Required Supplementary Information
 Budgetary Comparison Schedule
 Desert Community Program Prop 68 Grant Special Revenue Fund
 For the year ended June 30, 2025**

	Budgeted amounts		Actual amounts	Variance with final budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 18,504,135	\$ 12,754,896	\$ (5,749,239)
Investment earnings	-	-	46,072	46,072
Total revenues	-	18,504,135	12,800,968	(5,703,167)
EXPENDITURES				
Current:				
Parks and recreation	-	5,621,596	1,347,060	(4,274,536)
Public works	-	42,424,038	16,111,333	(26,312,705)
Total expenditures	-	48,045,634	17,458,393	(30,587,241)
Excess (deficiency) of revenues over (under) expenditures	-	(29,541,499)	(4,657,425)	24,884,074
OTHER FINANCING SOURCES (USES)				
OTHER FINANCING SOURCES(USES)				
Transfers in	-	29,554,598	3,904,598	(25,650,000)
Total other financing sources	-	29,554,598	3,904,598	(25,650,000)
Net change in fund balance	-	13,099	(752,827)	(765,926)
FUND BALANCE (DEFICIT)				
Beginning of year, previously reported	-	-	-	-
Adjustment - change from major to nonmajor	(13,099)	(13,099)	(13,099)	-
Beginning of year	(13,099)	(13,099)	(13,099)	-
End of year	\$ -	\$ -	\$ (765,926)	\$ (765,926)

Town of Yucca Valley

**Required Supplementary Information
Schedule of the Town's Proportionate Share of the Plan's Net Pension Liability
and Related Ratios as of the measurement date – Last 10 Years**

Measurement Date	Employer's Proportion of the Collective Net Pension Liability ¹	Employer's Proportionate Share of the Collective Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered Payroll	Pension Plans Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2015	0.05777%	\$ 3,965,258	\$ 2,135,328	185.70%	78.40%
6/30/2016	0.04782%	4,138,188	2,221,751	186.26%	74.06%
6/30/2017	0.04765%	4,725,488	2,336,296	202.26%	73.31%
6/30/2018	0.04807%	4,632,444	2,366,626	195.74%	75.26%
6/30/2019	0.04588%	4,701,133	2,310,070	203.51%	75.26%
6/30/2020	0.04732%	5,148,536	2,586,000	199.09%	75.10%
6/30/2021	0.03578%	1,935,042	2,798,265	69.15%	88.29%
6/30/2022	0.04748%	5,484,589	3,021,783	181.50%	76.68%
6/30/2023	0.04811%	6,001,919	3,275,659	183.23%	76.21%
6/30/2024	0.04882%	5,920,059	3,681,405	160.81%	78.08%

¹ Proportion of the collective net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk pools excluding the 1959 Survivors Risk Pool.

Town of Yucca Valley

**Required Supplementary Information
Schedule of Pension Plan's Contributions – Last 10 Years**

<u>Fiscal Year</u>	<u>Actuarially Determined Contributions</u>	<u>Contributions in Relation to the Actuarially Determined Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2016	\$ 455,028	\$ (1,096,580)	\$ (641,552)	\$ 2,221,751	49.36%
6/30/2017	394,738	(394,738)	-	2,336,296	16.90%
6/30/2018	431,923	(431,923)	-	2,366,626	18.25%
6/30/2019	833,506	(833,506)	-	2,310,070	36.08%
6/30/2020	565,731	(565,731)	-	2,586,000	21.88%
6/30/2021	644,070	(1,271,095)	(627,025)	2,798,265	45.42%
6/30/2022	684,049	(684,049)	-	3,021,783	22.64%
6/30/2023	740,106	(740,106)	-	3,275,659	22.59%
6/30/2024	775,442	(775,442)	-	3,681,405	21.06%
6/30/2025	886,812	(886,812)	-	3,903,339	22.72%

Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees such as Golden Handshakes, service purchases, and other prior service costs. Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed employer-specific liabilities. These employers should consult with their auditors. Additionally, the figures above do not include any liability impact that occurred after the June 30, 2023, valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

Town of Yucca Valley

**Required Supplementary Information
Schedule of Changes in Net OPEB Liability /(Asset) and Related Ratios – Last 10 Years***

Measurement Period	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service Cost	\$ 65,044	\$ 63,043	\$ 61,207	\$ 47,056	\$ 45,575	\$ 47,634	\$ 46,135	\$ 43,662
Interest	56,593	58,721	53,877	45,739	41,836	56,791	52,546	63,239
Differences between expected and actual experience	-	(128,429)	-	(38,330)	-	(235,199)	-	(153,123)
Changes of assumptions	-	(48,365)	-	108,976	-	(14,420)	-	(7,319)
Benefit payments	(46,496)	(39,625)	(22,757)	(16,175)	(25,864)	(27,364)	(38,220)	(37,914)
Net change in Total OPEB Liability	75,141	(94,655)	92,327	147,266	61,547	(172,558)	60,461	(91,455)
Total OPEB Liability - beginning	901,425	996,080	903,753	756,487	694,940	867,498	807,037	898,492
Total OPEB Liability - ending (a)	976,566	901,425	996,080	903,753	756,487	694,940	867,498	807,037
Plan Fiduciary Net Position								
Contribution - employer	123,615	109,568	70,247	42,082	160,812	119,672	134,481	109,688
Net investment income	124,005	75,670	(124,509)	176,574	16,482	27,459	2,037	27,376
Benefit payments	(46,496)	(39,625)	(22,757)	(16,175)	(25,864)	(27,364)	(38,220)	(37,914)
Net change in Plan Fiduciary Net Position	201,124	145,613	(77,019)	202,481	151,430	119,767	98,298	99,150
Plan Fiduciary Net Position - beginning	923,944	778,331	855,350	652,869	501,439	381,672	283,374	184,224
Plan Fiduciary Net Position - ending (b)	1,125,068	923,944	778,331	855,350	652,869	501,439	381,672	283,374
Net OPEB Liability/(Asset) - ending (a) - (b)	\$ (148,502)	\$ (22,519)	\$ 217,749	\$ 48,403	\$ 103,618	\$ 193,501	\$ 485,826	\$ 523,663
Plan fiduciary net position as a percentage of the total OPEB liability	115.21%	102.50%	78.14%	94.64%	86.30%	72.16%	44.00%	35.11%
Covered-employee payroll	\$ 3,659,782	\$ 3,275,916	\$ 3,021,783	\$ 2,798,265	\$ 2,695,043	\$ 2,310,071	\$ 2,381,721	\$ 2,336,296
Net OPEB liability as a percentage of covered-employee payroll	-4.06%	-0.69%	7.21%	1.73%	3.84%	8.38%	20.40%	22.41%

Notes to schedule:

Changes Since the Prior Valuation:

None

The OPEB Plan contributions are not based on a measure of pay, consequently, covered-employee payroll amounts disclosed as the measure of payroll reflect the payroll for employees that are provided benefits through the OPEB Plan.

*Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

Town of Yucca Valley

**Required Supplementary Information
Schedule of OPEB Contributions – Last 10 Years***

Fiscal Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
6/30/2018	\$ 93,747	\$ (134,481)	\$ (40,734)	\$ 2,381,721	5.65%
6/30/2019	82,444	(119,672)	(37,228)	2,310,071	5.18%
6/30/2020	85,044	(133,862)	(48,818)	2,695,043	4.97%
6/30/2021	56,716	(42,082)	14,634	2,798,265	1.50%
6/30/2022	58,443	(70,247)	(11,804)	3,021,783	2.32%
6/30/2023	69,225	(109,568)	(40,343)	3,275,916	3.34%
6/30/2024	67,310	(123,615)	(56,305)	3,659,782	3.38%
6/30/2025	65,308	(137,345)	(72,037)	3,884,553	3.54%

Notes to schedule:

Valuation date used	<u>6/30/2024</u>
Actuarial cost method	Entry Age Normal
Amortization method	Level % of pay
Amortization period	30 Years open
Asset valuation method	Fair Value
Inflation	2.50%
Healthcare cost trend rates	6.50%
Salary increases	3.00%
Investment rate of return	6.00%
Retirement age	From 50 to 75
Mortality	2021 CalPers Study
Mortality improvement	McLeod Watts Scale 2022

*Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

**Notes to Required Supplementary Information
For the year ended June 30, 2025**

Note 1: Budgets and budgetary data

Before the beginning of the fiscal year, the Town Manager submits to the Town Council a proposed budget for the year commencing the following July 1. Public hearings are conducted to obtain taxpayer comments and the budget is subsequently adopted through passage of a resolution.

All appropriated amounts are as originally adopted or as amended by the Town Council and lapse at year-end in the General Fund. For all Special Revenue Funds, unexpended appropriations for approved individual projects are carried forward to the following fiscal year. Encumbrances and continuing appropriations are re-budgeted on July 1 by Council Action. Budgetary control is exercised at the fund level. Original appropriations are modified by supplementary appropriations and transfers among budget categories. The Town Manager, Deputy Town Manager of Administrative Services, and Finance Manager have the authority to approve budget transfers within funds, as long as there is no net increase. Council approval is required for transfers between funds, or for an increase in total appropriations.

Formal budgetary integration is employed as a management control device during the year for the general, special revenue, and capital projects funds. Budgets for these funds are adopted on a basis consistent with generally accepted accounting principles for all government funds.





