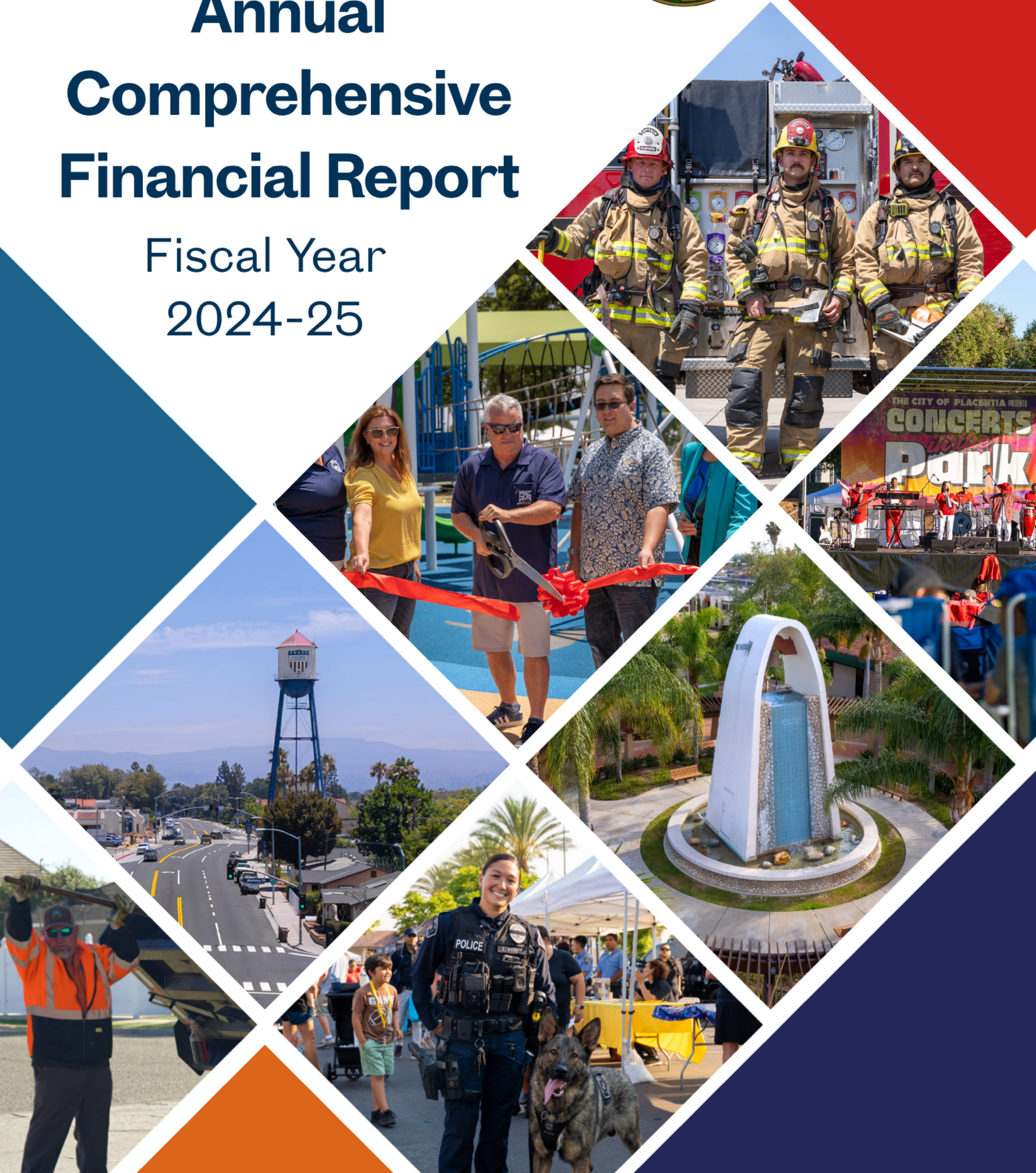
City of Placentia

Annual Comprehensive Financial Report

Fiscal Year
2024-25



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CITY OF PLACENTIA
PLACENTIA, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED JUNE 30, 2025

PREPARED BY THE FINANCE DEPARTMENT
OF THE CITY OF PLACENTIA

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CITY OF PLACENTIA
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YEAR ENDED JUNE 30, 2025

The People are the City

Mayor
CHAD P. WANKE

Mayor Pro Tem
JEREMY B. YAMAGUCHI

Councilmembers:
THOMAS HUMMER
KEVIN KIRWIN
WARD L. SMITH

City Clerk:
ROBERT S. MCKINNELL

City Treasurer
KEVIN A. LARSON

City Administrator
JENNIFER LAMPMAN

401 East Chapman Avenue – Placentia, California 92870

June 12, 2026

To the Honorable Mayor, Members of the City Council, and Citizens of Placentia:

It is our pleasure to present the Annual Comprehensive Financial Report (ACFR) of the City of Placentia for the fiscal year ended June 30, 2025. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the City. It is our opinion that the data is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of the operations of the City and contains all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs.

The financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). This report consists of management's representations concerning the finances of the City of Placentia, California. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient and reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by the Clifton Larson Allen, LLP., a public accounting firm fully licensed and qualified to perform audits of local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Placentia, California for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Placentia, California's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis

(MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Placentia's MD&A can be found immediately following the report of the independent auditors in the financial section of the ACFR.

CITY PROFILE

The City of Placentia is located in north Orange County, in the heart of Southern California, with Los Angeles County to the north and San Diego County to the south. Orange County is the third largest county in California, trailing only Los Angeles and San Diego counties, and represents 8% of the state's population. There are currently 34 cities within the County. The City consists of approximately 6.7 square miles of land area and serves a population of 52,000.

The City was founded in 1910 and incorporated in 1926. It was home to major citrus growing companies. Under the City Charter adopted in 1965, the City government is organized in the Council-Administrator form. The City Council includes five (5) members, each of whom is elected at-large to overlapping four-year terms. In 2018, the City was divided into five districts with two of the districts electing a Councilmember in November of that year and the three remaining districts electing their Councilmembers in 2020. The City Council annually selects a Mayor and Mayor Pro Tem for a one-year term. The City Council serves as the legislative and policy-making body of the City government. The City Council appoints a City Administrator and a City Attorney. The City Administrator is the City's chief executive officer and appoints all other City staff. The City Administrator is responsible for the daily administration of the City government and provides overall direction to all City departments. The City Clerk and City Treasurer are separately elected by the voters.

The City provides a full range of municipal services including police, fire and life safety, maintenance of streets and parks, community development (e.g., building, planning, code compliance), recreational and cultural activities, economic development, and administrative services (e.g., personnel, finance, information services). Refuse collection is franchised to a private waste company, Republic Services.

FINANCIAL POLICIES

Budget: The annual budget serves as the foundation for the City's financial planning and control. The Finance Department, with City Administrator direction, develops revenue estimates and budget guidelines for each department every year in January. The departments then submit expenditure appropriation requests which are summarized by the Finance Department and presented to the City Administrator for review. The City Administrator then meets with each department and prepares a proposed budget document for presentation to the City Council.

The City's Charter requires that the City Administrator submit a proposed budget to the City Council at least 35 days prior to the start of each fiscal year. After the budget has been presented, it must be adopted by the City Council following a noticed public hearing.

The annual budget includes all the City's governmental and proprietary funds. The legal level of budgetary control is the fund level. The City Administrator has the discretion to transfer appropriations between departments within a fund but transfers between funds and additional appropriations and transfers must be approved by City Council.

General Fund Reserve Policy: The City's General Fund Reserve Policy provides guidance in the creation, maintenance, and use of reserves. The policy covers the allocation of new and one- time revenues to different committed reserves such as infrastructure, vehicles, and equipment reserve; post-employment benefits sustainability reserve; employee recruitment and retention reserve; and the General Fund contingency reserve. To ensure the availability of adequate reserves for potential contingencies or emergencies, the City Council established the City's General Fund Reserve Policy with a required general fund contingency reserve of 25% of annual General Fund operating expenditures. While the fund balance of the General Fund was approximately $14.3 million on June 30, 2025, the unassigned fund balance was approximately $9.1 million, a $5.7 million decrease from June 30, 2024. A relatively large portion of the current unrestricted fund balance is committed for the City's capital projects which include street projects and for the continued construction of the public safety building.

Fees: In FY 2017-18, the Council adopted Citywide Development Impact and Residential Affordable Housing Impact Fees and updated its Comprehensive Fee Schedule following a comprehensive cost of services/user fee study in FY 2021-22. The fee schedule was proposed to be updated annually based upon consumer price index with another fee study to be conducted in the fifth year. Both the Citywide Development Impact Fees and the Comprehensive Fee Schedule were updated in FY 2024-25.

FACTORS AFFECTING THE CITY'S ECONOMIC CONDITION

Local Economy: Placentia's economic outlook is promising. Taxes represent seventy-four percent (74%) of the City's total General Fund operating revenue and primarily include property taxes, sales and use taxes (including Measure U), utility users' tax, franchise fees, and other taxes. Tax revenues, exclusive of sales tax, for FY 2024-25 generally slightly exceeded budget and are expected to meet budgeted amounts for FY 2025-26.

LONG-TERM FINANCIAL PLANNING

Pension Unfunded Accrued Liability: On November 12, 2020, the City of Placentia issued lease revenue bonds through the Placentia Public Financing Authority taking advantage of the historic low interest rate environment. This bond issuance funded 100% of the City's CalPERS unfunded actuarial liability (UAL) for the miscellaneous and safety plans. Upon issuance of the bonds, the City paid approximately $43.8 million to CalPERS for deposit to the CalPERS payment fund.

This transaction will provide $14.3 million in savings over the term of the bonds and over $600,000 annually during the first 15 years. Due to CalPERS rates of returns in prior years being lower than their assumed discount rate of 6.8%, the City faced an unfunded actuarial liability (UAL) in FY 2024-25 of approximately $447,000 in addition to the debt service relating to the lease revenue bonds.

Post Employment Benefits: The City's General Fund Reserve Policy includes provisions to set aside 10% of ongoing new revenue and 10% of one-time new revenue for unfunded liabilities. In addition, when the General Fund reaches its minimum fund balance of 25%, an additional 10% of one-time new revenue will be allocated toward funding this liability for a total of 20% annually.

DEVELOPMENT INITIATIVES

Enhanced Infrastructure Financing District: In response to the elimination of redevelopment agencies the California Senate Bill 628, effective January 1, 2015, and California Assembly Bill 313, effective January 1, 2016, authorized the formation of an Enhanced Infrastructure Financing District ("EIFD"), which is intended to succeed the former Redevelopment financing mechanism and provide more flexibility than Infrastructure Financing Districts ("IFDs"). An EIFD is a governmental entity, separate and distinct from the city or county that establishes it and is governed by a Public Financing Authority ("PFA"). EIFDs can aid local government entities in funding public capital facilities, or other specified projects of communitywide significance, primarily by capturing tax increment revenue ("Tl") generated within the district. EIFDs provide an opportunity for agencies to issue bonds for an array of public infrastructure projects as well as supporting economic development efforts in specific areas.

At the April 23, 2019, Orange County Board of Supervisors meeting, the Board Members approved a partnership to participate in an EIFD with the City of Placentia. This is one of four EIFDs established in California, and the first EIFD in the State of California to involve a partnership between a city and county for improved infrastructure.

The City of Placentia and the Southern California Association of Governments (SCAG) worked on a comprehensive plan for the establishment of an EIFD in Placentia. Under this plan, the County would contribute 46% of its share of property tax increment within the boundary of the District, which would amount to approximately $3.5 million over 20 years, or $175,000 annually. The City's contribution would be 50% of its property taxes generated in the District, or about $8.2 million over two decades. The total partnership between the County and the City would amount to $11.7 million to make the necessary infrastructure improvements to the Old Town Placentia area. This includes public infrastructure improvements near the proposed Metrolink Station, Placentia Old Town area, and the Transit-Oriented Development District near the 57 and 91 freeways. With this unique City-County partnership, the City will be able to produce over 1,600 new units of housing, create 3,900 construction jobs, and over 1,100 permanent jobs at full build-out.

Transit-Oriented Development: The City has been given a unique opportunity with the future development of a new state-of-the-art Metrolink train station and 246-space parking structure within the Old Town Placentia area. The proposed station will help transform the Packing House District (near Melrose Street and Crowther Avenue) into an active, vibrant destination. Transit-Oriented Development (TOD) is a type of community development that includes a mixture of housing, office, retail, and/or other amenities integrated into a walkable neighborhood and located within a half-mile of a public transportation stop. It will also support existing retail and restaurant businesses while growing the City's local economy.