SUPPLEMENTAL SCHEDULES



Town of Yucca Valley

**Combined Balance Sheet
Nonmajor Governmental Funds
June 30, 2025**

	Special Revenue Funds	Capital Projects Funds	Totals
ASSETS			
Cash and investments	\$ 8,279,868	\$ 58,600	\$ 8,338,468
Receivables:			
Accounts, net	23,587	-	23,587
Due from other governments	1,351,851	-	1,351,851
Advance to other funds	582,705	-	582,705
Total assets	<u>\$ 10,238,011</u>	<u>\$ 58,600</u>	<u>\$ 10,296,611</u>
LIABILITIES AND FUND BALANCES OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 672,191	\$ -	\$ 672,191
Accrued salaries	11,634	-	11,634
Retentions payable	82,506	-	82,506
Total liabilities	<u>766,331</u>	<u>-</u>	<u>766,331</u>
Fund balances:			
Nonspendable:			
Advance to other funds	-	-	-
Restricted:			
General government	563,481	-	563,481
Public safety	1,180,973	-	1,180,973
Community development	99,301	-	99,301
Public works	7,627,925	-	7,627,925
Assigned	-	58,600	58,600
Total fund balances	<u>9,471,680</u>	<u>58,600</u>	<u>9,530,280</u>
Total liabilities and fund balances	<u>\$ 10,238,011</u>	<u>\$ 58,600</u>	<u>\$ 10,296,611</u>

Town of Yucca Valley

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2025**

	Special Revenue Funds	Capital Projects Funds	Totals
REVENUES			
Taxes	\$ 114,384	\$ -	\$ 114,384
Intergovernmental	7,341,848	-	7,341,848
Charges for services	10,186	-	10,186
Fines, fees and forfeitures	66,811	-	66,811
Investment earnings	56,917	407	57,324
Other	31,509	-	31,509
Total revenues	7,621,655	407	7,622,062
EXPENDITURES			
Current:			
General government	40,500	-	40,500
Public safety	68,099	-	68,099
Parks and recreation	1,697,551	-	1,697,551
Public works	1,435,854	-	1,435,854
Community development	18,254	-	18,254
Total expenditures	3,260,258	-	3,260,258
Excess (deficiency) of revenues over (under) expenditures	4,361,397	407	4,361,804
OTHER FINANCING SOURCES (USES)			
Transfers in	1,747,339	-	1,747,339
Transfers out	(4,443,437)	-	(4,443,437)
Total other financing sources (uses)	(2,696,098)	-	(2,696,098)
Net change in fund balances	1,665,299	407	1,665,706
FUND BALANCES			
Fund balance, previously reported	7,793,282	58,193	7,851,475
Adjustment - change from nonmajor to major	13,099	-	13,099
Beginning of year	7,806,381	58,193	7,864,574
End of year	<u>\$ 9,471,680</u>	<u>\$ 58,600</u>	<u>\$ 9,530,280</u>

Town of Yucca Valley

Nonmajor Special Revenue Funds - Fund Descriptions For the year ended June 30, 2025

Special Revenue Funds are used to account for the proceeds derived from specific revenue sources which are legally restricted to expenditures for specified purposes.

Quimby Fees – Established as a fund to account for monies received as paid-in-lieu funds pursuant to the requirements of the Town Ordinance relating to the dedication of land for parks and recreational purposes.

Traffic Safety – Established to account for expenditures financed by revenue generated from the enforcement of California vehicle codes and town ordinances. These restricted funds may be used only for traffic signals, school crossing guards, and other related traffic safety expenditures.

Asset Seizure – Established to account for assets seized during police narcotic activities.

Gas Tax – Established to account for receipts and expenditures of money apportioned under Street and Highway Code Sections 2105, 2106, 2107, and 2107.5 of the State of California. These funds must be spent only for street maintenance, repairs or construction. A limited amount may be spent on related engineering costs.

Local Transportation Act – Established to account for financial transactions per Article No. 8 of the Transportation Development Action of 1971 (SB325) State of California Streets, Roads, Bicycle and Pedestrian Capital Facilities.

Street in Lieu – Established as a fund to account for monies received as paid-in-lieu funds pursuant to the requirements of the Town Ordinance relating to delayed improvements.

Measure I – 2010-2040 – Established to account for revenues from a voter approved (1/2%) local transportation sales tax for Measure I - 2010-2040, for the use in unrestricted street projects.

Road Maintenance Rehabilitation – Established to account for receipts and expenditures of money apportioned under the Road Repair and Accountability Act of 2017, to address basic road maintenance, rehabilitation, and critical safety needs on both State and local roads.

Mello-Roos – Established to provide maintenance of streets, roads and other qualified infrastructure construction as part of new development pursuant to the Mello-Roos Community Facility Act of 1982, which provides a mechanism for funding such maintenance activities.

COPS – LLESA – Established by the American Recovery and Reinvestment Act to create and enhance crime prevention involving cooperation between community residents and law enforcement personnel to control, detect and investigate crime and the prosecution of criminals.

JAG Grant – Established to account for the receipts and expenditures of grant money from the Edward Byrne Memorial Justice Assistance Grant (JAG) to support a range of programs including, but not limited to, law enforcement, crime prevention and education, technology improvement, drug treatment and enforcement.

ARPA – This fund accounts for revenues and expenditures from the American Rescue Plan Act.

Recycling Activities Grant – Established to account for grant money for eligible cities and counties, for beverage container recycling and litter cleanup activities.

Landscape and Lighting Maintenance – Established to provide regular maintenance, repair and replacement of all facilities within the public rights-of-ways or easements which shall include, but not be limited to, the landscaping, irrigation system, signage, perimeter wall, retaining walls, pedestrian path and erosion control plantings within or adjacent to the detention basins and drainage swale.



Town of Yucca Valley

**Nonmajor Special Revenue Funds - Fund Descriptions (concluded)
For the year ended June 30, 2025**

Street and Drainage District – Established to provide improvements and maintenance of streets, roads, and highways needed to keep the streets in a safe condition and to preserve the street network. Also, for maintenance and operation of drainage and flood control facilities, including but not limited to floodways, channels, percolation pond, storm drain systems including pipes and catch basins and appurtenant facilities.

Development Impact Fees Fund – Established as depository for development impact fees. The fees are levied against new development in the Town in order to pay for the construction or improvement funds of public facilities as a result of Town growth.

Active Transportation Program – Established to account for the receipts and expenditures under the ATP grant. The purpose of ATP is to encourage increased use of active modes of transportation.

CMAQ – Established to account for the receipts and expenditures under the Congestion Mitigation and Air Quality (CMAQ) Program grant. The purpose of the CMAQ grant is to fund transportation projects and programs to help meet the requirements of the Clean Air Act.

Town of Yucca Valley

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2025**

	<u>Quimby Fees</u>	<u>Traffic Safety</u>	<u>Asset Seizure</u>	<u>Gas Tax</u>
ASSETS				
Cash and investments	\$ 11,452	\$ 240,275	\$ 53,141	\$ 514,494
Receivables:				
Accounts, net	-	-	-	-
Due from other governments	-	696	-	52,348
Advance to other funds	-	-	-	-
Total assets	<u>\$ 11,452</u>	<u>\$ 240,971</u>	<u>\$ 53,141</u>	<u>\$ 566,842</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 47,347
Accrued salaries	-	-	-	2,927
Retentions payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,274</u>
Fund balances:				
Nonspendable:				
Advance to other funds	-	-	-	-
Restricted:				
General government	-	-	-	-
Public safety	-	240,971	53,141	-
Community development	-	-	-	-
Public works	11,452	-	-	516,568
Total fund balances	<u>11,452</u>	<u>240,971</u>	<u>53,141</u>	<u>516,568</u>
Total liabilities and fund balances	<u>\$ 11,452</u>	<u>\$ 240,971</u>	<u>\$ 53,141</u>	<u>\$ 566,842</u>

Local Transportation Act	Street in Lieu	Measure I - 2010-2040	Road Maintenance Rehabilitation	Mello-Roos	COPS - LLESA
\$ 256,256	\$ 497,638	\$ 2,026,003	\$ 593,319	\$ 453,492	\$ 925,661
-	-	-	-	14,587	-
-	-	190,382	104,675	5,717	-
-	-	-	-	-	-
<u>\$ 256,256</u>	<u>\$ 497,638</u>	<u>\$ 2,216,385</u>	<u>\$ 697,994</u>	<u>\$ 473,796</u>	<u>\$ 925,661</u>
\$ -	\$ -	\$ 11,802	\$ -	\$ 6,621	\$ 59,459
-	-	8,707	-	-	-
-	-	-	-	-	-
-	-	20,509	-	6,621	59,459
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	866,202
-	-	-	-	-	-
256,256	497,638	2,195,876	697,994	467,175	-
<u>256,256</u>	<u>497,638</u>	<u>2,195,876</u>	<u>697,994</u>	<u>467,175</u>	<u>866,202</u>
<u>\$ 256,256</u>	<u>\$ 497,638</u>	<u>\$ 2,216,385</u>	<u>\$ 697,994</u>	<u>\$ 473,796</u>	<u>\$ 925,661</u>

Town of Yucca Valley

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2025**

	JAG Grant Fund	ARPA	Recycling Activities Grant	Landscape and Lighting Maintenance
ASSETS				
Cash and investments	\$ 20,659	\$ 183,762	\$ 99,301	\$ 99,781
Receivables:				
Accounts, net	-	-	-	-
Due from other governments	-	998,000	-	23
Advance to other funds	-	-	-	-
Total assets	\$ 20,659	\$ 1,181,762	\$ 99,301	\$ 99,804
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 535,775	\$ -	\$ 434
Accrued salaries	-	-	-	-
Retentions payable	-	82,506	-	-
Total liabilities	-	618,281	-	434
Fund balances:				
Nonspendable:				
Advance to other funds	-	-	-	-
Restricted:				
General government	-	563,481	-	-
Public safety	20,659	-	-	-
Community development	-	-	99,301	-
Public works	-	-	-	99,370
Total fund balances	20,659	563,481	99,301	99,370
Total liabilities and fund balances	\$ 20,659	\$ 1,181,762	\$ 99,301	\$ 99,804

Street and Drainage District	Development Impact Fees	Active Transportation Program	CMAQ	Total
\$ 387,229	\$ 1,915,745	\$ 310	\$ 1,350	\$ 8,279,868
-	-	-	9,000	23,587
10	-	-	-	1,351,851
-	582,705	-	-	582,705
<u>\$ 387,239</u>	<u>\$ 2,498,450</u>	<u>\$ 310</u>	<u>\$ 10,350</u>	<u>\$ 10,238,011</u>
\$ 443	\$ -	\$ 310	\$ 10,000	\$ 672,191
-	-	-	-	11,634
-	-	-	-	82,506
<u>443</u>	<u>-</u>	<u>310</u>	<u>10,000</u>	<u>766,331</u>
-	-	-	-	-
-	-	-	-	563,481
-	-	-	-	1,180,973
-	-	-	-	99,301
<u>386,796</u>	<u>2,498,450</u>	<u>-</u>	<u>350</u>	<u>7,627,925</u>
<u>386,796</u>	<u>2,498,450</u>	<u>-</u>	<u>350</u>	<u>9,471,680</u>
<u>\$ 387,239</u>	<u>\$ 2,498,450</u>	<u>\$ 310</u>	<u>\$ 10,350</u>	<u>\$ 10,238,011</u>

Town of Yucca Valley

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended June 30, 2025**

	<u>Quimby Fees</u>	<u>Traffic Safety</u>	<u>Asset Seizure</u>	<u>Gas Tax</u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	617,274
Charges for services	-	-	-	-
Fines, fees and forfeitures	-	3,424	-	-
Investment earnings	79	1,707	150	4,542
Other revenue	-	-	31,509	-
	<u>-</u>	<u>-</u>	<u>31,509</u>	<u>-</u>
Total revenues	<u>79</u>	<u>5,131</u>	<u>31,659</u>	<u>621,816</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	832,695
Community development	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>832,695</u>
Excess (deficiency) of revenues over (under) expenditures	<u>79</u>	<u>5,131</u>	<u>31,659</u>	<u>(210,879)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	79	5,131	31,659	(210,879)
FUND BALANCES (DEFICIT):				
Fund balances, previously reported	11,373	235,840	21,482	727,447
Adjustment - change from nonmajor to major	-	-	-	-
	<u>11,373</u>	<u>235,840</u>	<u>21,482</u>	<u>727,447</u>
Beginning of year, as restated	<u>11,373</u>	<u>235,840</u>	<u>21,482</u>	<u>727,447</u>
End of year	<u>\$ 11,452</u>	<u>\$ 240,971</u>	<u>\$ 53,141</u>	<u>\$ 516,568</u>

Local Transportation Act	Street in Lieu	Measure I - 2010- 2040	Road Maintenance Rehabilitation	Mello-Roos	COPS - LLESA
\$ -	\$ -	\$ -	\$ -	\$ 114,384	\$ -
-	-	986,568	594,002	-	194,820
-	-	-	-	-	-
-	-	-	-	-	-
1,780	3,456	13,796	2,693	2,888	6,041
-	-	-	-	-	-
<u>1,780</u>	<u>3,456</u>	<u>1,000,364</u>	<u>596,695</u>	<u>117,272</u>	<u>200,861</u>
-	-	-	-	-	-
-	-	-	-	-	68,099
-	-	-	-	-	-
-	-	568,425	-	18,806	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>568,425</u>	<u>-</u>	<u>18,806</u>	<u>68,099</u>
<u>1,780</u>	<u>3,456</u>	<u>431,939</u>	<u>596,695</u>	<u>98,466</u>	<u>132,762</u>
-	-	484,839	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>484,839</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,780	3,456	916,778	596,695	98,466	132,762
254,476	494,182	1,279,098	101,299	368,709	733,440
-	-	-	-	-	-
<u>254,476</u>	<u>494,182</u>	<u>1,279,098</u>	<u>101,299</u>	<u>368,709</u>	<u>733,440</u>
<u>\$ 256,256</u>	<u>\$ 497,638</u>	<u>\$ 2,195,876</u>	<u>\$ 697,994</u>	<u>\$ 467,175</u>	<u>\$ 866,202</u>

Town of Yucca Valley

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended June 30, 2025**

	JAG Grant Fund	ARPA	Recycling Activities Grant	Landscape and Lighting Maintenance
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	4,902,598	5,736	-
Charges for services	-	-	-	4,019
Fines, fees and forfeitures	-	-	-	-
Investment earnings	143	-	729	699
Other revenue	-	-	-	-
Total revenues	<u>143</u>	<u>4,902,598</u>	<u>6,465</u>	<u>4,718</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	1,697,551	-	-
Public works	-	-	1,963	5,216
Community development	-	-	18,254	-
Total expenditures	<u>-</u>	<u>1,697,551</u>	<u>20,217</u>	<u>5,216</u>
Excess (deficiency) of revenues over (under) expenditures	<u>143</u>	<u>3,205,047</u>	<u>(13,752)</u>	<u>(498)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,262,500	-	-
Transfers out	-	(3,904,598)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(2,642,098)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	143	562,949	(13,752)	(498)
FUND BALANCES (DEFICIT):				
Fund balances, previously reported	20,516	532	113,053	99,868
Adjustment - change from nonmajor to major	-	-	-	-
Beginning of year, as restated	<u>20,516</u>	<u>532</u>	<u>113,053</u>	<u>99,868</u>
End of year	<u>\$ 20,659</u>	<u>\$ 563,481</u>	<u>\$ 99,301</u>	<u>\$ 99,370</u>

Street and Drainage District	Development Impact Fees	Active Transportation Program	Desert Community Program Prop 68 Grant (formerly non-major)	CMAQ	Total
\$ -	\$ -	\$ -		\$ -	\$ 114,384
-	-	-		40,850	7,341,848
6,167	-	-		-	10,186
-	63,387	-		-	66,811
2,699	15,515	-		-	56,917
-	-	-		-	31,509
<u>8,866</u>	<u>78,902</u>	<u>-</u>		<u>40,850</u>	<u>7,621,655</u>
-	-	-		40,500	40,500
-	-	-		-	68,099
-	-	-		-	1,697,551
6,709	-	2,040		-	1,435,854
-	-	-		-	18,254
<u>6,709</u>	<u>-</u>	<u>2,040</u>		<u>40,500</u>	<u>3,260,258</u>
<u>2,157</u>	<u>78,902</u>	<u>(2,040)</u>		<u>350</u>	<u>4,361,397</u>
-	-	-		-	1,747,339
-	(54,000)	(484,839)		-	(4,443,437)
-	(54,000)	(484,839)		-	(2,696,098)
2,157	24,902	(486,879)		350	1,665,299
384,639	2,473,548	486,879	(13,099)	-	7,793,282
-	-	-	13,099	-	13,099
<u>384,639</u>	<u>2,473,548</u>	<u>486,879</u>	<u>-</u>	<u>-</u>	<u>7,806,381</u>
<u>\$ 386,796</u>	<u>\$ 2,498,450</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350</u>	<u>\$ 9,471,680</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Quimby Fees Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Investment earnings	<u>\$ 100</u>	<u>\$ 79</u>	<u>\$ (21)</u>
Total revenues	<u>100</u>	<u>79</u>	<u>(21)</u>
EXPENDITURES			
General government	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Total expenditures	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Net change in fund balance	(2,400)	79	2,479
FUND BALANCE			
Beginning of year	<u>11,373</u>	<u>11,373</u>	<u>-</u>
End of year	<u>\$ 8,973</u>	<u>\$ 11,452</u>	<u>\$ 2,479</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Traffic Safety Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Fines, fees and forfeitures	\$ 5,000	\$ 3,424	\$ (1,576)
Investment earnings	<u>1,000</u>	<u>1,707</u>	<u>707</u>
Total revenues	<u>6,000</u>	<u>5,131</u>	<u>(869)</u>
EXPENDITURES			
Current:			
General government	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Net change in fund balance	(44,000)	5,131	49,131
FUND BALANCE			
Beginning of year	<u>235,840</u>	<u>235,840</u>	<u>-</u>
End of year	<u>\$ 191,840</u>	<u>\$ 240,971</u>	<u>\$ 49,131</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Asset Seizure Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Investment earnings	\$ 100	\$ 150	\$ 50
Other revenue	-	31,509	31,509
	<u>100</u>	<u>31,659</u>	<u>31,559</u>
EXPENDITURES			
Current:			
Public safety	<u>2,500</u>	<u>-</u>	<u>2,500</u>
	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Net change in fund balance	(2,400)	31,659	34,059
FUND BALANCE			
Beginning of year	<u>21,482</u>	<u>21,482</u>	<u>-</u>
End of year	<u>\$ 19,082</u>	<u>\$ 53,141</u>	<u>\$ 34,059</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Gas Tax Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Intergovernmental	\$ 605,395	\$ 617,274	\$ 11,879
Investment earnings	<u>2,000</u>	<u>4,542</u>	<u>2,542</u>
Total revenues	<u>607,395</u>	<u>621,816</u>	<u>14,421</u>
EXPENDITURES			
Current:			
Public works	<u>1,024,600</u>	<u>832,695</u>	<u>191,905</u>
Total expenditures	<u>1,024,600</u>	<u>832,695</u>	<u>191,905</u>
Net change in fund balance	(417,205)	(210,879)	206,326
FUND BALANCE			
Beginning of year	<u>727,447</u>	<u>727,447</u>	<u>-</u>
End of year	<u>\$ 310,242</u>	<u>\$ 516,568</u>	<u>\$ 206,326</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Local Transportation Act Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Investment earnings	<u>\$ 500</u>	<u>\$ 1,780</u>	<u>\$ 1,280</u>
Total revenues	<u>500</u>	<u>1,780</u>	<u>1,280</u>
EXPENDITURES			
Current:			
Public works	<u>254,000</u>	<u>-</u>	<u>254,000</u>
Total expenditures	<u>254,000</u>	<u>-</u>	<u>254,000</u>
Net change in fund balance	<u>(253,500)</u>	<u>1,780</u>	<u>255,280</u>
FUND BALANCE			
Beginning of year	<u>254,476</u>	<u>254,476</u>	<u>-</u>
End of year	<u>\$ 976</u>	<u>\$ 256,256</u>	<u>\$ 255,280</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Street in Lieu Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Investment earnings	<u>\$ 1,500</u>	<u>\$ 3,456</u>	<u>\$ 1,956</u>
Total revenues	<u>1,500</u>	<u>3,456</u>	<u>1,956</u>
EXPENDITURES			
Current:			
Public works	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Net change in fund balance	(48,500)	3,456	51,956
FUND BALANCE			
Beginning of year	<u>494,182</u>	<u>494,182</u>	<u>-</u>
End of year	<u><u>\$ 445,682</u></u>	<u><u>\$ 497,638</u></u>	<u><u>\$ 51,956</u></u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Measure I – 2010 – 2040 Special Revenue Fund
For the year ended June 30, 2025**