Based on an economic development analysis conducted by Kosmont Associates, the public and private investments in the future TOD and Old Town Revitalization Plan (OTP) areas are expected at build-out to generate up to $540 million in local economic output and $800 million in Countywide economic output. Upon completion, the TOD and OTP areas are estimated to generate approximately $92 million annually in local economic output. Additionally, the proposed District areas would assist with reconstructing streets and street improvements, utilizing non-General Fund resources. In total, construction of the TOD and Old Town District is estimated to generate approximately 3,900 construction jobs and 1,100 permanent jobs.

Placentia's Old Town is a 33-acre area located in the southern and western portions of the City, north of a section of the Burlington Northern Santa Fe (BNSF) railroad. To take advantage of the upcoming Metrolink station and parking structure developments scheduled to begin construction at a future, unknown date, the Old Town Placentia Revitalization Plan was adopted by the City Council in July 2017. The plan's primary goal is to create a vibrant, safe, and pedestrian friendly area that respects the community's historical and cultural diversity, while also creating new opportunities for development and investment into the area. This comprehensive plan incorporates well- designed private and public physical improvements and amenities.

Based on the Plan's expectation of 853,000 square feet of new improvements at build-out, the Old Town Revitalization Plan is expected to generate $217 million of private development activity, development impact fees of $8.3 million and additional annual tax revenues for the City of $900,000. In addition, 1,057 construction jobs and 823 of new on-site permanent jobs are anticipated as a result of the Plan.

As mentioned previously, to expedite these improvements in Old Town Placentia, the City partnered with the County of Orange to establish an EIFD near the City's future Metrolink Station, including the Old Town Placentia area and TOD Packing House District. The purpose of this district is to create a funding mechanism that can facilitate the construction of public infrastructure improvements in this area. A portion of the property tax increment (the amount above the property taxes collected in base year 2019) that the City and the County of Orange receive would be specifically restricted to pay for the infrastructure projects listed in the Infrastructure Financing Plan (IFP) at an estimated cost of $8.2 million. These infrastructure improvements include street improvements, pedestrian connectivity, and landscaping and lighting upgrades. The EIFD does not result in new taxes or fees to the property owners in the EIFD boundaries or the City's residents.

Commercial/Residential Development:
Toll Brothers, Inc. are constructing a development of 100 single-family detached homes. This development will be located northeast of Alta Vista Street and Rose Drive. As of June 30, 2025 all phases are under construction. Home sales are underway for the remaining units including the model homes.

Orangethorpe Investment Partners, LLC are constructing a 75-unit townhome development including five, live work units on a 2.72 acre lot. This development will be located at 777 W.

Orangethorpe Avenue. As of June 2026 this development has been approved by city council and is anticipated to submit for building plan check shortly.

Yagnesh Patel of CY Hospitality is constructing a 63-foot-tall hotel totaling 42,631 square feet with 86 guest rooms. It will also include a 24,210 square foot subterranean garage, rooftop deck and on site alcohol sales. This development will be located at 450 S Placentia Avenue. As of June 2026 this development has been approved by council and is currently in the building plan check phase.

Toffoli Investments/Risewell Homes are constructing a 139-unit residential townhome development called "Hudson." Hudson is located at 455 S. Van Buren Street and will consist of 22 separate three-story buildings. Six floor plans are proposed consisting of 25 one-bedroom units, 52 two-bedroom units, and 62 three-bedroom units. The unit types will measure between 762 square feet and 1,349 square feet in overall floor area and feature an attached one or two-car garage per unit. Hudson amenities will include a tot lot, barbeques, fire pits, bike racks, a dog run, and more. As of June 30, 2025 construction of most of the buildings are complete. Home sales are underway for the remaining units including the model homes.

Toffoli Investments/Risewell Homes are constructing a 39-unit three-story residential condominiums development called "Hudson East." Hudson East will be located at East Veterans Way near Lakeview Avenue on a 1.3-acre lot. As of June 30, 2025 construction of final phases are under construction.

Toffoli Investments/Risewell Homes are constructing a development of 140-unit three-story condominium residential townhomes called "Sumner Village." This development will be located at 440 North Jefferson Street on a 4.97-acre property. As of June 2026 construction of model homes, phases 1 and 2 (out of 12) are under construction.

Chick-fil-A restaurant, located at the southeast corner 1200 E. Alta Vista Street was under construction as of June 30, 2025 and opened for business October 2025. The newly constructed 5,525-square-foot Chick-fil-A features a modern design with a drive-thru and outdoor seating area, offering guests a welcoming and convenient dining experience. Distinctive drive-thru canopy structures and high-quality exterior finishes complete the restaurant's polished look. This represents the final phase of the development originally approved in 2018 on the southeast corner of Alta Vista Street and Rose Drive, which combines both commercial and residential uses while preserving many of the site's originally approved landscape and hardscape features.

Dutch Bros Coffee is constructing a 1,025-square foot commercial building, with dual drive-thru lanes, including hardscape and landscape improvements in a 28,446-square foot former parking lot at the Placentia Town Center, located at 150 E. Yorba Linda Boulevard. As of June 2026 this development has been approved by Planning Commission and is currently in the building plan check phase.

Buy Local Incentive Programs

Residential Vehicle Rebate Program: Placentia residents purchasing or leasing a new vehicle from Fairway Ford or Audi North OC are eligible to receive a $500 rebate with proof of residency as part of the Buy Local Incentive Program. The Resident Vehicle Rebate Program expired on April 30, 2025.

Acknowledgments

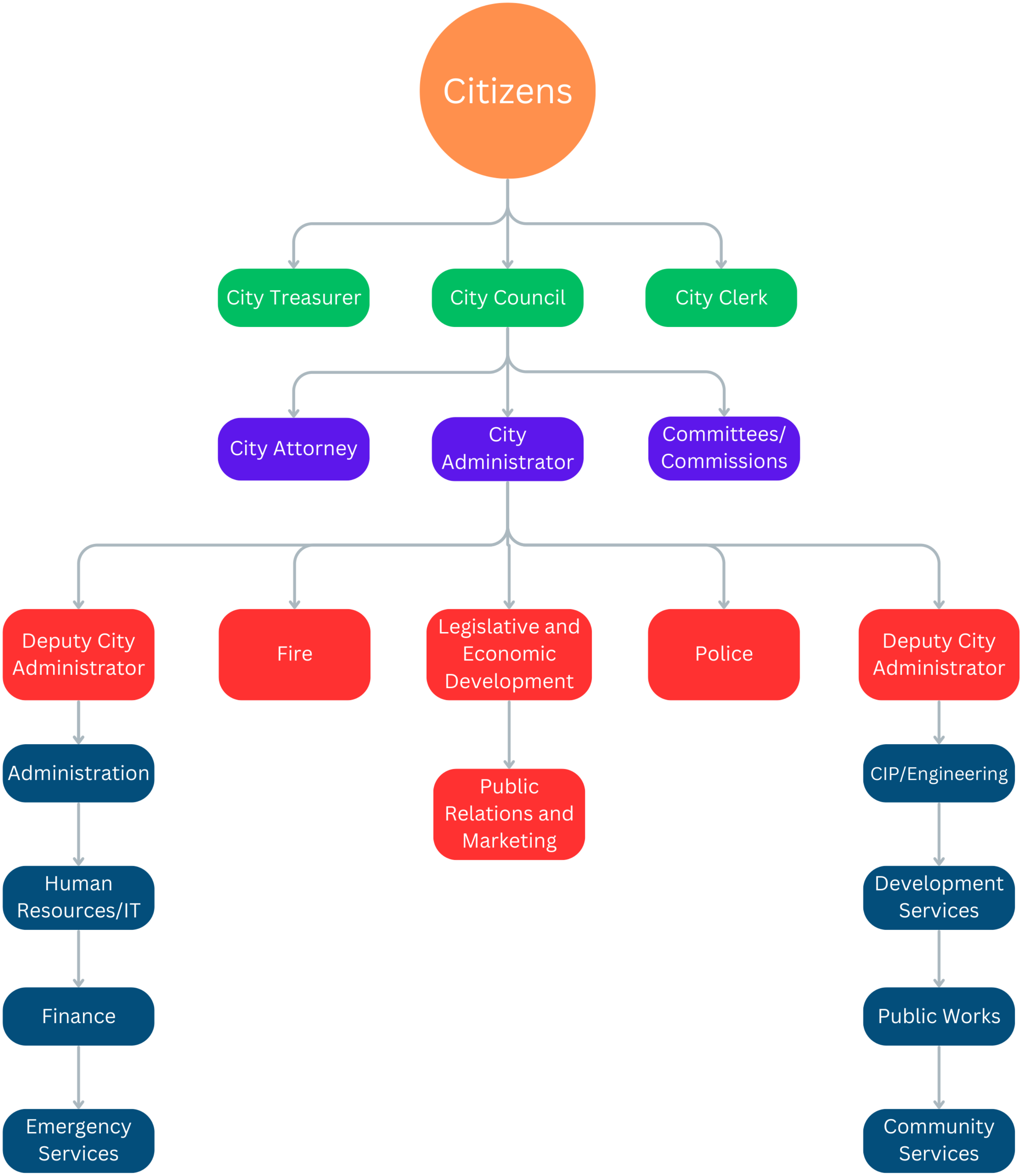
The preparation of this report could not have been accomplished without the efficient and dedicated service of the entire Finance Department. Special recognition is also given to the audit firm of the Clifton Larson Allen, LLP. We also wish to recognize the commitment of the City Council to the high standards embodied in this report and express appreciation to them and each City department for their cooperation and support in conducting the fiscal operations of the City.

Respectfully submitted,

Jerry Griggs
Director of Finance

Jennifer Lampman
City Administrator

Citywide Organizational Chart



CITY OF PLACENTIA
PRINCIPAL OFFICIALS
AS OF JUNE 12, 2026

CITY COUNCIL

Chad P. Wanke	Mayor
Jeremy B. Yamaguchi	Mayor Pro Tempore
Ward L. Smith	Councilmember
Thomas Hummer	Councilmember
Kevin Kirwin	Councilmember

CITY OFFICIALS

Robert S. McKinnell	City Clerk
Kevin A. Larson	City Treasurer
Jennifer Lampman	City Administrator
Christian L. Bettenhausen	City Attorney
Jerry Griggs	Director of Finance
Rosanna Ramirez	Director of Administrative Services
Lydie Gutfeld	Director of Community Services
Joseph M. Lambert	Director of Development Services
Alice Burnett	Director of Human Resources
Chris Tanio	Director of Public Works
Brad Butts	Police Chief
Jason Dobine	Fire Chief

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
City of Placentia
Placentia, California

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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 City's internal control. Accordingly, no such opinion is expressed.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedules - General and Major Special Revenue Funds, the schedules of the City's proportionate share of the net pension liabilities and related ratios and the schedules of plan contributions for the City's pension plans, the schedule of changes in the net other post-employment benefit (OPEB) liability and related ratios, and the schedule of OPEB plan contributions, identified as Required Supplementary Information (RSI) in the accompanying 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 RSI 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 RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The individual fund schedules and combining 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 individual fund schedules and combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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 June 12, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Irvine, California
June 12, 2026

The following Management's Discussion and Analysis (MD&A) of the financial activities of the City of Placentia ("City") provides an overview of the City's financial performance for the fiscal year ended June 30, 2025. Please read it in conjunction with the accompanying basic financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The City's total net position increased by approximately $100,000 during FY 2024-25, increasing from $88.6 million to $88.7 million.
- Governmental activities revenues totaled approximately $70.1 million, consisting primarily of taxes, intergovernmental revenues, charges for services, and investment earnings. Governmental activities expenses totaled approximately $71.2 million.
- The City's business-type activities, consisting of refuse and sewer maintenance operations, reported positive operating income of approximately $1.0 million during the fiscal year, compared to an operating loss of approximately $30,000 in the prior year.
- Total governmental fund balances decreased by approximately $4.5 million during fiscal year 2024-25, from $33.5 million to $29.0 million. The decrease was primarily attributable to continued capital improvement program expenditures, roadway rehabilitation projects, public safety facility planning and design activities, and the use of accumulated reserves to fund infrastructure and operational needs.
- The General Fund reported a fund balance of approximately $14.3 million at June 30, 2025, compared to $18.4 million in the prior year. The decrease was primarily due to a decrease in transfers and a decrease in debt issuance as a financing source.
- The City continued significant investment in infrastructure, facilities, roadway rehabilitation, public safety improvements, park enhancements, and technology modernization projects during fiscal year 2024-25. Governmental capital asset additions totaled approximately $12.9 million.
- Total long-term governmental liabilities decreased from approximately $99.0 million to $95.0 million due primarily to scheduled debt service payments and reductions in financed purchase obligations, leases, and other debt obligations.
- The City's unrestricted net position for governmental activities remained negative at approximately $(66.6) million, primarily due to long-term pension and other post-employment benefit ("OPEB") liabilities, bonded indebtedness, and deferred inflows related to pension, OPEB, and lease accounting standards.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include:

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

In addition to the basic financial statements, this report also contains required supplementary information and supplementary schedules.

Government-wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the City's finances using the accrual basis of accounting, similar to private-sector businesses.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event occurs, regardless of when cash is received or paid.

The government-wide financial statements distinguish functions of the City principally supported by taxes and intergovernmental revenues (governmental activities) from functions intended to recover all or a significant portion of costs through user fees and charges (business-type activities).

Governmental activities include general government, public safety, public works, community development, and community services. Business-type activities include refuse and sewer maintenance operations.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The City's funds are divided into three categories:

- Governmental funds
- Proprietary funds
- Fiduciary funds

<u>Governmental Funds</u>

Governmental funds are used to account for the governmental activities reported in government-wide financial statements. Most of the City's basic services are included in the governmental funds. The basis of accounting is different between the governmental fund statements and the government-wide financial statements.

The governmental funds focus on near-term revenues/financial resources and expenditures, while the government-wide financial statements include both near-term and long-term revenues/financial resources and expenses. The information in the governmental fund statements can be used to evaluate the City's near-term financing requirements and immediate fiscal health. Comparing the governmental fund statements with the government-wide financial statements can help the reader better understand the long-term impact of the City's financing decisions. To assist in this comparison, reconciliations between the governmental fund statements and the government-wide financial statements are included with the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances.

<u>Proprietary Funds</u>

The City maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for refuse and sewer services.

Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The internal service funds primarily benefit the governmental activities and, therefore, the internal service fund information has been included with the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for each of the two business-type activities individually, but combined information for the City's three internal service funds. In the Supplementary Information section of this report, information for each of the three internal service funds is provided.

Fiduciary Funds

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

Fiduciary funds are not included in the government-wide financial statements because their assets are not available to support the City's activities.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is important to obtain a full understanding of the data in the government-wide and fund financial statements. The notes are located immediately following the basic financial statements.

Other Information

In addition to the basic financial statement and accompanying notes, this report also presents certain required supplementary information. Required supplementary information may be found immediately following the notes to the financial statements. The combining statements for other governmental funds, the individual fund schedules, the internal service fund statements, and agency-type fiduciary fund schedules are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
ASSETS						
Cash and Investments	$ 32,210,256	$ 34,155,584	$ 4,584,263	$ 2,719,521	$ 36,794,519	$ 36,875,105
Other Assets	36,443,524	37,938,186	168,373	212,976	36,611,897	38,151,162
Capital Assets	141,005,918	135,430,593	11,835,573	12,470,619	152,841,491	147,901,212
Total Assets	209,659,698	207,524,363	16,588,209	15,403,116	226,247,907	222,927,479
DEFERRED OUTFLOW OF RESOURCES	6,272,491	13,060,378	83,000	391,435	6,355,491	13,451,813
LIABILITIES						
Current Liabilities	19,910,274	16,004,625	500,212	462,236	20,410,486	16,466,861
Long-Term Liabilities	87,064,388	92,362,502	406,183	580,755	87,470,571	92,943,257
Total Liabilities	106,974,662	108,367,127	906,395	1,042,991	107,881,057	109,410,118
DEFERRED INFLOW OF RESOURCES	35,765,734	38,017,644	290,985	385,908	36,056,719	38,403,552
NET POSITION						
Net Investment in Capital Assets	118,813,090	114,776,612	11,835,573	12,470,619	130,648,663	127,247,231
Restricted	20,961,876	21,767,364	-	-	20,961,876	21,767,364
Unrestricted	(66,583,173)	(62,344,006)	3,638,256	1,895,033	(62,944,917)	(60,448,973)
TOTAL NET POSITION	**$ 73,191,793**	**$ 74,199,970**	**$ 15,473,829**	**$ 14,365,652**	**88,665,622**	**88,565,622**

As of June 30, 2025, the City's total net position increased slightly by $100,000 from the prior fiscal year, increasing from $88.6 million in FY 2023-24 to $88.7 million in FY 2024-25. Governmental activities reported a decrease in net position of approximately $1.0 million, while business-type activities reported an increase of approximately $1.1 million.

Governmental activities total assets and deferred outflows decreased from approximately $220.6 million in FY 2023-24 to $215.9 million in FY 2024-25. The decrease was primarily attributable to lower cash and investments, reduced grant receivables, and decreases in deferred outflows related to pension and OPEB actuarial adjustments. Cash and investments for governmental activities decreased by approximately $1.9 million, largely due to continued capital project expenditures, debt service payments, and operating transfers during the fiscal year.

Total governmental liabilities and deferred inflows decreased from approximately $146.4 million in FY 2023-24 to $142.7 million in FY 2024-25. The decrease was primarily attributable to scheduled debt repayments, reductions in net pension and OPEB liabilities, and lower deferred inflows related to OPEB. Long-term debt due within and beyond one year decreased by approximately $1.4 million as the City continued making scheduled debt service payments.

Governmental activities unrestricted net position decreased further from a deficit of $62.3 million in FY 2023-24 to a deficit of $66.6 million in FY 2024-25. Although the unrestricted deficit remains significant, it is primarily attributable to the recognition of long-term pension and OPEB obligations required under governmental accounting standards.

Business-type activities net position increased from $14.4 million in FY 2023-24 to $15.5 million in FY 2024-25. The increase was primarily attributable to positive operating results in both the Refuse and Sewer Maintenance Funds with increases to fees collected through property taxes and sewer maintenance fees, respectively.

The largest portion of the City's net position continues to reflect its investment in capital assets. As of June 30, 2025, the City reported $130.6 million invested in capital assets, net of related debt, compared to $127.2 million in the prior year.

Restricted net position decreased from $21.8 million in FY 2023-24 to $21.0 million in FY 2024-25. The decrease was primarily due to planned use of restricted debt service reserves and transportation-related resources for capital improvement and infrastructure projects.

Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues:						
Charges for Services	$ 8,216,617	$ 7,072,927	$ 6,929,407	$ 6,324,092	$ 15,146,024	$ 13,397,019
Operating contribution and grants	7,574,540	9,936,713	-	-	7,574,540	9,936,713
Capital contributions and grants	4,764,786	1,938,279	-	-	4,764,786	1,938,279
General Revenues:						
Taxes	47,450,242	45,901,213	-	-	47,450,242	45,901,213
Investment income	1,682,894	1,900,697	103,730	44,933	1,786,624	1,945,630
Gain on sale of property	-	-	-	-	-	-
Miscellaneous	460,735	281,897		-	460,735	281,897
Total revenues	70,149,814	67,031,726	7,033,137	6,369,025	77,182,951	73,400,751
EXPENSES						
General government	18,872,842	17,490,713		-	18,872,842	17,490,713
Public safety	28,180,805	27,470,712		-	28,180,805	27,470,712
Public works	13,857,129	10,729,394		-	13,857,129	10,729,394
Community development	2,988,099	2,563,283		-	2,988,099	2,563,283
Commuity services	4,654,541	4,253,514		-	4,654,541	4,253,514
Interest	2,604,575	2,959,601		-	2,604,575	2,959,601
Refuse	-	-	4,919,556	4,887,578	4,919,556	4,887,578
Sewer maintenance	-	-	1,005,404	1,466,857	1,005,404	1,466,857
Total Expenses	71,157,991	65,467,217	5,924,960	6,354,435	77,082,951	71,821,652
CHANGES IN NET POSITION BEFORE TRANSFERS	(1,008,177)	1,564,509	1,108,177	14,590	100,000	1,579,099
TRANSFERS	-	(5,939,707)	-	5,939,707	-	-
CHANGES IN NET POSITION	(1,008,177)	(4,375,198)	1,108,177	5,954,297	100,000	1,579,099
NET POSITION, BEGINNING OF YEAR	74,199,970	78,575,168	14,365,652	8,411,355	88,565,622	86,986,523
NET POSITION, END OF YEAR	**$ 73,191,793**	**$ 74,199,970**	**$ 15,473,829**	**$ 14,365,652**	**$ 88,665,622**	**$ 88,565,622**

The following is a summary of activities for the years ending June 30, 2025, and 2024:

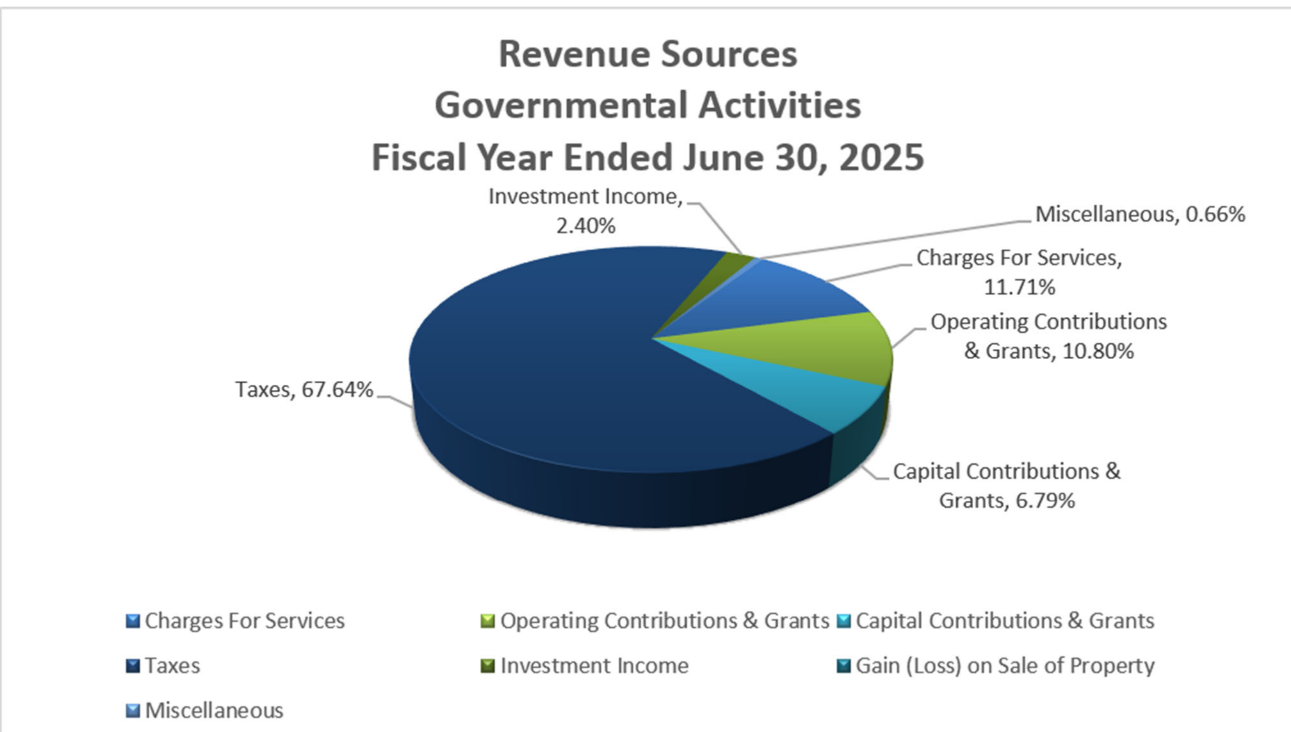
Governmental Activities:

Governmental activities decreased the City's net position by approximately $1.0 million during FY 2024-25, compared to a decrease of $4.4 million in FY 2023-24. The improved operating results were primarily attributable to continued growth in tax revenues, increased program revenues, and lower one-time financing activity compared to the prior year.

Revenues

Total governmental revenues, including program revenues and general revenues, increased from approximately $67.0 million in FY 2023-24 to $70.1 million in FY 2024-25. General revenues increased by approximately $1.5 million, driven primarily by continued strength in property tax, sales tax, utility users tax, and franchise tax revenues.

The following chart illustrates the percentage breakdown of revenue generated by governmental activities:



Property tax revenues increased by approximately $1.2 million, or 5.7%, reflecting continued growth in assessed property valuations throughout the City. Sales tax revenues increased modestly by approximately $136,000 due to continued consumer spending and economic stability within the region.

Program revenues increased significantly in certain functional areas. Community development charges for services increased significantly from $1.5 million to $2.6 million, or 71.0% due to higher permit activity, fire plan check activity, and continued private development throughout the city. Public safety charges for services also increased by $233,055, or 25.51% due primarily to increased ordinance-related parking fines and enforcement activity. Public

Safety operating grants increased due to reimbursement for the operations of the Placentia Navigation Center. Public Works operating and capital grants increased substantially due to ongoing federally and state-funded infrastructure and transportation improvement projects.