	Final budgeted amounts	Actual amounts	Variance with final budget
REVENUES			
Intergovernmental	\$ 850,000	\$ 986,568	\$ 136,568
Investment earnings	10,000	13,796	3,796
Total revenues	<u>860,000</u>	<u>1,000,364</u>	<u>140,364</u>
EXPENDITURES			
Current:			
Public works	<u>2,283,400</u>	<u>568,425</u>	<u>1,714,975</u>
Total expenditures	<u>2,283,400</u>	<u>568,425</u>	<u>1,714,975</u>
Excess of revenues over expenditures	<u>(1,423,400)</u>	<u>431,939</u>	<u>1,855,339</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>487,094</u>	<u>484,839</u>	<u>(2,255)</u>
Total other financing sources (uses)	<u>487,094</u>	<u>484,839</u>	<u>(2,255)</u>
Net change in fund balance	(936,306)	916,778	1,853,084
FUND BALANCE			
Beginning of year	<u>1,279,098</u>	<u>1,279,098</u>	<u>-</u>
End of year	<u>\$ 342,792</u>	<u>\$ 2,195,876</u>	<u>\$ 1,853,084</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Road Maintenance Rehabilitation Special Revenue Fund
For the year ended June 30, 2025**

	Final budgeted amounts	Actual amounts	Variance with final budget
REVENUES			
Intergovernmental	\$ 557,734	\$ 594,002	\$ 36,268
Investment earnings	1,500	2,693	1,193
Total revenues	<u>559,234</u>	<u>596,695</u>	<u>37,461</u>
EXPENDITURES			
Current:			
Public works	<u>633,153</u>	-	<u>633,153</u>
Total expenditures	<u>633,153</u>	-	<u>633,153</u>
Net change in fund balance	(73,919)	596,695	670,614
FUND BALANCE			
Beginning of year	<u>101,299</u>	<u>101,299</u>	-
End of year	<u>\$ 27,380</u>	<u>\$ 697,994</u>	<u>\$ 670,614</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Mello-Roos Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Taxes	\$ 112,100	\$ 114,384	\$ 2,284
Investment earnings	500	2,888	2,388
Total revenues	<u>112,600</u>	<u>117,272</u>	<u>4,672</u>
EXPENDITURES			
Current:			
Public works	<u>67,800</u>	<u>18,806</u>	<u>48,994</u>
Total expenditures	<u>67,800</u>	<u>18,806</u>	<u>48,994</u>
Net change in fund balance	44,800	98,466	53,666
FUND BALANCE			
Beginning of year	<u>368,709</u>	<u>368,709</u>	<u>-</u>
End of year	<u>\$ 413,509</u>	<u>\$ 467,175</u>	<u>\$ 53,666</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
COPS - LLESA Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Intergovernmental	\$ 150,000	\$ 194,820	\$ 44,820
Investment earnings	<u>1,000</u>	<u>6,041</u>	<u>5,041</u>
Total revenues	<u>151,000</u>	<u>200,861</u>	<u>49,861</u>
EXPENDITURES			
Current:			
Public safety	<u>372,442</u>	<u>68,099</u>	<u>304,343</u>
Total expenditures	<u>372,442</u>	<u>68,099</u>	<u>304,343</u>
Net change in fund balance	(221,442)	132,762	354,204
FUND BALANCE			
Beginning of year	<u>733,440</u>	<u>733,440</u>	<u>-</u>
End of year	<u>\$ 511,998</u>	<u>\$ 866,202</u>	<u>\$ 354,204</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
JAG Grant Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Intergovernmental	\$ 10,000	\$ -	\$ (10,000)
Investment earnings	-	143	143
	<u>10,000</u>	<u>143</u>	<u>(9,857)</u>
EXPENDITURES			
Current:			
Public safety	30,000	-	30,000
	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Net change in fund balance	(20,000)	143	20,143
FUND BALANCE			
Beginning of year	20,516	20,516	-
End of year	<u>\$ 516</u>	<u>\$ 20,659</u>	<u>\$ 20,143</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 ARPA Special Revenue Fund
 For the year ended June 30, 2025**

	Final budgeted amounts	Actual amounts	Variance with final budget
REVENUES			
Intergovernmental	\$ 6,502,598	\$ 4,902,598	\$ (1,600,000)
Total revenues	<u>6,502,598</u>	<u>4,902,598</u>	<u>(1,600,000)</u>
EXPENDITURES			
Current:			
Parks and recreation	<u>5,890,000</u>	<u>1,697,551</u>	<u>4,192,449</u>
Total expenditures	<u>5,890,000</u>	<u>1,697,551</u>	<u>4,192,449</u>
Excess (deficiency) of revenues over (under) expenditures	<u>612,598</u>	<u>3,205,047</u>	<u>2,592,449</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,292,000	1,262,500	(2,029,500)
Transfers out	<u>(3,904,598)</u>	<u>(3,904,598)</u>	<u>-</u>
Total other financing sources	<u>(612,598)</u>	<u>(2,642,098)</u>	<u>(2,029,500)</u>
Net change in fund balance	-	562,949	562,949
FUND BALANCE			
Beginning of year	<u>532</u>	<u>532</u>	<u>-</u>
End of year	<u>\$ 532</u>	<u>\$ 563,481</u>	<u>\$ 562,949</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Recycling Activities Grant Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Intergovernmental	\$ 5,000	\$ 5,736	\$ 736
Investment earnings	-	729	729
Total revenues	<u>5,000</u>	<u>6,465</u>	<u>1,465</u>
EXPENDITURES			
Current:			
Public works	13,333	1,963	11,370
Community development	<u>21,083</u>	<u>18,254</u>	<u>2,829</u>
Total expenditures	<u>34,416</u>	<u>20,217</u>	<u>14,199</u>
Net change in fund balance	(29,416)	(13,752)	15,664
FUND BALANCE			
Beginning of year	<u>113,053</u>	<u>113,053</u>	<u>-</u>
End of year	<u>\$ 83,637</u>	<u>\$ 99,301</u>	<u>\$ 15,664</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Landscape and Lighting Maintenance Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Taxes	\$ 5,000	\$ -	\$ (5,000)
Charges for services	4,000	4,019	19
Investment earnings	500	699	199
	<u>9,500</u>	<u>4,718</u>	<u>(4,782)</u>
Total revenues			
EXPENDITURES			
Current:			
Public works	<u>9,000</u>	<u>5,216</u>	<u>3,784</u>
Total expenditures	<u>9,000</u>	<u>5,216</u>	<u>3,784</u>
Net change in fund balance	500	(498)	(998)
FUND BALANCE			
Beginning of year	<u>99,868</u>	<u>99,868</u>	<u>-</u>
End of year	<u>\$ 100,368</u>	<u>\$ 99,370</u>	<u>\$ (998)</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Street and Drainage District Fees Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Charges for services	\$ 41,000	\$ 6,167	\$ (34,833)
Investment earnings	500	2,699	2,199
Total revenues	<u>41,500</u>	<u>8,866</u>	<u>(32,634)</u>
EXPENDITURES			
Current:			
Public works	<u>8,000</u>	<u>6,709</u>	<u>1,291</u>
Total expenditures	<u>8,000</u>	<u>6,709</u>	<u>1,291</u>
Net change in fund balance	33,500	2,157	(31,343)
FUND BALANCE			
Beginning of year	<u>384,639</u>	<u>384,639</u>	<u>-</u>
End of year	<u>\$ 418,139</u>	<u>\$ 386,796</u>	<u>\$ (31,343)</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Development Impact Fees Special Revenue Fund
For the year ended June 30, 2025**

	Final budgeted amounts	Actual amounts	Variance with final budget
REVENUES			
Fines, fees and forfeitures	\$ 95,000	\$ 63,387	\$ (31,613)
Investment earnings	20,000	15,515	(4,485)
Total revenues	<u>115,000</u>	<u>78,902</u>	<u>(36,098)</u>
EXPENDITURES			
Current:			
Public works	<u>550,000</u>	<u>-</u>	<u>550,000</u>
Total expenditures	<u>550,000</u>	<u>-</u>	<u>550,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(435,000)</u>	<u>78,902</u>	<u>513,902</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>1,054,000</u>	<u>(54,000)</u>	<u>(1,108,000)</u>
Total other financing sources (uses)	<u>1,054,000</u>	<u>(54,000)</u>	<u>(1,108,000)</u>
Net change in fund balance	619,000	24,902	(594,098)
FUND BALANCE			
Beginning of year	<u>2,473,548</u>	<u>2,473,548</u>	<u>-</u>
End of year	<u>\$ 3,092,548</u>	<u>\$ 2,498,450</u>	<u>\$ (594,098)</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Active Transportation Program Special Revenue Fund
For the year ended June 30, 2025**

	Final budgeted amounts	Actual amounts	Variance with final budget
REVENUES			
Total revenues	\$ -	\$ -	\$ -
EXPENDITURES			
Current:			
Public works	-	2,040	(2,040)
Total expenditures	-	2,040	(2,040)
Excess (deficiency) of revenues over (under) expenditures	-	(2,040)	(2,040)
OTHER FINANCING SOURCES (USES)			
Transfers out	(487,094)	(484,839)	2,255
Total other financing sources	(487,094)	(484,839)	2,255
Net change in fund balance	(487,094)	(486,879)	215
FUND BALANCE			
Beginning of year	486,879	486,879	-
End of year	\$ (215)	\$ -	\$ 215

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
CMAQ Special Revenue Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Intergovernmental	\$ 45,000	\$ 40,850	\$ (4,150)
Total revenues	<u>45,000</u>	<u>40,850</u>	<u>(4,150)</u>
EXPENDITURES			
Current:			
General government	<u>45,000</u>	<u>40,500</u>	<u>4,500</u>
Total expenditures	<u>45,000</u>	<u>40,500</u>	<u>4,500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>350</u>	<u>350</u>
FUND BALANCE			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ 350</u>	<u>\$ 350</u>

Town of Yucca Valley

Nonmajor Capital Projects Fund - Fund Description
June 30, 2025

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Retail Sector Improvements – Established to account for the improvement of the retail business sector of the Town.