Capital Contributions and Grants saw an increase of $2.8 million, primarily due to housing development activity occurring throughout the City and continued infrastructure-related reimbursement activity.

Investment income remained strong during FY 2024-25 with a slight decrease of $217,803 mostly due to a market value adjustment.

Several major private development projects also remained active throughout the fiscal year, contributing to increased permit revenues, plan check activity, and future economic development opportunities within the City. Significant projects included:

- A 140-unit condominium townhome development at 440 N. Jefferson Street
- A 68-unit affordable housing development on Baker Street
- Multiple infill townhome and condominium developments
- The Toll Brothers residential development northeast of Alta Vista Street and Rose Drive
- The Orangethorpe mixed-use residential and commercial development project

Expenses

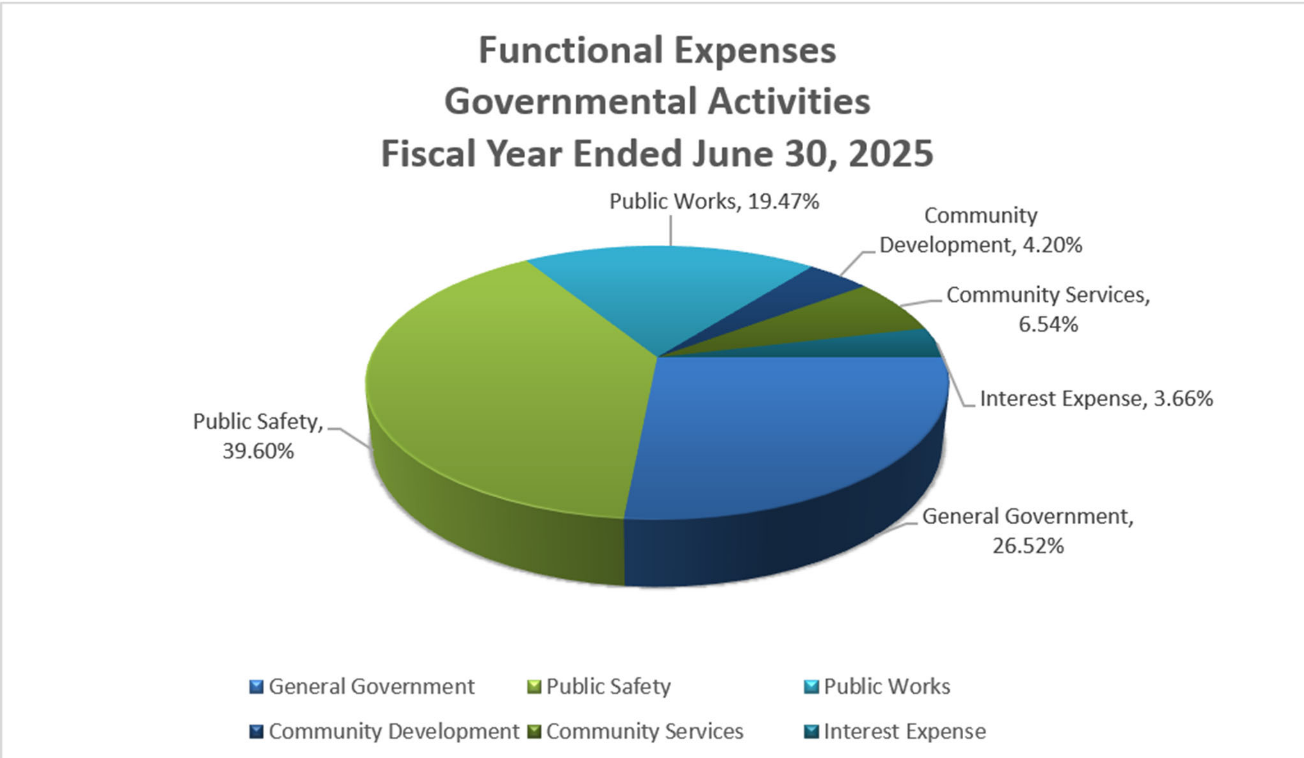
Governmental expenses increased from approximately $65.5 million in FY 2023-24 to $71.2 million in FY 2024-25. Much of the increase was attributable to higher public safety costs, capital improvement activity, infrastructure maintenance, and increases in personnel-related expenditures.

General Government expenses increased by approximately $1.4 million due primarily to increased personnel costs, professional services, technology-related expenditures, and administrative support costs.

Public Safety remained the City's largest governmental function, representing approximately 40% of total governmental activity expenses. Public Safety expenses increased by approximately $710,000 over the prior year due primarily to higher personnel costs, contractual services, and operational expenditures.

Public Works expenses increased significantly by approximately $3.1 million due to expanded infrastructure maintenance activities, street improvements, and capital project expenditures funded through grants and transportation-related revenues.

The following chart illustrates the percentage breakdown of expenses related to governmental activities:



Business-Type Activities:

Business-type activities increased the City's net position by approximately $1.1 million during FY 2024-25, compared to an increase of approximately $6.0 million during FY 2023-24. The prior year increase was significantly impacted by a one-time capital contribution of approximately $5.9 million related to sewer infrastructure assets transferred from governmental activities.

Excluding the prior year capital contribution, business-type activities experienced improved operational performance during FY 2024-25.

Total business-type operating revenues increased from approximately $6.3 million in FY 2023-24 to $6.9 million in FY 2024-25, while operating expenses decreased from approximately $6.4 million to $5.9 million.

Business-Type Activities	2025	2024
Operating Revenues	$ 6,929,407	$ 6,324,092
Operating Expenses	$ 5,924,960	6,354,435
Operating Income (loss)	1,004,447	(30,343)
Non-operating Income	$ 103,730	44,933
Income(loss)before Transfers & Special Items	1,108,177	14,590
Transfers	$ -	5,939,707
Change in Net Position	$ 1,108,177	5,954,297
Net Position - Beginning of Year	$ 14,365,652	8,411,355
Net Position - End of Year	**$ 15,473,829**	**$ 14,365,652**

Refuse

The City of Placentia contracts with Republic Services to provide weekly waste collection services for residential, multi-family, and commercial properties. The Refuse Fund reported an increase in net position of approximately $344,985 during FY 2024-25, compared to a decrease of approximately $65,000 in the prior year. Operating revenues increased due to higher refuse service charges and customer billings, while operating expenses increased at a slower rate.

Refuse	2025	2024
Operating Revenues	$ 5,241,178	$ 4,812,880
Operating Expenses	4,919,556	4,887,578
Operating Income (loss)	321,622	(74,698)
Non-operating Income	23,363	9,797
Income(loss)before Transfers & Special Items	344,985	(64,901)
Transfers	-	-
Change in Net Position	344,985	(64,901)
Net Position - Beginning of Year	147,521	212,422
Net Position - End of Year	**$ 492,506**	**$ 147,521**

Sewer

The City operates and maintains 84 miles of gravity sanitary sewer pipelines that serve the majority of parcels within the 6.6 square mile city limits. Operations, maintenance, and repair activities include sewer line cleaning, root removal, manhole maintenance and repair, sewer line video inspection, and sewer lateral maintenance, repair, and replacement.

The Sewer Maintenance Fund reported an increase in net position of approximately $763,192 during FY 2024-25. The increase was primarily attributable to stable operating revenues, controlled maintenance costs, a decrease in staff allocated to the fund, and continued positive operating cash flows.

Sewer	**2025**	**2024**
Operating Revenues	$ 1,688,229	$ 1,511,212
Operating Expenses	1,005,404	1,466,857
Operating Income (loss)	682,825	44,355
Non-operating Income	80,367	35,136
Income(loss)before Transfers & Special Items	763,192	79,491
Transfers	-	5,939,707
Change in Net Position	763,192	6,019,198
Net Position - Beginning of Year	14,218,131	8,198,933
Net Position - End of Year	**$ 14,981,323**	**$ 14,218,131**

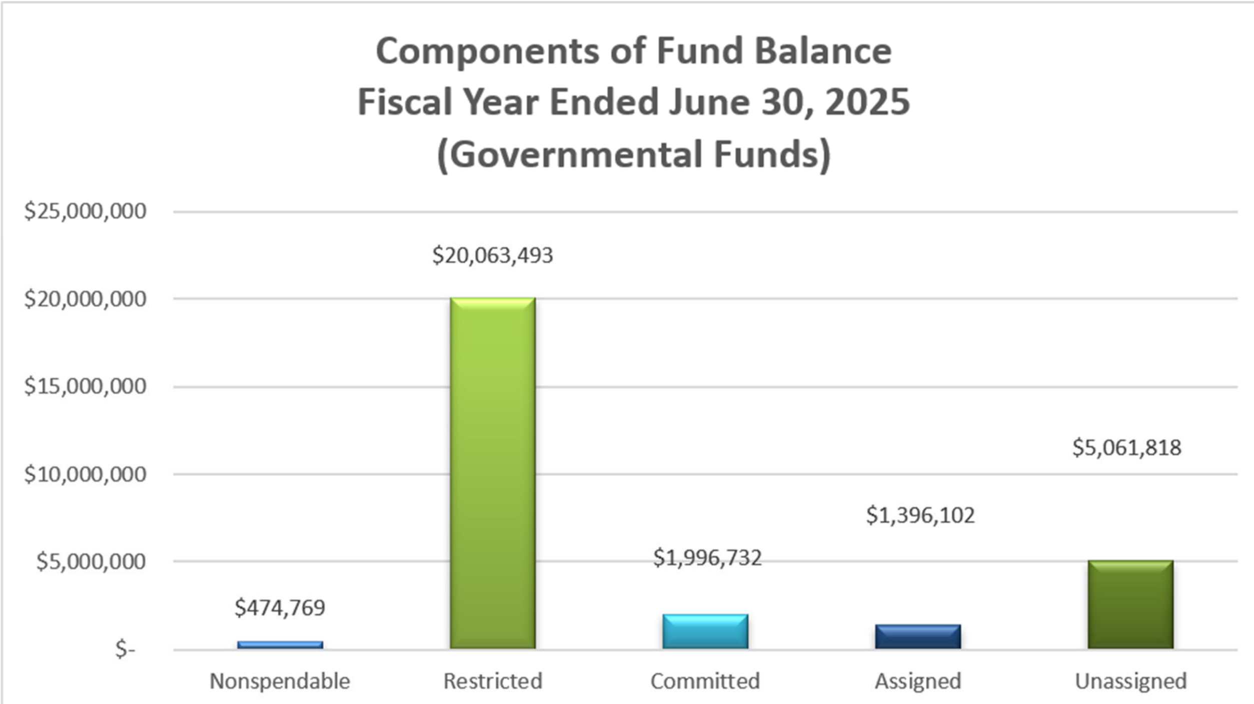
FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is valuable in assessing the City's financing needs. In particular, the assigned and unassigned fund balances serve as key indicators of the government's net resources available for spending at the end of the fiscal year. The unassigned fund balance represents the portion of the fund balance that has not been committed for a specific purpose by an external party, the City Council, or anyone authorized to allocate resources.

As of June 30, 2025, the City's governmental funds reported combined ending fund balances of approximately $29.0 million, a decrease of approximately $4.5 million from the prior year balance of $33.5 million.



The total fund balance includes $474,769 in non-spendable fund balance, which consists of long-term loans receivable, inventories of supplies, prepaid expenditures, and prepaid items. These resources cannot be used to finance operating expenditures.

The restricted fund balance of $20.0 million represents resources that can only be spent for specific purposes due to constraints imposed either (1) externally by creditors (such as debt covenants), grantors, or laws and regulations of other governments, or (2) by law through constitutional provisions or enabling legislation. This reflects an approximate decrease of $696,603 compared to the previous year, primarily due to a decrease in cash within the Pension Stability fund.

The City Council, the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts are classified as committed fund balance. As of June 30, 2025, the City has committed $2.0 million from Measure U Funds for the continuation of infrastructure projects and other capital projects.

Assigned fund balance represents funds that are constrained by the City's intent to use them for specific purposes. As of June 30, 2025, the City had $1.4 million assigned fund balance intended to cover prior year purchase order commitments.

Unassigned fund balance represents the portion of the fund balance that does not fall into any of the other four fund balance categories and has no specific spending limitations. As of June 30, 2025, the unassigned fund balance for all governmental funds combined is $5.1 million. This includes $9.1 million in unassigned fund balance in the General Fund, offset by combined unassigned deficits totaling $4 million across several funds, including the Navigation Center Fund, Miscellaneous Grants Fund, Measure M, LMD 92-1 Fund, Housing and Community Development Fund, and the City Capital Projects Fund.

The decrease in total governmental fund balance was primarily attributable to planned capital project expenditures, continued infrastructure investment, debt service payments, and use of restricted resources for transportation and capital improvement projects.

General Fund:

The General Fund is the City's chief operating fund. As of June 30, 2025, the General Fund reported a fund balance of approximately $14.3 million, a decrease of approximately $4.1 million from the prior year. This change was primarily due to a decrease in incoming transfers and a decrease in debt issuance.

Revenue

General Fund revenues remained relatively stable during the fiscal year. Revenues totaled approximately $56.7 million in FY 2024-25, compared to $57.1 million in FY 2023-24. While tax revenues increased overall, total revenues declined slightly due primarily to reductions in miscellaneous revenues and lower one-time revenue activity compared to the prior year.

Expense

General Fund expenditures as of June 30, 2025, amounted to $60.3 million, a sharp decrease of $8.8 million compared to the previous year, or 12.73%. The decrease in expenditures was primarily driven by lower capital outlay.

General Government

General government expenses increased due to higher costs for professional services and a scheduled increase in salaries and associated benefits.

Public Safety

Public safety expenses increased due to a scheduled increase in salaries and associated benefits.

Capital Outlay

Capital outlay was the largest contributor to the decrease in expenses. Capital outlay decreased by $11.8 million, or 53.53%, compared to the prior year. The expenditure decreased significantly compared to the prior year because a substantial portion of the Public Safety Building construction costs had already occurred during FY 2023-24.

Proprietary Funds

The City maintains proprietary funds for sewer maintenance and refuse operations. At the end of the fiscal year, the combined net position of these two funds totaled $15.4 million, reflecting an increase of $1.1 million.

The sewer maintenance fund had a net position of $15.0 million, of which $11.8 million is invested in capital assets. There were no significant changes between the current year and the previous fiscal year.

In fiscal year 2024-25, the Refuse Fund reported a positive net position of $492,506, an increase of $344,985 compared to the previous year. While the Refuse Fund experienced an increase in revenue from sales and service charges, this was offset by higher landfill and contractor charges due to an increase in units serviced.

The combined internal service funds had a negative net position of $4.7 million as of June 30, 2025, compared to a negative net position of $1.3 million on June 30, 2024. The change in net position for 2025 was $3.4 million, primarily due to an increase in claims and liability insurance premiums.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, adjustments were made to the estimated revenues and appropriations in the General Fund to more accurately reflect actual amounts received and expended. It is standard practice for the City to conduct a comprehensive analysis of estimated revenues and appropriations at the end of the first six months of the fiscal year. In accordance with City policy, any increases to the total General Fund appropriations for the year must be approved by the City Council.

The adopted General Fund budget for fiscal year 2024-25, including transfers from other funds, was nearly $50.4 million. This budget was later increased through amendments totaling $9.5 million, resulting in a final budget of $59.9 million. Actual revenues for the year totaled $56.7 million, with the largest negative budget variance of $5.7 million occurring in Capital Projects Revenue. This variance is primarily due to a project being funded with bond proceeds or grants, which are recorded on a reimbursement basis.

The adopted General Fund expenditure budget for fiscal year 2024-25 was $50.9 million. However, the City Council approved amendments that increased appropriations by $12.5 million, resulting in a final amended budget of $63.5 million. The largest increases were allocated to Capital Outlay, which includes improvements to the City's streets, fire station, parks, and the purchase of machinery and equipment. In fiscal year 2023-24, the City issued bonds and used fund balance to construct a new Public Safety building, which will house facilities for storing and processing evidence, provide a new Emergency Operations Center, and support a new Public Safety Communications Center. As of fiscal year 2024-25, the project is still ongoing.

During the fiscal year, the City recognized that' costs continued to rise and worked to limit spending to essential items and services in order to remain fiscally responsible. In response, the City issued a stop spending order in April 2025, limiting purchases to essential items.. With the fund balance committed for the construction of the new Public Safety building and other capital projects, the City ended the fiscal year with an estimated reduction in fund balance of $4.1 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City continued significant investment in capital infrastructure during FY 2024-25. Capital asset activity included roadway rehabilitation, sewer infrastructure improvements, park renovations, public safety improvements, technology infrastructure upgrades, and facility modernization projects.

Major capital project expenditures during the fiscal year included:

- Public Safety Building construction
- Residential slurry and roadway rehabilitation projects
- Tuffree Park Sports Field Lighting project
- McFadden Park Playground Renovation

- La Placita Parkette Improvements
- Citywide wayfinding signage improvements
- Transit-oriented sewer infrastructure improvements
- IT infrastructure replacement and ERP modernization
- Vehicle and equipment replacement projects
- Park and facility renovation projects

Construction in progress remained significant at year-end due primarily to ongoing Public Safety Building construction and infrastructure projects underway throughout the City.

The City's capital assets, net of accumulated depreciation, for its governmental and business-type activities as of June 30, 2025, totaled $152.8 million, marking an increase of approximately $4.9 million, or 3.34%, from the prior year. Capital assets encompass land, buildings, infrastructure, and equipment.

Governmental activities saw an increase of $5.6 million, net of accumulated depreciation. This growth was primarily driven by the completion of street network projects, such as previously uncapitalized roadway rehabilitation projects, as well as the completion of improvements to the Transit Oriented Development (TOD) sewer project. Additionally, construction in progress (CIP) activity rose due to the ongoing construction of the public safety building, which has yet to be completed.

Total business-type capital assets, net of accumulated depreciation, decreased during the fiscal year due to scheduled depreciation of structures and improvements with no new assets put in place throughout the year. After accounting for depreciation, the net decrease in capital assets for business-type activities was $635,046.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 26,118,971	$ 26,118,971	$ -	$ -	$ 26,118,971	$ 26,118,971
Land - Right of Way	1,008,822	1,008,822	-	-	1,008,822	1,008,822
Trees	3,196,564	3,196,564	-	-	3,196,564	3,196,564
Construction in Progress	34,920,491	26,554,604	-	-	34,920,491	26,554,604
Structures & Improvements	16,134,383	16,823,769	11,817,337	12,440,432	27,951,720	29,264,201
Equipment	5,703,890	6,568,336	18,236	30,187	5,722,126	6,598,523
Right-to-Use Lease Land	-	228,303	-	-	-	228,303
Right-to-Use Lease Equipment	684,661	758,743	-	-	684,661	758,743
Subscription Assets	2,108,084	2,141,596	-	-	2,108,084	2,141,596
Land Improvements	31,584	37,380	-	-	31,584	37,380
Infrastructure	-	-				
Streets Network	40,331,045	41,221,385	-	-	40,331,045	41,221,385
Streets Appurtenances	8,781,689	8,598,144	-	-	8,781,689	8,598,144
Storm Drains	1,985,734	2,173,976	-	-	1,985,734	2,173,976
Total Capital Assets	$ 141,005,918	$ 135,430,593	$ 11,835,573	$ 12,470,619	$ 152,841,491	$ 147,901,212

For further detailed information see Note 5, Capital Assets.

Debt Administration

As of June 30, 2025, the City's long-term debt totaled approximately $95.0 million, reflecting a decrease of $4.1 million from the prior year. This change was attributed to scheduled principal and interest payments on outstanding debt obligations during FY 2024-25. Total long-term liabilities decreased primarily due to normal debt amortization and reductions in financed purchase obligations and lease liabilities.

The City continues to monitor long-term pension and OPEB obligations, which remain significant components of the City's overall liabilities.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Capital Leases (Radio)	$ 204,512	$ 362,479	$ -	$ -	$ 204,512	$ 362,479
Fire Lease#1	1,737,718	2,096,314	-	-	1,737,718	2,096,314
Fire Lease#2	910,618	1,098,741	-	-	910,618	1,098,741
Melrose Easement	157,266	222,672	-	-	157,266	222,672
Electric Vehicles	66,482	96,530	-	-	66,482	96,530
OCTA Advance	254,583	714,982	-	-	254,583	714,982
Fire UAL Payoff Loan	-	344,932			-	344,932
Motorola Equipment	1,100,683	1,197,159	-	-	1,100,683	1,197,159
2022 Loan Payable (2003 COP)	898,219	1,331,266	-	-	898,219	1,331,266
2021 Installment Sale Agreement	1,925,000	2,293,000	-	-	1,925,000	2,293,000
2020A Lease Revenue Bond	46,340,000	48,530,000	-	-	46,340,000	48,530,000
2023 Lease Revenue Bond	9,050,000	9,190,000	-	-	9,050,000	9,190,000
Unamortized Bond Premium	340,440	352,179	-	-	340,440	352,179
Leases Payable	681,495	998,122	-	-	681,495	998,122
Subscription Liability	1,779,522	1,859,215	-	-	1,779,522	1,859,215
Claims Payable	7,201,839	3,820,916	-	-	7,201,839	3,820,916
Compensated Absences	2,508,871	2,928,780	36,395	31,632	2,545,266	2,960,412
Other Postemployment Benefit	12,588,382	13,621,646	349,023	377,671	12,937,405	13,999,317
Pension Liabilities	7,241,058	7,985,498	34,335	172,847	7,275,393	8,158,345
Total Long-Term Liabilities	**$ 94,986,688**	**$ 99,044,431**	**$ 419,753**	**$ 582,150**	**$ 95,406,441**	**$ 99,626,581**

For further detailed information see Note 6, Long-Term Liabilities.

NEXT YEAR'S BUDGET, TAX RATES AND FEE LEVELS

The fiscal year 2025-26 General Fund operating budget was adopted with a projected surplus of $888,600, driven by use of one time revenues and reduction of non-essential expenses.
General Fund revenues and transfers from other funds are currently estimated at $53.3 million for fiscal year 2025-26, which is in line with the actual revenues for fiscal year 2024-25. The adopted fiscal year 2025-26 General Fund budget includes $46.1 million in appropriations for expenditures (excluding CIP expenditures) and transfers to other funds. The City made efforts to limit any increases in expenditures to essential services or necessary contract increases.

Through this approach, the City was able to reduce expenditures by $1.7 million compared to the fiscal year 2024-25 actuals. The approved staffing for fiscal year 2025-26 includes 193 full-time positions, 4 unfunded over-hires, and 76 elected and appointed personnel. As in previous years, contracts for services across all departments were carefully reviewed during budget development. In cases where contracts offered no potential cost savings or where a higher level of service could be provided for the same or lower cost, contract personnel were replaced by City employees.

REQUESTS FOR INFORMATION

This financial report is intended to provide a general overview of the City's finances for all individuals with an interest in the government's financial activities. If you have any questions regarding the information presented in this report or require additional financial details, please contact the City's Finance Department at the City of Placentia, 401 East Chapman Avenue, Placentia, California 92870, call (714) 993-8237 or visit our website at www.placentia.org.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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CITY OF PLACENTIA
STATEMENT OF NET POSITION
JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Investments	$ 27,606,553	$ 4,584,263	$ 32,190,816
Receivables, Net of Allowance:			
Accounts	3,266,313	138,294	3,404,607
Taxes	4,200,022	30,079	4,230,101
Grants	639,999	-	639,999
Interest	373,762	-	373,762
Loans	1,894,101	-	1,894,101
Leases	574,218	-	574,218
Prepaid Items	69,485	-	69,485
Inventory	7,740	-	7,740
Total Current Assets	38,632,193	4,752,636	43,384,829
Noncurrent Assets:			
Land Held for Resale	1,036,761	-	1,036,761
Leases Receivable	23,047,053	-	23,047,053
Restricted Assets:			
Cash and Investments with Fiscal Agent	4,603,703	-	4,603,703
Pension Stability Fund	1,334,070	-	1,334,070
Capital Assets - Nondepreciable	65,244,848	-	65,244,848
Capital Assets - Depreciable/Amortizable, Net	75,761,070	11,835,573	87,596,643
Total Noncurrent Assets	171,027,505	11,835,573	182,863,078
Total Assets	209,659,698	16,588,209	226,247,907
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges on Refunding	154,460	-	154,460
Deferred Outflows of Resources Related to Pensions	4,077,463	26,423	4,103,886
Deferred Outflows of Resources Related to OPEB	2,040,568	56,577	2,097,145
Total Deferred Outflows of Resources	6,272,491	83,000	6,355,491

See accompanying Notes to Basic Financial Statements.