Town of Yucca Valley

**Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2025**

	Retail Sector Improvements	Total
ASSETS		
Cash and investments	\$ 58,600	\$ 58,600
Total assets	<u>\$ 58,600</u>	<u>\$ 58,600</u>
LIABILITIES AND FUND BALANCE		
Total liabilities	<u>\$ -</u>	<u>\$ -</u>
Fund balance:		
Assigned	<u>58,600</u>	<u>58,600</u>
Total fund balance	<u>58,600</u>	<u>58,600</u>
Total liabilities and fund balance	<u>\$ 58,600</u>	<u>\$ 58,600</u>

Town of Yucca Valley

**Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Fund
For the year ended June 30, 2025**

	Retail Sector Improvements	Total
REVENUES		
Investment earnings	\$ 407	\$ 407
Total revenues	<u>407</u>	<u>407</u>
EXPENDITURES		
Total expenditures	<u>-</u>	<u>-</u>
Net change in fund balance	407	407
FUND BALANCE		
Beginning of year	<u>58,193</u>	<u>58,193</u>
End of year	<u>\$ 58,600</u>	<u>\$ 58,600</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Retail Sector Improvements Capital Projects Fund
For the year ended June 30, 2025**

	<u>Final budgeted amounts</u>	<u>Actual amounts</u>	<u>Variance with final budget</u>
REVENUES			
Investment earnings	<u>\$ 500</u>	<u>\$ 407</u>	<u>\$ (93)</u>
Total revenues	<u>500</u>	<u>407</u>	<u>(93)</u>
EXPENDITURES			
Current:			
Community development	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Total expenditures	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Net change in fund balance	(9,500)	407	9,907
FUND BALANCE			
Beginning of year	<u>58,193</u>	<u>58,193</u>	<u>-</u>
End of year	<u>\$ 48,693</u>	<u>\$ 58,600</u>	<u>\$ 9,907</u>

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Major Fund
Capital Projects Reserve Capital Projects Fund
For the year ended June 30, 2025**

	Budgeted amounts		Actual amounts	Variance with final budget
	Original	Final		
REVENUES				
Investment earnings	\$ -	\$ -	\$ 7,975	\$ 7,975
Other	50,000	50,000	-	(50,000)
Total revenues	50,000	50,000	7,975	(42,025)
EXPENDITURES				
Current:				
General government	465,000	4,122,057	3,742,212	379,845
Parks and recreation	150,000	223,495	2,300	221,195
Public works	500,000	1,256,154	618,827	637,327
Community development	50,000	519,355	119,735	399,620
Total expenditures	1,165,000	6,121,061	4,483,074	1,637,987
Excess (deficiency) of revenues over (under) expenditures	(1,115,000)	(6,071,061)	(4,475,099)	1,595,962
OTHER FINANCING SOURCES (USES)				
Transfers in	11,000	4,261,000	4,336,000	75,000
Transfers out	-	(5,007,000)	(100,000)	4,907,000
Total other financing sources (uses)	11,000	(746,000)	4,236,000	4,982,000
Net change in fund balance	(1,104,000)	(6,817,061)	(239,099)	6,577,962
FUND BALANCE				
Beginning of year	12,648,466	12,648,466	12,648,466	-
End of year	\$ 11,544,466	\$ 5,831,405	\$ 12,409,367	\$ 6,577,962

Town of Yucca Valley

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Major Fund
Debt Service Fund
For the year ended June 30, 2025**

	Budgeted amounts		Actual amounts	Variance with final budget
	Original	Final		
REVENUES				
Investment earnings	\$ 400,000	\$ 400,000	\$ 849,296	\$ 449,296
Total revenues	400,000	400,000	849,296	449,296
EXPENDITURES				
Current:				
General government	-	650,000	-	650,000
Debt service:				
Principal	885,000	885,000	885,000	-
Interest and fiscal charges	445,000	445,000	441,769	3,231
Total expenditures	1,330,000	1,980,000	1,326,769	653,231
Excess (deficiency) of revenues over (under) expenditures	(930,000)	(1,580,000)	(477,473)	1,102,527
OTHER FINANCING SOURCES (USES)				
Transfers in	1,330,000	1,330,000	1,330,000	-
Transfers out	-	(18,675,000)	(1,262,500)	17,412,500
Total other financing sources (uses)	1,330,000	(17,345,000)	67,500	17,412,500
Net change in fund balance	400,000	(18,925,000)	(409,973)	18,515,027
FUND BALANCE				
Beginning of year	19,159,095	19,159,095	19,159,095	-
End of year	\$ 19,559,095	\$ 234,095	\$ 18,749,122	\$ 18,515,027





STATISTICAL SECTION



Overview of Statistical Information Presented in Five Categories

Financial Trend Information: Intended to assist users in understanding and assessing how a government's financial position has changed over time.

Revenue Capacity Information: Intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own revenue.

Debt Capacity Information: Intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

Demographic and Economic Information: Intended to assist users in understanding the socioeconomic environment within which a government operates and to provide information that facilitates comparison of financial statement information over time and among governments.

Operating Information: Intended to provide information about a government's operations and resources in order to assist readers in using financial statement information to understand and assess a government's economic condition.

Town of Yucca Valley

Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
Governmental activities:					
Net investment in capital assets	\$32,591,351	\$ 34,786,380	\$ 34,348,033	\$ 48,432,601	\$ 59,728,592
Restricted	9,745,235	14,164,214	19,765,901	14,158,974	14,369,385
Unrestricted	4,213,416	4,498,253	4,517,695	11,706,717	10,262,859
Total governmental activities net position	<u>\$46,550,002</u>	<u>\$ 53,448,847</u>	<u>\$ 58,631,629</u>	<u>\$ 74,298,292</u>	<u>\$ 84,360,836</u>
Primary government:					
Net investment in capital assets	\$32,591,351	\$ 34,786,380	\$ 34,348,033	\$ 48,432,601	\$ 59,728,592
Restricted	9,745,235	14,164,214	19,765,901	14,158,974	14,369,385
Unrestricted	4,213,419	4,498,253	4,517,695	11,706,717	10,262,859
Total primary government net position	<u>\$46,550,005</u>	<u>\$ 53,448,847</u>	<u>\$ 58,631,629</u>	<u>\$ 74,298,292</u>	<u>\$ 84,360,836</u>

* Through legislation passed by the State of California and upheld by the Supreme Court of California, redevelopment agencies were dissolved as of January 31, 2012. The legislation established Successor Agencies to assist with the dissolution process. The Successor Agency to the Yucca Valley Redevelopment Agency is a private purpose trust fund and cannot be considered a component unit of the Town of Yucca Valley. It succeeded the Yucca Valley Redevelopment Agency (RDA) on February 1, 2012. Prior to the transition date, the activities of the RDA are blended with those of the Town in these financial statements. This change in entities is reflected in the variances from prior years in the fiscal year ended June 30, 2012.

Source: Town of Yucca Valley Finance Department.

	Fiscal Year				
	2021	2022	2023	2024	2025
Governmental activities:					
Net investment in capital assets	\$ 60,269,556	\$ 58,771,013	\$ 46,634,736	\$ 68,105,326	\$ 87,810,398
Restricted	18,022,742	21,274,775	37,782,099	20,889,435	21,230,885
Unrestricted	9,866,597	17,461,400	23,775,502	24,708,423	27,318,007
Total governmental activities net position	<u>\$ 88,158,895</u>	<u>\$ 97,507,188</u>	<u>\$ 108,192,337</u>	<u>\$ 113,703,184</u>	<u>\$ 136,359,290</u>
Primary government:					
Net investment in capital assets	\$ 60,269,556	\$ 58,771,013	\$ 46,634,736	\$ 68,105,326	\$ 87,810,398
Restricted	18,022,742	21,274,775	37,782,099	20,889,435	21,230,885
Unrestricted	9,866,597	17,461,400	23,775,502	24,708,423	27,318,007
Total primary government net position	<u>\$ 88,158,895</u>	<u>\$ 97,507,188</u>	<u>\$ 108,192,337</u>	<u>\$ 113,703,184</u>	<u>\$ 136,359,290</u>

Town of Yucca Valley

Change in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
Expenses:					
Governmental activities:					
General government	\$ 1,922,138	\$ 1,891,162	\$ 2,349,441	\$ 2,557,387	\$ 5,422,639
Public safety	4,968,371	5,222,916	5,761,214	6,172,612	6,514,290
Parks and recreation	813,926	1,275,224	1,234,793	1,972,830	1,604,249
Public works	3,124,182	3,142,439	4,225,776	5,655,114	5,095,900
Community development	1,232,726	1,419,701	1,825,172	1,775,568	2,200,881
Interest on long-term debt	-	-	-	-	-
Total governmental activities expenses	<u>12,061,343</u>	<u>12,951,442</u>	<u>15,396,396</u>	<u>18,133,511</u>	<u>20,837,959</u>
Total primary government expenses	<u>12,061,343</u>	<u>12,951,442</u>	<u>15,396,396</u>	<u>18,133,511</u>	<u>20,837,959</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	27,052	115,422	93,763	132,851	76,892
Public safety	197,337	425,126	520,085	545,108	489,121
Parks and recreation	212,682	168,874	150,156	137,240	98,673
Public works	49,120	57,741	56,082	56,309	57,985
Community development	288,117	302,787	377,267	350,178	688,639
Operating grants and contributions	3,279,736	1,626,389	2,537,152	2,895,376	2,137,391
Capital grants and contributions	<u>4,862,151</u>	<u>1,197,982</u>	<u>4,615,342</u>	<u>16,314,825</u>	<u>13,496,971</u>
Total governmental activities program revenues	<u>8,916,195</u>	<u>3,894,321</u>	<u>8,349,847</u>	<u>20,431,887</u>	<u>17,045,672</u>
Total primary government program revenues	<u>8,916,195</u>	<u>3,894,321</u>	<u>8,349,847</u>	<u>20,431,887</u>	<u>17,045,672</u>
Net revenues (expenses)	<u>\$ (3,145,148)</u>	<u>\$ (9,057,121)</u>	<u>\$ (7,046,549)</u>	<u>\$ 2,298,376</u>	<u>\$ (3,792,287)</u>

* Through legislation passed by the State of California and upheld by the Supreme Court of California, redevelopment agencies were dissolved as of January 31, 2012. The legislation established Successor Agencies to assist with the dissolution process. The Successor Agency to the Yucca Valley Redevelopment Agency is a private purpose trust fund and cannot be considered a component unit of the Town of Yucca Valley. It succeeded the Yucca Valley Redevelopment Agency (RDA) on February 1, 2012. Prior to the transition date, the activities of the RDA are blended with those of the Town in these financial statements. This change in entities is reflected in the variances from prior years in the fiscal year ended June 30, 2012.

Source: Town of Yucca Valley Finance Department.

Continued

	Fiscal Year				
	2021	2022	2023	2024	2025
Expenses:					
Governmental activities:					
General government	\$ 5,286,994	\$ 6,224,558	\$ 6,866,307	\$ 7,123,981	\$ 8,016,532
Public safety	6,420,538	6,844,833	6,947,696	8,325,447	7,961,935
Parks and recreation	1,307,178	1,533,261	1,837,796	1,920,626	1,966,933
Public works	7,224,917	4,303,980	4,434,373	6,839,128	5,422,254
Community development	1,215,069	1,779,673	2,328,103	2,460,823	2,694,744
Interest on long-term debt	-	23,953	342,790	454,327	433,067
Total governmental activities expenses	<u>21,454,696</u>	<u>20,710,258</u>	<u>22,757,065</u>	<u>27,124,332</u>	<u>26,495,465</u>
Total primary government expenses	<u>21,454,696</u>	<u>20,710,258</u>	<u>22,757,065</u>	<u>27,124,332</u>	<u>26,495,465</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	157,302	279,634	303,628	298,739	255,223
Public safety	596,604	802,747	1,058,245	1,020,448	821,523
Parks and recreation	38,405	115,658	7,328	180,300	209,333
Public works	142,588	588,856	150,661	249,945	122,492
Community development	834,865	1,018,989	924,662	642,756	815,293
Operating grants and contributions	3,770,459	2,507,914	2,600,418	2,719,668	3,615,289
Capital grants and contributions	3,159,787	3,911,433	4,335,926	4,524,186	19,364,377
Total governmental activities program revenues	<u>8,700,010</u>	<u>9,225,231</u>	<u>9,380,868</u>	<u>9,636,042</u>	<u>25,203,530</u>
Total primary government program revenues	<u>8,700,010</u>	<u>9,225,231</u>	<u>9,380,868</u>	<u>9,636,042</u>	<u>25,203,530</u>
Net revenues (expenses)	<u>\$ (12,754,686)</u>	<u>\$ (11,485,027)</u>	<u>\$ (13,376,197)</u>	<u>\$ (17,488,290)</u>	<u>\$ (1,291,935)</u>

Town of Yucca Valley

Change in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
General revenues and other changes in net position:					
Governmental activities:					
Taxes:					
Property tax levied for general purposes	\$ 4,478,913	\$ 4,610,099	\$ 4,884,374	\$ 5,161,487	\$ 5,491,570
Sales tax	3,498,005	3,616,990	5,507,159	5,929,763	5,759,796
Transient occupancy tax	290,878	316,912	578,997	784,202	864,733
Franchise taxes	851,943	806,945	955,028	983,535	891,399
Motor vehicle in lieu tax, unrestricted	8,616	9,534	11,327	10,481	17,451
Unrestricted investment earnings	37,559	87,833	167,902	345,044	419,312
Other	340,551	146,333	149,626	153,775	410,570
Total governmental activities	9,506,465	9,594,646	12,254,413	13,368,287	13,854,831
Total primary government	9,506,465	9,594,646	12,254,413	13,368,287	13,854,831
Total primary government change in net position	\$ 6,361,317	\$ 537,525	\$ 5,207,864	\$ 15,666,663	\$ 10,062,544

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Source: Town of Yucca Valley Finance Department.

	Fiscal Year				
	2021	2022	2023	2024	2025
General revenues and other changes in net position:					
Governmental activities:					
Taxes:					
Property tax levied for general purposes	\$ 5,826,572	\$ 6,239,189	\$ 6,848,828	\$ 7,554,562	\$ 7,925,499
Sales tax	7,295,017	7,717,316	7,817,246	7,678,688	7,460,926
Transient occupancy tax	1,926,447	2,686,405	3,760,718	4,283,877	4,315,179
Franchise taxes	998,699	1,196,857	1,223,536	1,329,489	1,319,092
Motor vehicle in lieu tax, unrestricted	16,309	25,797	22,359	26,919	34,320
Unrestricted investment earnings	319,538	(363,420)	845,893	1,944,184	2,558,663
Other	170,163	3,331,176	3,392,766	181,418	334,362
Total governmental activities	16,552,745	20,833,320	23,911,346	22,999,137	23,948,041
Total primary government	16,552,745	20,833,320	23,911,346	22,999,137	23,948,041
Total primary government change in net position	\$ 3,798,059	\$ 9,348,293	\$ 10,535,149	\$ 5,510,847	\$ 22,656,106



Town of Yucca Valley

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	Fiscal year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Nonspendable	\$ 515,694	\$ 477,617	\$ 300,710	\$ 236,966	\$ 233,356	\$ 288,360	\$ 320,784	\$ 397,472	\$ 316,590	\$ 391,765
Restricted	359,676	332,536	310,570	327,057	1,031,036	2,259,818	2,759,224	2,959,349	3,293,408	3,620,388
Assigned	1,400,000	1,600,000	1,718,412	1,717,550	1,699,014	1,600,000	1,300,000	2,500,000	2,500,000	1,800,000
Unassigned	6,057,106	5,674,659	6,800,357	7,374,634	7,728,668	10,674,784	14,170,989	16,346,197	16,516,102	16,832,444
Total General Fund	8,332,476	8,084,812	9,130,049	9,656,207	10,692,074	14,822,962	18,550,997	22,203,018	22,626,100	22,644,597
All other governmental funds:										
Nonspendable	579,871	560,757	-	-	-	-	574,442	577,179	579,955	-
Restricted:										
General government	-	-	-	-	-	125,683	6,268	532	532	563,481
Public safety	364,181	421,131	373,485	421,530	554,688	659,962	785,457	867,805	1,011,277	1,180,973
Debt service	39,460	-	-	-	-	-	-	-	-	-
Community development	167,095	168,098	189,416	28,353	28,604	30,811	31,395	18,573,145	19,272,148	18,848,423
Parks and recreation	2,423,360	-	-	-	-	-	-	-	-	-
Public works	5,089,907	5,832,014	11,435,852	7,882,400	10,704,489	9,910,523	11,577,921	11,676,157	10,224,050	12,091,276
Assigned	2,432,589	3,867,476	4,460,878	9,019,260	4,159,031	3,681,954	7,691,039	8,918,129	12,706,659	12,467,967
Unassigned	(113,417)	(112,261)	(178,577)	(165,909)	(132,579)	(304,068)	(319,907)	(851,373)	(222,354)	(214,263)
Total all other governmental funds	10,983,046	10,737,215	16,281,054	17,185,634	15,314,233	14,104,865	20,346,615	39,761,574	43,572,267	44,937,857
Total all governmental funds	\$ 19,315,522	\$ 18,822,027	\$ 25,411,103	\$ 26,841,841	\$ 26,006,307	\$ 28,927,827	\$ 38,897,612	\$ 61,964,592	\$ 66,198,367	\$ 67,582,454

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Source: Town of Yucca Valley Finance Department.

Town of Yucca Valley

**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	Fiscal Year				
	2016	2017	2018	2019	2020
Revenues:					
Taxes	\$ 9,143,350	\$ 9,643,830	\$ 13,921,784	\$ 15,100,374	\$ 15,173,967
Licenses and permits	46,448	45,918	48,526	55,782	44,347
Intergovernmental	4,366,035	2,761,319	5,279,531	3,260,417	4,898,514
Charges for services	565,634	614,666	689,966	651,369	953,715
Fines, fees and forfeitures	183,069	218,584	323,928	248,325	215,764
Investment earnings	50,767	88,537	226,730	472,300	471,081
Other	142,576	64,415	80,478	64,797	300,144
Total revenues	14,497,879	13,437,269	20,570,943	19,853,364	22,057,532
Expenditures:					
Current:					
General government	2,195,345	1,609,571	1,938,449	2,334,859	5,014,652
Public safety	5,066,965	5,196,778	5,674,358	6,154,306	6,364,455
Parks and recreation	1,303,134	1,044,727	1,273,623	1,817,737	4,860,704
Public works	2,165,685	2,162,001	3,742,386	6,309,063	4,475,047
Community development	1,842,461	1,446,936	1,857,006	1,806,661	2,180,208
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Pass-through payments	-	-	-	-	-
Total expenditures	12,573,590	11,460,013	14,485,822	18,422,626	22,895,066
Excess (deficiency) of revenues over expenditures	1,924,289	1,977,256	6,085,121	1,430,738	(837,534)
Other financing sources (uses):					
Proceeds from debt	-	-	-	-	-
Transfers in	2,282,687	1,333,331	3,143,419	3,724,499	1,453,045
Transfers out	(2,290,387)	(1,341,262)	(2,639,464)	(3,724,499)	(1,453,045)
Total other financing sources (uses)	(7,700)	(7,931)	503,955	-	-
Net change in fund balances	\$ 1,916,589	\$ 1,969,325	\$ 6,589,076	\$ 1,430,738	\$ (837,534)
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%

	Fiscal Year				
	2021	2022	2023	2024	2025
Revenues:					
Taxes	\$ 18,853,247	\$ 20,869,730	\$ 22,676,390	\$ 23,848,082	\$ 23,891,913
Licenses and permits	62,993	91,175	73,059	79,157	85,368
Intergovernmental	4,190,673	6,984,326	7,658,807	4,771,938	20,839,801
Charges for services	1,139,015	1,506,875	1,630,675	1,435,199	1,335,331
Fines, fees and forfeitures	575,803	929,946	394,384	388,723	202,624
Investment earnings	312,951	(384,764)	897,310	2,459,884	2,893,116
Other	103,448	43,033	143,991	148,457	199,702
Total revenues	25,238,130	30,040,321	33,474,616	33,131,440	49,447,855
Expenditures:					
Current:					
General government	6,137,345	6,454,183	6,876,054	7,122,323	10,795,822
Public safety	6,479,823	6,891,513	6,898,956	8,243,553	8,013,194
Parks and recreation	1,335,723	2,944,760	2,281,651	2,502,351	5,589,468
Public works	6,583,326	4,271,681	8,934,515	7,300,732	20,481,028
Community development	1,778,393	2,008,200	2,344,521	2,400,873	2,623,413
Debt service:					
Principal retirement	-	865,000	425,000	865,000	885,000
Interest and fiscal charges	-	199	171,805	462,833	441,769
Pass-through payments	-	-	-	-	-
Total expenditures	22,314,610	23,639,670	27,932,502	28,897,665	48,829,694
Excess (deficiency) of revenues over expenditures	2,923,520	6,400,651	5,542,114	4,233,775	618,161
Other financing sources (uses):					
Proceeds from debt	-	2,704,134	17,524,866	-	-
Transfers in	1,958,592	9,268,759	8,861,939	7,171,476	11,471,937
Transfers out	(1,958,592)	(9,268,759)	(8,861,939)	(7,171,476)	(11,471,937)
Total other financing sources (uses)	-	2,704,134	17,524,866	-	-
Net change in fund balances	\$ 2,923,520	\$ 9,104,785	\$ 23,066,980	\$ 4,233,775	\$ 618,161
Debt service as a percentage of noncapital expenditures	0.0%	4.2%	2.7%	5.0%	5.1%