CITY OF PLACENTIA
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 6,873,777	$ 416,032	$ 7,289,809
Accrued Payroll and Benefits	1,474,589	70,610	1,545,199
Deposits Payable	1,411,777	-	1,411,777
Retentions Payable	1,115,769	-	1,115,769
Accrued Interest Payable	385,354	-	385,354
Unearned Revenues	726,708	-	726,708
Long-Term Debt Due Within One Year	5,186,365	-	5,186,365
Claims Payable Due Within One Year	1,800,460	-	1,800,460
Compensated Absences Due Within One Year	935,475	13,570	949,045
Total Current Liabilities	19,910,274	500,212	20,410,486
Noncurrent Liabilities			
Long-Term Debt Due in More Than One Year	60,260,173	-	60,260,173
Claims Payable Due in More Than One Year	5,401,379	-	5,401,379
Compensated Absences Due in More Than One Year	1,573,396	22,825	1,596,221
Net OPEB Liability	12,588,382	349,023	12,937,405
Aggregate Net Pension Liabilities	7,241,058	34,335	7,275,393
Total Noncurrent Liabilities	87,064,388	406,183	87,470,571
Total Liabilities	106,974,662	906,395	107,881,057
DEFERRED INFLOWS OF RESOURCES			
Leases Related	22,830,294	-	22,830,294
Deferred Pension - Related Items	2,893,567	12,566	2,906,133
Deferred OPEB - Related Items	10,041,873	278,419	10,320,292
Total Deferred Inflows of Resources	35,765,734	290,985	36,056,719
NET POSITION			
Net Investment in Capital Assets	118,813,090	11,835,573	130,648,663
Restricted for:			
Public Safety	2,067,013	-	2,067,013
Public Works	1,214,430	-	1,214,430
Community Development	8,067,122	-	8,067,122
Community Services	535,911	-	535,911
Debt Service	4,764,278	-	4,764,278
Transportation	464,823	-	464,823
Park Development	21,518	-	21,518
Air Quality	382,443	-	382,443
Affordable Housing	2,110,268	-	2,110,268
Pension Stability	1,334,070	-	1,334,070
Total Restricted	20,961,876	-	20,961,876
Unrestricted (Deficit)	(66,583,173)	3,638,256	(62,944,917)
Total Net Position	$ 73,191,793	$ 15,473,829	$ 88,665,622

See accompanying Notes to Basic Financial Statements.

CITY OF PLACENTIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Positions: Governmental Activities	Net Revenue (Expense) and Changes in Net Positions: Business-Type Activities	Net Revenue (Expense) and Changes in Net Positions: Total
PRIMARY GOVERNMENT							
Governmental Activities:							
General Government	$ 18,872,842	$ 3,106,022	$ 263,550	$ -	$ (15,503,270)	$ -	$ (15,503,270)
Public Safety	28,180,805	1,146,530	4,113,843	-	(22,920,432)	-	(22,920,432)
Public Works	13,857,129	987,054	3,193,714	4,369,352	(5,307,009)	-	(5,307,009)
Community Development	2,988,099	2,580,254	3,433	395,434	(8,978)	-	(8,978)
Community Services	4,654,541	396,757	-	-	(4,257,784)	-	(4,257,784)
Interest	2,604,575	-	-	-	(2,604,575)	-	(2,604,575)
Total Governmental Activities	71,157,991	8,216,617	7,574,540	4,764,786	(50,602,048)	-	(50,602,048)
Business-Type Activities:							
Refuse	4,919,556	5,241,178	-	-	-	321,622	321,622
Sewer Maintenance	1,005,404	1,688,229	-	-	-	682,825	682,825
Total Business-Type Activities	5,924,960	6,929,407	-	-	-	1,004,447	1,004,447
Total Primary Government	$ 77,082,951	$ 15,146,024	$ 7,574,540	$ 4,764,786	(50,602,048)	1,004,447	(49,597,601)
GENERAL REVENUES							
Taxes:							
Property Taxes					21,951,143	-	21,951,143
Sales Taxes					17,005,105	-	17,005,105
Utility Users Tax					3,234,789	-	3,234,789
Franchise Taxes					3,163,809	-	3,163,809
Transient Occupancy Taxes					1,800,796	-	1,800,796
Real Property Transfer Taxes					289,192	-	289,192
Other Taxes					5,408	-	5,408
Investment Earnings					1,682,894	103,730	1,786,624
Miscellaneous					460,735	-	460,735
Total General Revenues					49,593,871	103,730	49,697,601
CHANGES IN NET POSITION					(1,008,177)	1,108,177	100,000
Net Position - Beginning of Year					74,199,970	14,365,652	88,565,622
NET POSITION - END OF YEAR					$ 73,191,793	$ 15,473,829	$ 88,665,622

See accompanying Notes to Basic Financial Statements.

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FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

CITY OF PLACENTIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	Major Funds					
	General Fund	Citywide Development Impact Fee Special Revenue Fund	Placentia Regional Navigation Center Special Revenue Fund	Debt Service Fund	Other Governmental Funds	Total
ASSETS						
Cash and Investments	$ 11,065,294	$ 5,154,044	$ 9,000	$ 73,181	$ 8,804,610	$ 25,106,129
Receivables:						
Accounts	466,129	-	1,843,270	-	956,914	3,266,313
Taxes	4,200,022	-	-	-	-	4,200,022
Grants	-	-	-	-	639,999	639,999
Accrued Interest	373,730	-	-	-	32	373,762
Loans and Notes	786,121	509,148	-	-	598,832	1,894,101
Leases	23,614,232	-	-	-	7,039	23,621,271
Prepaid Items	66,203	3,282	-	-	-	69,485
Due from Other Funds	1,350,603	-	-	-	-	1,350,603
Inventories	7,740	-	-	-	-	7,740
Land Held for Resale	-	-	-	-	1,036,761	1,036,761
Restricted Assets:			-			
Cash and Investments with Fiscal Agents	-	-	-	4,603,703	-	4,603,703
Pension Stability Fund	1,334,070	-	-	-	-	1,334,070
Total Assets	$ 43,264,144	$ 5,666,474	$ 1,852,270	$ 4,676,884	$ 12,044,187	$ 67,503,959
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 2,534,872	$ -	$ 1,959,870	$ -	$ 2,334,529	$ 6,829,271
Accrued Payroll and Benefits	1,401,629	-	19,571	-	40,555	1,461,755
Deposits Payable	1,286,609	-	-	-	125,168	1,411,777
Retentions Payable	901,495	1,250	-	-	213,024	1,115,769
Due to Other Funds	-	-	210,900	-	1,139,703	1,350,603
Unearned Revenue	11,000	-	624,000	-	91,708	726,708
Total Liabilities	6,135,605	1,250	2,814,341	-	3,944,687	12,895,883
DEFERRED INFLOWS OF RESOURCES						
Leases	22,823,467	-	-	-	6,827	22,830,294
Unavailable Revenues	28,216	509,148	1,218,270	-	1,029,234	2,784,868
Total Deferred Inflows of Resources	22,851,683	509,148	1,218,270	-	1,036,061	25,615,162
FUND BALANCES						
Nonspendable	471,487	3,282	-	-	-	474,769
Restricted	1,334,070	5,152,794	-	4,676,884	8,899,745	20,063,493
Committed	1,996,732	-	-	-	-	1,996,732
Assigned	1,396,102	-	-	-	-	1,396,102
Unassigned (Deficit)	9,078,465	-	(2,180,341)	-	(1,836,306)	5,061,818
Total Fund Balances	14,276,856	5,156,076	(2,180,341)	4,676,884	7,063,439	28,992,914
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 43,264,144	$ 5,666,474	$ 1,852,270	$ 4,676,884	$ 12,044,187	$ 67,503,959

See accompanying Notes to Basic Financial Statements.

CITY OF PLACENTIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2025

Total Fund Balances - Governmental Funds	$	28,992,914
Amounts reported for governmental activities in the statement of net position were reported differently because:		
Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the governmental funds balance sheet.		
Nondepreciable		65,244,848
Depreciable and Amortizable		75,655,872
		140,900,720
The loss incurred by the City resulting from the refunding of long-term liabilities are recorded as deferred outflows of resources and amortized over the remaining service life, equal to the lesser of the remaining bond-years on the refunded debt or the bond years on the refunding debt.		154,460
Revenue reported as unavailable revenue in the governmental funds when it is not received soon enough after year-end to be considered available. The availability criteria does not apply to the government-wide financial statements and, therefore, the revenue is recognized when eligibility requirements are met and earned.		2,784,868
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds.		(385,354)
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position:		
Financed Purchases		(3,076,596)
OCTA Advance		(254,583)
Compensated Absences		(2,508,871)
Loans Payable		(3,923,902)
Bonds Payable		(55,730,440)
Leases Payable		(681,495)
Subscription Liability		(1,779,522)
		(67,955,409)
Net pension liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:		
Pension Related Deferred Outflows of Resources		4,077,463
Aggregate Net Pension Liabilities		(7,241,058)
Pension Related Deferred Inflows of Resources		(2,893,567)
Net OPEB liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:		
OPEB Related Deferred Outflows of Resources		2,040,568
Net OPEB Liability		(12,588,382)
OPEB Related Deferred Inflows of Resources		(10,041,873)
Internal Service Funds were used by management to charge the costs of certain activities, such as insurance and equipment replacement to individual funds. The assets and liabilities of the Internal Service Funds were included in the governmental activities in the government-wide statement of net position.		(4,653,557)
Net Position of Governmental Activities as Reported on the Statement of Net Position	$	73,191,793

See accompanying Notes to Basic Financial Statements.

CITY OF PLACENTIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	Major Funds					
	General Fund	Citywide Development Impact Fee Special Revenue Fund	Placentia Regional Navigation Center Special Revenue Fund	Debt Service Fund	Other Governmental Funds	Total
REVENUES						
Taxes	$ 47,216,243	$ -	$ -	$ -	$ -	$ 47,216,243
Intergovernmental	533,191	-	3,488,019	-	5,849,105	9,870,315
Licenses and Permits	3,202,633	-	-	-	-	3,202,633
Fines and Forfeitures	764,685	-	-	-	98,084	862,769
Investment Earnings	1,070,564	108,913	-	239,536	263,674	1,682,687
Charges for Services	1,604,224	-	-	-	1,132,119	2,736,343
Leases and Rents	1,579,509	-	-	-	7,113	1,586,622
Contributions	-	2,896,668	-	-	-	2,896,668
Miscellaneous	706,522	-	-	-	158,336	864,858
Total Revenues	56,677,571	3,005,581	3,488,019	239,536	7,508,431	70,919,138
EXPENDITURES						
Current:						
General Government	16,586,077	-	-	2,500	45,446	16,634,023
Public Safety	20,563,786	2,260	3,039,702	-	301,905	23,907,653
Public Works	5,174,844	-	-	-	1,638,561	6,813,405
Community Development	1,894,731	-	-	-	351,811	2,246,542
Community Services	3,288,610	-	-	-	7,843	3,296,453
Capital Outlay	10,234,402	226,307	-	-	4,458,917	14,919,626
Debt Service:						
Principal Retirement	2,311,372	-	-	2,330,000	828,400	5,469,772
Interest and Fiscal Charges	201,154	-	-	2,360,573	62,165	2,623,892
Total Expenditures	60,254,976	228,567	3,039,702	4,693,073	7,695,048	75,911,366
REVENUES OVER (UNDER) EXPENDITURES	(3,577,405)	2,777,014	448,317	(4,453,537)	(186,617)	(4,992,228)
OTHER FINANCING SOURCES (USES)						
Issuance of Debt	474,582	-	-	-	-	474,582
Transfers In	3,561,683	-	-	4,483,922	474,172	8,519,777
Transfers Out	(4,553,777)	-	-	(3,367,020)	(598,980)	(8,519,777)
Total Other Financing Sources (Uses)	(517,512)	-	-	1,116,902	(124,808)	474,582
NET CHANGE IN FUND BALANCES	(4,094,917)	2,777,014	448,317	(3,336,635)	(311,425)	(4,517,646)
Fund Balance - Beginning of Year	18,371,773	2,379,062	(2,628,658)	8,013,519	7,374,864	33,510,560
FUND BALANCES - END OF YEAR	$ 14,276,856	$ 5,156,076	$ (2,180,341)	$ 4,676,884	$ 7,063,439	$ 28,992,914

See accompanying Notes to Basic Financial Statements.