Town of Yucca Valley

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Town						
Fiscal Year ended June 30,	Secured	Unsecured	SBE Nonunitary	Less: Exemptions	Taxable assessed Value	Total direct tax rate
2016	\$ 1,209,583,489	\$ 30,790,661	\$ -	\$ 25,601,356	\$ 1,214,772,794	0.17%
2017	1,233,995,499	31,116,338	-	26,797,656	1,238,314,181	0.17%
2018	1,286,274,570	29,593,322	-	26,283,600	1,289,584,292	0.17%
2019	1,354,111,570	30,080,733	-	25,711,000	1,358,481,303	0.17%
2020	1,438,360,203	29,798,785	7,623	25,191,600	1,442,975,011	0.20%
2021	1,508,156,382	30,320,532	7,623	24,747,800	1,513,736,737	0.20%
2022	2,042,965,955	47,168,665	7,623	23,959,600	1,972,214,143	0.19%
2023	2,298,020,834	45,970,768	7,623	22,247,400	2,224,955,911	0.19%
2024	2,560,154,225	51,593,344	6,098	21,852,600	2,484,256,202	0.19%
2025	2,627,462,536	49,509,903	6,098	21,757,400	2,676,978,537	0.19%

Note 1:

In 1978, the voters of the State of California passed Proposition 13 which limited property 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 increase of 2%). With few exceptions, property is only re-assessed as a result of new construction activity or at the time that it is sold to 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.

Note 2:

Beginning in Fiscal Year 2012-13, the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during Fiscal Year 2012-13.

Note 3:

Beginning in Fiscal Year 2013-14, the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during Fiscal Year 2012-13.

Source: San Bernardino County Assessor's Office Combined Tax Rolls

Town of Yucca Valley

**Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Ten Fiscal Years**

	Town General Fund Direct Rates			
	Town share of 1% levy	Debt rates	Town rate	Total direct rate
2016	0.17%	0.00%	0.17%	0.17%
2017	0.17%	0.00%	0.17%	0.17%
2018	0.17%	0.00%	0.17%	0.17%
2019	0.17%	0.00%	0.17%	0.17%
2020	0.17%	0.00%	0.17%	0.20%
2021	0.17%	0.00%	0.17%	0.20%
2022	0.17%	0.00%	0.17%	0.19%
2023	0.17%	0.00%	0.17%	0.19%
2024	0.17%	0.00%	0.17%	0.19%
2025	0.17%	0.00%	0.17%	0.19%

Notes:

- 1) General fund tax rates are representative and based upon the direct and overlapping rates for the largest General Fund tax rate area (TRA) by net taxable value.
- 2) Total Direct Rate is the weighted average of all individual direct rates applied by the Town. The percentages presented in the columns above do not sum across rows. Beginning in Fiscal Year 2012-2013, the Total Direct Rate no longer includes revenues generated from the former redevelopment tax rate areas. Challenges to recognize enforceable obligations are assumed to have been resolved during Fiscal Year 2012-2013.
- 3) In 1978, California voters passed Prop 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- 4) Includes Town and Agency share.

Source: HDL direct and overlapping tax rates.

Town of Yucca Valley

**Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Ten Fiscal Years (Continued)**

Overlapping rates	2016	2017	2018	2019	2020
Town OF Yucca Valley	0.16533	0.16533	0.16533	0.16533	0.16533
Copper Mountain Community College	0.03990	0.03990	0.03990	0.03990	0.03990
Country Free Library	0.01037	0.01037	0.01037	0.01037	0.01037
Country General Fund	0.10710	0.10710	0.10710	0.10710	0.10710
Country Superintendent	0.00729	0.00729	0.00729	0.00729	0.00729
ERAF	0.16220	0.16220	0.16220	0.16220	0.16220
Flood Control Admin	0.00065	0.00065	0.00065	0.00065	0.00065
Flood Control Zone 6	0.00845	0.00845	0.00845	0.00845	0.00845
Hi- Desert County Water	0.06930	0.06930	0.06930	0.06930	0.06930
Hi-Desert Hospital District	0.01345	0.01345	0.01345	0.01345	0.01345
Mojave Desert RCD	0.00009	0.00009	0.00009	0.00009	0.00009
Mojave Water Agency	0.00393	0.00393	0.00393	0.00393	0.00393
Morono USD	0.19410	0.19410	0.19410	0.19410	0.19410
Yucca Valley Fire	0.21780	0.21780	0.21780	0.21780	0.21780
Total Prop 13 rate	1.0000	1.0000	1.0000	1.0000	1.0000
Morongo USD	0.04660	0.05000	0.0497	0.03580	0.04360
Copper Mountain Community College	0.02020	0.02600	0.0242	0.02670	0.02430
Mojave Water Agency	0.10500	0.10500	0.105	0.10500	0.10500
Mojave Water Agency Land Only	0.11250	0.11250	0.11250	0.11250	0.11250
Mojave Water Agency	0.05500	0.05500	0.05500	0.05500	0.05500
Total voter approved rate	0.33930	0.34850	0.34850	0.34850	0.34040
Successor Agency	-	-	-	-	-
Total direct and overlapping rate	1.34176	1.34846	1.34636	1.33496	1.32540

Source: HDL graph on property tax break down and Cal-Muni statistics.

2021	2022	2023	2024	2025	Outstanding debt 6/30/25	Share of overlapping debt
0.16533	0.16533	0.16533	0.16533	0.16533	\$ 18,054,000	\$ 18,054,000
0.03990	0.03990	0.03990	0.03990	0.03990		
0.01037	0.01037	0.01037	0.01037	0.01037	10,226,200	3,803,022
0.10710	0.10710	0.10710	0.10710	0.10710	-	-
0.00729	0.00729	0.00729	0.00729	0.00729	100,765,000	788,990
0.16220	0.16220	0.16220	0.16220	0.16220		
0.00065	0.00065	0.00065	0.00065	0.00065	-	-
0.00845	0.00845	0.00845	0.00845	0.00845	37,295,000	292,020
0.06930	0.06930	0.06930	0.06930	0.06930	-	-
0.01345	0.01345	0.01345	0.01345	0.01345	-	-
0.00009	0.00009	0.00009	0.00009	0.00009	-	-
0.00393	0.00393	0.00393	0.00393	0.00393	-	-
0.19410	0.19410	0.19410	0.19410	0.19410	-	-
0.21780	0.21780	0.21780	0.21780	0.21780	70,079,126	26,061,726
					-	-
<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>236,419,326</u>	<u>48,999,758</u>
0.04100	0.03910	0.31300	0.31300	0.03310	-	-
0.23500	0.21800	0.01930	0.01860	0.01860	-	-
0.105	0.105	0.105	0.105	0.105	-	-
0.11250	0.11250	0.00750	0.00750	0.00750	-	-
<u>0.05500</u>	<u>0.05500</u>	<u>0.05500</u>	<u>0.05500</u>	<u>0.05500</u>		
<u>0.33700</u>	<u>0.33340</u>	<u>0.21810</u>	<u>0.21920</u>	<u>0.21920</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	5,955,000	5,955,000
<u>1.232</u>	<u>1.22840</u>	<u>1.21800</u>	<u>1.21920</u>	<u>1.21920</u>	<u>\$ 242,374,326</u>	<u>\$ 54,954,758</u>

Town of Yucca Valley

**Principal Property Taxpayers
Current Year**

Taxpayer	Fiscal Year 2025	
	Taxable assessed value	Percent of total town taxable assessed value
Walmart Stores Inc	\$ 27,248,547	1.81%
Home Depot USA Inc	13,060,281	0.87%
Netreit Yucca Valley LLC	7,367,975	0.49%
WJB Golf LLC	7,339,313	0.49%
Time Warner Cable	6,224,776	0.41%
Thrifty Payless Inc.	5,638,295	0.38%
Shah Family Trust	5,581,407	0.37%
Steven J and Suk K Koo	5,262,704	0.35%
G and L Yucca Vall LLC	4,847,701	0.32%
DePierro Development LLC	4,825,119	0.32%
Totals	<u>\$ 87,396,118</u>	<u>5.81%</u>

Source: HDL Reports.

The Town has elected to present only one year on this schedule due to annual fluctuation in top taxpayers.

Town of Yucca Valley

**Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal year ended June 30	Taxes levied for fiscal year	Collected within the fiscal year of levy		Collections in susequent years	Total collections to date	
		Amount	% of Levy		Amount	% of Levy
2016	\$ 4,601,051	\$ 4,507,251	97.96%	\$ 93,800	\$ 4,601,051	100.00%
2017	4,708,789	4,610,099	97.90%	98,690	4,708,789	100.00%
2018	4,848,778	4,884,374	100.73%	-	4,884,374	100.73%
2019	5,455,350	5,161,487	94.61%	293,863	5,455,350	100.00%
2020	5,801,735	5,491,570	94.65%	310,165	5,801,735	
2021	6,003,828	5,826,572	97.05%	177,256	6,003,828	100.00%
2022	6,304,019	6,239,189	98.97%	64,830	6,304,019	100.00%
2023	6,160,651	6,145,986	99.76%	14,665	6,160,651	100.00%
2024	6,785,223	7,540,000	111.12%	-	7,540,000	111.12%
2025	7,124,359	7,188,723	100.90%	-	7,188,723	100.90%

Note:

The amounts presented include the Town as a whole (including the Redevelopment Agency increment).
The schedule also includes amounts collected by the Town and passed through to other agencies.