CITY OF PLACENTIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Net Change in Fund Balances - Total Governmental Funds	$ (4,517,646)	
Governmental activities in the Statement of Activities were reported differently because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Capital Outlay	12,904,979	
Depreciation and Amortization	(6,035,510)	
Net Effect on Disposal of Capital Assets	(1,301,801)	
Contribution of Asset to the Sewer Fund	-	
	5,567,668	
Amortization of the deferred charges on refunding is recognized as interest expense in the statement of activities.	(50,358)	
Net change in revenues that was considered unavailable in the governmental funds. These items have been reported as revenue in the statement of activities.	(811,943)	
Proceeds from the issuance of long-term debt is not a revenue in the statement of activities, but is reported as a liability on the government-wide statement of net position.	(474,582)	
Principal repayment on long-term debt is not an expense in the statement of activities, but is considered an expenditure in governmental funds.		
Long-Term Debt	4,110,164	
Financed Purchases	1,145,072	
OCTA Advance	460,399	
	5,715,635	
Interest accrued on long-term debt is reported in the Statement of Activities, but does not require the use of current financial resources. Therefore, accrued interest is not reported as an expenditure in governmental funds. This amount represents the change in accrued interest from the prior year.	19,317	
Compensated absences were reported in the government-wide statement of activities, but they did not require the use of current financial resources. Therefore, compensated absences were not reported as expenditures in the governmental funds.	419,909	
Certain OPEB expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	1,441,661	
Certain pension expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(4,965,003)	
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and equipment replacement, to individual funds. The net revenue of the Internal Service Funds is reported in governmental activities.	(3,352,835)	
Change in Net Position of Governmental Activities as Reported in the Statement of Activities	$ (1,008,177)	

See accompanying Notes to Basic Financial Statements.

PROPRIETARY FUND FINANCIAL STATEMENTS

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CITY OF PLACENTIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Major Enterprise Funds		Business-Type Activities	Governmental Activities
	Refuse	Sewer Maintenance	Total	Internal Service Funds
ASSETS				
Current Assets:				
Cash and Investments	$ 1,164,170	$ 3,420,093	$ 4,584,263	$ 2,500,424
Receivables:				
Accounts	-	138,294	138,294	-
Taxes	30,079	-	30,079	-
Total Current Assets	1,194,249	3,558,387	4,752,636	2,500,424
Noncurrent Assets:				
Capital Assets, Net of Accumulated Depreciation	-	11,835,573	11,835,573	105,198
Total Noncurrent Assets	-	11,835,573	11,835,573	105,198
Total Assets	1,194,249	15,393,960	16,588,209	2,605,622
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources Related to Pensions	9,251	17,172	26,423	-
Deferred Outflows of Resources Related to OPEB	23,821	32,756	56,577	-
Total Deferred Outflows of Resources	33,072	49,928	83,000	-
LIABILITIES				
Current Liabilities:				
Accounts Payable	414,329	1,703	416,032	44,506
Accrued Payroll and Benefits	28,491	42,119	70,610	12,834
Compensated Absences - Due Within One Year	4,251	9,319	13,570	-
Claims And Judgments - Due Within One Year	-	-	-	1,800,460
Total Current Liabilities	447,071	53,141	500,212	1,857,800
Noncurrent Liabilities:				
Compensated Absences - Due in More Than One Year	7,149	15,676	22,825	-
Claims And Judgments - Due in More Than One Year	-	-	-	5,401,379
Net OPEB Liability	146,951	202,072	349,023	-
Aggregate Net Pension Liabilities	12,021	22,314	34,335	-
Total Noncurrent Liabilities	166,121	240,062	406,183	5,401,379
Total Liabilities	613,192	293,203	906,395	7,259,179
DEFERRED INFLOW OF RESOURCES				
Deferred Inflows of Resources Related to Pensions	4,399	8,167	12,566	-
Deferred Inflows of Resources Related to OPEB	117,224	161,195	278,419	-
Total Deferred Inflows of Resources	121,623	169,362	290,985	-
NET POSITION				
Investment in Capital Assets	-	11,835,573	11,835,573	105,198
Unrestricted (Deficit)	492,506	3,145,750	3,638,256	(4,758,755)
Total Net Position	$ 492,506	$ 14,981,323	$ 15,473,829	$ (4,653,557)

See accompanying Notes to Basic Financial Statements.

CITY OF PLACENTIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities			Governmental Activities
	Refuse	Sewer Maintenance	Total	Internal Service
OPERATING REVENUES				
Reimbursements	$ 52,356	$ -	$ 52,356	$ 1,443,903
Sales and Service Charges	5,188,822	1,688,229	6,877,051	3,438,858
Total Operating Revenues	5,241,178	1,688,229	6,929,407	4,882,761
OPERATING EXPENSES				
Administration	300,271	247,978	548,249	636,148
Reinsurance Premiums	-	-	-	203,798
Claims	-	-	-	4,255,759
Medical and Dental Premiums	-	-	-	883,797
Liability Insurance Premiums	-	-	-	2,294,884
Maintenance	-	122,380	122,380	-
Landfill and Contractor Charges	4,619,285	-	4,619,285	-
Depreciation Expense	-	635,046	635,046	3,829
Total Operating Expenses	4,919,556	1,005,404	5,924,960	8,278,215
OPERATING INCOME (LOSS)	321,622	682,825	1,004,447	(3,395,454)
NONOPERATING INCOME (LOSS)				
Investment Earnings	23,363	80,367	103,730	-
Gain on Disposal of Capital Assets	-	-	-	42,619
Total Nonoperating Income	23,363	80,367	103,730	42,619
CHANGES IN NET POSITION	344,985	763,192	1,108,177	(3,352,835)
Net Position - Beginning of Year	147,521	14,218,131	14,365,652	(1,300,722)
NET POSITION - END OF YEAR	$ 492,506	$ 14,981,323	$ 15,473,829	$ (4,653,557)

See accompanying Notes to Basic Financial Statements.

CITY OF PLACENTIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities			Governmental Activities
	Refuse	Sewer Maintenance	Total	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers and Users	$ 5,279,415	$ 1,694,595	$ 6,974,010	$ 4,914,880
Cash Paid to Suppliers for Goods and Services	(4,586,755)	(139,041)	(4,725,796)	(662,063)
Cash Paid to Employees for Services	(280,046)	(207,156)	(487,202)	-
Cash Paid for Insurance Claims	-	-	-	(4,255,759)
Net Cash Provided (Used) by Operating Activities	412,614	1,348,398	1,761,012	(2,942)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from Sale of Capital Assets	-	-	-	31,133
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	23,363	80,367	103,730	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	435,977	1,428,765	1,864,742	28,191
Cash and Cash Equivalents - Beginning of Year	728,193	1,991,328	2,719,521	2,472,233
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,164,170	$ 3,420,093	$ 4,584,263	$ 2,500,424
CASH AND CASH EQUIVALENTS				
Cash and Investments	$ 1,164,170	$ 3,420,093	$ 4,584,263	$ 2,500,424

See accompanying Notes to Basic Financial Statements.

CITY OF PLACENTIA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities			Governmental Activities
	Refuse	Sewer Maintenance	Total	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BR OPERATING ACTIVITIES				
Operating Income (Loss)	$ 321,622	$ 682,825	$ 1,004,447	$ (3,395,454)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	635,046	635,046	3,829
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivables	28,857	6,366	35,223	32,119
(Increase) Decrease in Taxes Receivables	9,380	-	9,380	-
(Increase) Decrease in Prepaids	-	-	-	1,309
(Increase) Decrease in Deferred Outflows of Resources Related to Pension	113,357	159,981	273,338	-
(Increase) Decrease in Deferred Outflows of Resources Related to OPEB	14,777	20,320	35,097	-
Increase (Decrease) in Accounts Payable	32,530	(16,661)	15,869	(21,698)
Increase (Decrease) in Accrued Liabilities	3,871	6,061	9,932	(3,970)
Increase (Decrease) in Compensated Absences	(917)	5,680	4,763	-
Increase (Decrease) in Claims Payable	-	-	-	3,380,923
Increase (Decrease) in Net Pension Liabilities	(58,677)	(79,835)	(138,512)	-
Increase (Decrease) in Net OPEB Liabilities	(12,062)	(16,586)	(28,648)	-
Increase (Decrease) in Deferred Inflows of Resources Related to Pension	(20,578)	(27,923)	(48,501)	-
Increase (Decrease) in Deferred Inflows of Resources Related to OPEB	(19,546)	(26,876)	(46,422)	-
Net Cash Provided (Used) by Operating Activities	$ 412,614	$ 1,348,398	$ 1,761,012	$ (2,942)

See accompanying Notes to Basic Financial Statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

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CITY OF PLACENTIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	RDA Successor Agency	Custodial Funds
ASSETS		
Pooled Cash and Investments	$ 640,796	$ 673,603
Receivables:		
Miscellaneous	-	726
Restricted Assets:		
Cash and Investments with Fiscal Agents	730,018	-
Total Assets	1,370,814	674,329
LIABILITIES		
Accounts Payable	2,700	1,596
Accrued Liability	8,812	14
Accrued Interest	124,693	-
Long-Term Liabilities:		
Due in One Year	1,108,577	-
Due in More Than One Year	7,399,077	-
Total Liabilities	8,643,859	1,610
NET POSITION (DEFICIT)		
Restricted for Individuals, Organizations, and Other Governments	(7,273,045)	672,719
Total Net Position (Deficit)	$ (7,273,045)	$ 672,719

See accompanying Notes to Basic Financial Statements.

CITY OF PLACENTIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	RDA Successor Agency	Custodial Funds
ADDITIONS		
Property Taxes	$ 1,470,639	$ -
Charges for Services	-	298,491
Investment Earnings	16,099	15,634
Total Additions	1,486,738	314,125
DEDUCTIONS		
Program Costs	22,925	-
Administrative Expenses	5,200	14,616
Interest Expense	299,814	-
Contributions to the City	50,000	42,281
Total Deductions	377,939	56,897
CHANGE IN NET POSITION	1,108,799	257,228
Net Position (Deficit) - Beginning of Year	(8,381,844)	415,491
NET POSITION (DEFICIT) - END OF YEAR	$ (7,273,045)	$ 672,719

See accompanying Notes to Basic Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS

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CITY OF PLACENTIA
INDEX TO THE NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

The City was incorporated on December 2, 1926, under the General Laws of the state of California. The City operates under a Council-Administrator form of government and under provisions of a City Charter adopted on June 29, 1965.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criteria for including a potential component unit within the reporting entity are the governing body's financial accountability and a financial benefit or burden relationship and whether it is misleading to exclude. A primary government is financially accountable and shares a financial benefit or burden relationship, if it appoints a voting majority of an organization's governing body and it is able to impose its will on the organization, or if there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government. A primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government.

Blended Component Units

Management determined that the following entities should be reported as blended component units based on the criteria above. Although the following is legally separate from the City, it has been "blended" as though it is part of the City because the component unit's governing body is substantially the same as the City's and there is a financial benefit or burden relationship between the City and the component unit; management of the City has operational responsibilities for the component unit; and/or the component unit provides services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though it does not provide services directly to it.

The Placentia Public Financing Authority – The Placentia Public Financing Authority (the Authority) was formed in 1996 to issue Tax Revenue Bonds. The proceeds of the debt were used to refund the existing Mello-Roos Community Facilities District 89-1 bonds, originally issued in September 1996. The Authority is governed by a five-member board that is the City Council of the City. Separate financial statements are not prepared.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

Blended Component Units (Continued)

Placentia Enhanced Infrastructure Financing District – The Placentia Enhanced Infrastructure Financing District (EIFD) was formed in September 2019 in partnership with the County of Orange near the City's future Metrolink Station including the Old Town Placentia area and Transit Oriented Development Packing House District. The purpose of this district is to create a funding mechanism that can facilitate the construction of public infrastructure improvements in this area.

B. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance or net position, revenues and expenditures or expenses, as appropriate. City 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 statement of net position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources – represent a consumption of net assets that applies to future periods, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources – represent an acquisition of net assets that applies to future periods, therefore, are not recognized as revenue until that time.

Government-Wide Financial Statements

The government-wide financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Fiduciary activities of the City are not included in these statements.

Certain types of transactions are reported as program revenues for the City in three categories: charges for services, operating grants and contributions, and capital grants and contributions.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements

All governmental funds are accounted for on a spending, or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, current liabilities, and deferred inflows of resources are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances presents increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except those revenues subject to accrual (generally 60 days after year-end) which are recognized when due. The primary revenue sources that have been treated as susceptible to accrual by the City are property taxes, intergovernmental revenues, and other taxes. Business license fees are recorded as received, except at year-end when they are accrued pursuant to the modified accrual basis of accounting. The City recognizes business license revenue collected within 60 days as revenue at June 30. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Reconciliations of the fund financial statements to the government-wide financial statements are provided to explain the differences.

The City reports the following major Governmental Funds:

General Fund

The General Fund is the City’s principal operating fund. It accounts for all revenues and expenditures used to finance the traditional services associated with a municipal government except those required to be accounted for in another fund.