Source: The Town of Yucca Valley and the San Bernardino County Teeter Plan Notification

- 1) Taxes levied - Teeter schedule from SBCO
- 2) Collected - statement of activities in ACFR- general revenue

Town of Yucca Valley

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal year ended June 30	Leases	General obligation bonds	Loans	Total governmental activities	% of personal income	Debt per capita
2016	\$ -	\$ -	\$ -	\$ -	0.0%	-
2017	-	-	-	-	0.0%	-
2018	-	-	-	-	0.0%	-
2019	-	-	-	-	0.0%	-
2020	-	-	-	-	0.0%	-
2021	-	-	-	-	0.0%	-
2022	-	-	2,778,427	2,778,427	0.5%	98
2023	53,258	-	19,847,422	19,900,680	3.0%	646
2024	32,064	-	19,487,259	19,519,323	2.7%	582
2025	6,653	-	18,913,168	18,919,821	2.6%	436

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

* Through legislation passed by the State of California and upheld by the Supreme Court of California, redevelopment agencies were dissolved as of January 31, 2012. The legislation established Successor Agencies to assist with the dissolution process. The Successor Agency to the Yucca Valley Redevelopment Agency is a private purpose trust fund and cannot be considered a component unit of the Town of Yucca Valley. It succeeded the Yucca Valley Redevelopment Agency (RDA) on February 1, 2012. Prior to the transition date, the activities of the RDA are blended with those of the Town in these financial statements. This change in entities is reflected in the variances from prior years in the fiscal year ended June 30, 2012.

Source: Town of Yucca Valley Finance Department.

Town of Yucca Valley

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

Fiscal year ended June 30	Outstanding general bonded debt				% of personal income	per capita
	Tax allocation bonds	General obligation bonds	Loans	Total		
2016	\$ -	\$ -	\$ -	\$ -	0.00%	-
2017	-	-	-	-	0.00%	-
2018	-	-	-	-	0.00%	-
2019	-	-	-	-	0.00%	-
2020	-	-	-	-	0.00%	-
2021	-	-	-	-	0.00%	-
2022	-	-	-	-	0.00%	-
2023	-	-	-	-	0.00%	-
2024	-	-	-	-	0.00%	-
2025	-	-	-	-	0.00%	-

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which the Town has none).

* Through legislation passed by the State of California and upheld by the Supreme Court of California, redevelopment agencies were dissolved as of January 31, 2012. The legislation established Successor Agencies to assist with the dissolution process. The Successor Agency to the Yucca Valley Redevelopment Agency is a private purpose trust fund and cannot be considered a component unit of the Town of Yucca Valley. It succeeded the Yucca Valley Redevelopment Agency (RDA) on February 1, 2012. Prior to the transition date, the activities of the RDA are blended with those of the Town in these financial statements. This change in entities is reflected in the variances from prior years in the fiscal year ended June 30, 2012.

Source: Town of Yucca Valley Finance Department.

Town of Yucca Valley

**Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year				
	2016	2017	2018	2019	2020
Assessed valuation	\$ 1,502,995,101	\$ 1,483,401,141	\$ 1,548,452,864	\$ 1,652,176,125	\$ 1,755,214,224
Coversation percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	375,748,775	370,850,285	387,113,216	413,044,031	438,803,556
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	56,362,316	55,627,543	58,066,982	61,956,605	65,820,533
Total net debt applicable to limit: general obligation bonds	-	-	-	-	-
Legal debt ,margin	<u>\$ 56,362,316</u>	<u>\$ 55,627,543</u>	<u>\$ 58,066,982</u>	<u>\$ 61,956,605</u>	<u>\$ 65,820,533</u>
Total debt applicable to the limit as a percentage of debt limit	0.000%	0.000%	0.000%	0.000%	0.000%

Source: Town of Yucca Valley Finance Department.
County of San Bernardino

Fiscal Year				
2021	2022	2023	2024	2025
\$ 1,846,506,752	\$ 1,972,214,143	\$ 2,270,934,302	\$ 2,613,852,074	2,676,978,537
25%	25%	25%	25%	25%
461,626,688	493,053,536	567,733,576	653,463,019	669,244,634
15%	15%	15%	15%	15%
69,244,003	73,958,030	85,160,036	98,019,453	100,386,695
-	-	-	-	-
<u>\$ 69,244,003</u>	<u>\$ 73,958,030</u>	<u>\$ 85,160,036</u>	<u>\$ 98,019,453</u>	<u>\$ 100,386,695</u>
0.000%	3.656%	23.255%	22.239%	22.239%

Town of Yucca Valley

**Pledged-Revenue Coverage
Last Ten Fiscal Years**

Fiscal year ended June 30	Tax allocation bonds			Coverage
	Tax increment	Debt service		
		Principal	Interest	
2016	\$ -	\$ -	\$ -	0.00%
2017	-	-	-	0.00%
2018	-	-	-	0.00%
2019	-	-	-	0.00%
2020	-	-	-	0.00%
2021	-	-	-	0.00%
2022	-	-	-	0.00%
2023	-	-	-	0.00%
2024	-	-	-	0.00%
2025	-	-	-	0.00%

* Through legislation passed by the State of California and upheld by the Supreme Court of California, redevelopment agencies were dissolved as of January 31, 2012. The legislation established Successor Agencies to assist with the dissolution process. The Successor Agency to the Yucca Valley Redevelopment Agency is a private purpose trust fund and cannot be considered a component unit of the Town of Yucca Valley. It succeeded the Yucca Valley Redevelopment Agency (RDA) on February 1, 2012. Prior to the transition date, the activities of the RDA are blended with those of the Town in these financial statements. This change in entities is reflected in the variances from prior years in the fiscal year ended June 30, 2012.

Source: Town of Yucca Valley Finance Department.

Town of Yucca Valley

Demographic and Economic Statistics Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population(1)</u>	<u>Aggregate Personal Income(2)</u>	<u>Per Capita Personal Income(2)</u>	<u>Unemployment Rate(3)</u>
2016	21,281	\$ 435,225,000	\$ 20,451	8.10%
2017	21,519	450,557,000	20,937	7.20%
2018	21,834	470,452,000	21,547	6.00%
2019	22,050	514,853,000	23,349	5.50%
2020	22,236	564,104,000	25,368	5.30%
2021	22,330	583,327,000	26,123	14.30%
2022	21,813	603,892,000	27,684	11.10%
2023	21,635	662,883,000	30,639	5.70%
2024	21,594	702,597,000	32,536	6.40%
2025	22,027	702,597,000 *	41,382	6.20%

Data has been adjusted by calendar year to reflect change from fiscal to calendar year basis.

Sources:

- 1) State Department of Finance
- 2) US Census Bureau
- 3) California Employment Development Department

* Due to the 2025 Federal Government Shutdown current US Census Bureau data is not available.

Town of Yucca Valley

Principal Employers Last Ten Fiscal Years

Employer	Number of Employees										Current year % of total Employment
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Morongo Unified School District	421	317	382	325	377	377	328	376	307	340	3%
Walmart	340	272	272	272	272	272	272	267	84	84	1%
Home Depot	135	160	150	150	150	150	150	101	114	114	1%
Stater Bros.	151	157	205	135	205	135	70	70	70	70	1%
CA Dept of Forestry & Fire Protection	104	104	104	104	104	104	104	104	23	25	0%
San Bernardino County School District	103	103	103	103	103	149	162	162	150	150	2%
Von's	75	75	75	75	75	91	126	126	132	132	1%
San Bernardino County	70	70	70	70	70	70	70	70	70	70	1%
Joshua Springs Calvary Chapel									74	74	1%
Eisenhower Medical Care Center									83	83	1%
Crown Contracting										50	1%

Source: Buzzfile.com; DATAUSA.com

Total employees – Yucca Valley (2024) 9,090

Note: There is limited employer data available for the Town of Yucca Valley

Town of Yucca Valley

**Employment Trends and Other Miscellaneous Information
Last Ten Fiscal Years**

Employment Trends – Number of Full-Time Equivalent Employees

Function	2016	2017	2018	2019	2020
General government	7	7	7	7	8
Public works	10.5	10.5	11.5	12	10
Community development	6	6	5	7	6
Community service	11	11	11	11	13
Total	34.5	34.5	34.5	37	37

Function	2021	2022	2023	2024	2025
General government	8	8	9	10	10
Public works	10	10	11	14	14
Community development	6	6	7	10	10
Community service	13	19	15	17	17
Total	37	43	42	51	51

Date Incorporated	November 27, 1991
Type of Municipality	General Law
Form of Government	Council – Town Manager
Area	39 Square Miles

Source: Town of Yucca Valley

Town of Yucca Valley

Operating Indicators by Function Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020
Animal Control:					
Service calls/shelter visitors	18,697	16,531	17,440	15,324	13,482
Animal licenses issued	1,048	919	842	899	632
Community Development:					
Building permits issued	707	787	897	804	2,219
Plan checks	270	306	333	354	1,262
Public Works:					
Newly paved streets	0.61	-	-	22.05*	12.0*
Street resurfacing (miles)	22.50	17.71	-	14.40	13.40
Parks and Recreation:					
Number of recreation classes	1,039	1,044	1,042	936	637
Number of facility rentals	983	868	1,182	981	809
Function	2021	2022	2023	2024	2025
Animal Control:					
Service calls/shelter visitors	11,563	12,145	11,916	10,943	12,147
Animal licenses issued	635	579	515	468	482
Community Development:					
Building permits issued	2,266	2,621	1,694	1,103	894
Plan checks	197	888	799	478	407
Public Works:					
Newly paved streets	0.56	-	-	-	-
Street resurfacing (miles)	17.21	17.21	17.21	17.21	17.21
Parks and Recreation:					
Number of recreation classes	178	388	519	792	1,161
Number of facility rentals	270	2,789	3,189	3,581	5,504

* Newly paved streets included contributed streets from the Hi Desert Water District

Source: Town of Yucca Valley

Town of Yucca Valley

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Public Works:					149.3
Streets (miles)	169.3	169.3	169.3	149.3	2.0
Traffic signals	2.0	2.0	2.0	2.0	
Parks and Recreation:					10
Parks	9	10	10	10	1
Community centers	1	1	1	1	1
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Public Works:					
Streets (miles)	149.3	149.3	149.3	149.3	149.3
Traffic signals	2.0	2.0	2.0	2.0	2.0
Parks and Recreation:					
Parks	10	10	10	10	10
Community centers	1	1	1	1	1

Source: Town of Yucca Valley