Citywide Development Impact Fee Special Revenue Fund

This fund is used to account for the receipts and expenditures of new development impact on the City’s sewer collection system in the City’s Transit.

Placentia Regional Navigation Center Special Revenue Fund

This fund is used to account for the receipts and expenditures related to the construction and operation of the Placentia Regional Navigation Center. Revenues include the Homeless Emergency Aid Program (HEAP) Grant and SB2 funds. Future revenue sources will include reimbursements from the North Orange County Cities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

Debt Service Fund

This fund is used to account for the debt service related to the governmental activities of the City.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows for each major Proprietary Fund.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the Government-Wide Financial Statements. The City's internal service funds include four individual funds that provide services directly to other City funds. These services include risk management, health and welfare, and equipment replacement.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the statement of net position. The statement of revenues, expenses, and changes in fund net position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

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

The City reports the following major Proprietary Funds:

Refuse Fund

This fund is used to account for the provision of refuse services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to administration, operation, acquisition of equipment, and related debt service.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Accounting and Measurement Focus (Continued)

Proprietary Fund Financial Statements (Continued)

Sewer Maintenance Fund

This fund is used to account for the operations and maintenance of the sewer lines located in the City's sewer system, including administration and capital improvements. Fees are computed from water consumption amounts provided by local water companies. All residents and businesses connected to the City's sewer system are placed in billing categories based on a percentage of water consumption that is returned to the City's sewer system.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a statement of net position and a statement of changes in fiduciary net position. The City's fiduciary funds represent custodial funds and private purpose trust funds. Both custodial funds and the private purpose trust funds are accounted for on the full accrual basis of accounting.

The City reports the following fiduciary funds:

Private-Purpose Trust Fund

This fund is used to account for the balances and transactions of the Successor Agency to the former Placentia Redevelopment Agency.

Custodial Funds

These funds account for resources held by the City in a custodial capacity as an agent for individuals, private organizations, other governments, and/or other funds.

C. Cash and Investments

The City's cash and cash equivalents are comprised of cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. All cash and investments of proprietary funds are held in the City's investment pool. These cash pools have the general characteristics of a demand deposit account, therefore, all cash and investments in the proprietary funds are considered cash and cash equivalents for statement of cash flows purposes.

Investments are stated at fair value (quoted market price or best available estimate thereof).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fair Value Measurement

U.S. GAAP defines fair value, establishes a framework for measuring fair value, and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value.

The three levels of the fair value measurement hierarchy are described below:

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

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

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

E. Property Taxes Receivable

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

Under California law, property taxes are assessed and collected by the counties at up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to the cities based on complex formulas. The County of Orange collects property taxes for the City. Tax liens attach annually as of 12:01 a.m. on the first day of January preceding the fiscal year for which the taxes are levied. Taxes are levied on July 1 and cover the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on March 1 each year, and are delinquent, if unpaid, on August 31.

F. Prepaid Items

Prepaid items are payments made to vendors for services that will benefit periods beyond the fiscal year ended using purchase method.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Inventories

Inventories within the various fund types consist of materials and supplies which are valued at cost on a weighted average basis. Reported expenditures reflect the consumption method of recognizing inventory-related expenditures.

H. Capital Assets

In the government-wide financial statements, capital assets, which include land, buildings, improvements, equipment, furniture, infrastructure (e.g., roads, sidewalks, and similar items), and right-to-use leased assets, are recorded at historical cost or estimated historical if purchased or constructed. Donated capital assets are valued at their estimated acquisition value on the date donated. City policy has set the capitalization threshold for reporting capital assets with an initial, individual cost of more than $2,500 and an estimated useful life of one year or more.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include street network, street appurtenances, and storm drains.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Land, right-of-way, tree infrastructure, and construction in progress are not depreciated. Other capital assets used in operations are depreciated/amortized over their estimated useful lives using the straight-line method. The estimated useful lives used for depreciation/amortization purposes are as follows:

Structures and Improvements	5 to 50 Years
Civic Center Structures and Improvements	50 Years
Automotive Equipment	2 to 10 Years
Computer Equipment	3 Years
Other Equipment	5 Years
Infrastructure:	
Roadways	35 Years
Street Appurtenances	10 to 50 Years
Wastewater	50 to 60 Years
Storm Drains	50 Years

Lease assets and SBITAs are amortized using the straight-line method over the shorter of the agreement term or the useful life of the underlying asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Leases

Lessee

The City is a lessee for noncancellable leases of land and improvements and equipment. The City recognizes a lease liability and an intangible right-to-use asset (lease asset) in the governmental activities in the government-wide statement of net position. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

Lessor

The City is a lessor for a noncancellable leases of land, buildings and improvements. The City recognizes a lease receivable and a deferred inflow of resources in the statement of net position and in the governmental fund balance sheet. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

J. Subscription-Based Information Technology Arrangements (SBITAs)

The City recognizes a SBITA liability and a SBITA asset at the commencement of the SBITA term, unless the SBITA is a short-term contract, or it transfers ownership of the underlying asset. The SBITA liability is measured at the present value of payments expected to be made during the contract term (less any incentives). The SBITA asset is measured at the amount of the initial measurement of the SBITA liability, plus any payments made to the vendor at or before the commencement of the contract term and certain direct costs.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Unearned and Unavailable Revenue

In the government-wide financial statements, unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the government-wide financial statements are prepaid charges for services and facility rentals paid in advance.

In the fund financial statements, unearned and unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unearned revenue for transactions for which revenues have not been earned, and unavailable revenue when funds are not available to meet current financial obligations in accordance with GASB Statement No. 65. Typical transactions for which unearned or unavailable revenue is recorded are grant receivables, grant award advances, quarterly encroachment fees, and advance registration for recreation classes which were not yet earned.

L. Compensated Absences Payable

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Claims Payable

The City records a liability to reflect an actuarial estimate of ultimate uninsured losses for both general liability claims (including property damage claims) and workers' compensation claims. The estimated liability for workers' compensation claims and general liability claims includes "incurred but not reported" (IBNR) claims. There is no fixed payment schedule to pay these liabilities.

N. Pensions

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 and are in accordance with the implementation of GASB Statement No, 68. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS's website under Forms and Publications.

O. Other Postemployment Benefits (OPEB)

For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the City's plan, have been determined by an independent actuary in accordance with GASB Statement No. 75.

P. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as Liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Q. Net Position

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation/amortization, related debt, and deferred outflows of resources.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable Fund Balance – These amounts cannot be spent because they are not in a spendable form, such as loans receivable or inventory, or because resources legally or contractually must remain intact.

Restricted Fund Balance – These are the portion of fund balance that have externally enforceable limitations on their usage through legislation or limitations imposed by creditors, grantor, laws, and regulations of other governments or enabling legislation.

Committed Fund Balance – These have self-imposed limitations by the highest level of decision-making authority, namely the City Council, prior to the end of the reporting period. City Council adoption of a resolution is required to commit resources or to rescind the commitment.

Assigned Fund Balance – These have limitations imposed by management based on the intended use of the funds. Modifications or rescissions of the constraints can be removed by the same type of action that limited the use of the funds. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has authorized the Finance Director for that purpose.

Unassigned Fund Balance – These represent the residual net resources in excess of the other classifications. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

S. Spending Policy

<u>Government-Wide Financial Statements and the Proprietary Fund Financial Statements</u>
When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

<u>Governmental Fund Financial Statements</u>
When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balances first, then unrestricted fund balances as needed.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Spending Policy (Continued)

Governmental Fund Financial Statements (Continued)

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the following order, except for instances wherein an ordinance specifies the fund balance:

- Committed
- Assigned
- Unassigned

T. Use of Estimates

The preparation of the basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 CASH AND INVESTMENTS

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds. Certain restricted funds which are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investments with fiscal agents.

The City had the following cash and investments at June 30, 2025:

	Government-Wide Statement of Net Position		Statement of Fiduciary Net Position	Total
	Governmental Activities	Business-Type Activities		
Cash and Investments	$ 27,606,553	$ 4,584,263	$ 1,314,399	$ 33,505,215
Cash and Investments with Fiscal Agent	4,603,703	-	730,018	5,333,721
Pension Stability Fund	1,334,070	-	-	1,334,070
Total Cash and Investments	$ 33,544,326	$ 4,584,263	$ 2,044,417	$ 40,173,006

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

The City's cash and investments at June 30, 2025 in more detail:

Cash and Cash Equivalents:	
Demand Deposits	$ 3,034,266
Petty Cash	17,565
Total Cash and Cash Equivalents	3,051,831
Investments:	
Local Agency Investment Fund	17,551
CAMP	10,237,367
Money Market Mutual Fund	60,744
Negotiable Certificates of Deposit	5,104,788
U.S. Treasury Securities	11,552,081
Federal Agency Securities	3,480,852
Investments with Fiscal Agent:	
Money Market Mutual Fund	5,333,721
Pension Stability Fund	1,334,071
Total Investments	37,121,175
Total Cash and Investments	$ 40,173,006

A. Demand Deposits

The carrying amounts of the City's demand deposits were $3,034,266 at June 30, 2025. Bank balances at that date were $3,527,785, the total amount of which was insured or collateralized with accounts held by the pledging financial institutions in the City's name as discussed below.

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

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

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

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

B. Investments Authorized by the California Government Code and the City's Investment Policy

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
United States (U.S.) Treasury Obligation	5 Years	None	None
Federal Agency Securities	5 Years	30%	15%
Negotiable Certificates of Deposits	5 Years	30%	$250,000
Non-Negotiable Certificates of Deposit	5 Years	40%	$250,000
Money Market Funds	N/A	20%	10%
Passbook Savings	N/A	None	None
Commercial Paper	270 Days	25%	10%
Banker's Acceptances	180 Days	30%	30%
Local Agency Investment Fund (LAIF)	N/A	None	None
Orange County Investment Pool	N/A	None	None
Joint Powers Authority Pools (JPA)	N/A	None	None
California Asset Management Program	N/A	None	None
Repurchase Agreements	1 Year	30%	None

* The table is based on state law requirements or investment policy requirements, whichever is more restrictive.

C. Investments Authorized by Debt Agreements

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
United States (U.S.) Treasury Obligation	N/A	None	None
Federal Agency Securities	N/A	None	None
Negotiable Certificates of Deposits	N/A	None	None
Non-Negotiable Certificates of Deposit	N/A	None	None
Money Market Funds	N/A	None	None
Passbook Savings	N/A	None	None
Commercial Paper	270 Days	None	None
Banker's Acceptances	180 Days	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Orange County Investment Pool	N/A	None	None

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

C. Investments Authorized by Debt Agreements (Continued)

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

D. Fair Value Measurement

At June 30, 2025, investments are reported at fair value. The following table presents the fair value measurement of investments on a recurring basis and the levels within the GASB 72 fair value hierarchy in which the fair value measurements fall at June 30, 2025:

	Measurement Input		
Investment Type	Significant Other Observable Input (Level 2)	Uncategorized	Total
Local Agency Investment Fund	$ -	$ 17,551	$ 17,551
California Asset Management Program		10,237,367	10,237,367
Money Market Mutual Funds	-	60,744	60,744
Negotiable Certificates of Deposit [1]	5,104,788	-	5,104,788
U.S. Treasury Securities [1]	11,552,081	-	11,552,081
Federal Agency Securities [1]	3,480,852	-	3,480,852
Held by Fiscal Agent:			
Money Market Mutual Funds	-	5,333,721	5,333,721
Pension Stability Fund	-	1,334,071	1,334,071
Total	$ 20,137,721	$ 16,983,454	$ 37,121,175

[1] Pricing based on institutional bond quotes - evaluations based on various market and industry inputs.

Disclosures Relating to Interest Rate Risk

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

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

E. Risk Disclosures

Information about the sensitivity of the fair values of the City'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 City's investments by maturity:

		Investment Maturities (in Years)				
Investment Type	Fair Value	Less than 1	1 to 2	2 to 3	3 to 4	4 to 5
Local Agency Investment Fund	$ 17,551	$ 17,551	$ -	$ -	$ -	$ -
California Asset Management Program	10,237,367	10,237,367	-	-	-	-
Money Market Mutual Funds	60,744	60,744	-	-	-	-
Negotiable Certificates of Deposit	5,104,788	1,476,168	477,735	1,459,296	1,691,589	-
U.S. Treasury Securities	11,552,081	-	4,475,556	3,009,255	3,053,130	1,014,140
Federal Agency Securities	3,480,852	488,760	742,627	2,249,465	-	-
Held by Fiscal Agent:						
Money Market Mutual Funds	5,333,721	5,333,721	-	-	-	-
Pension Stability Fund	1,334,071	1,334,071	-	-	-	-
Total	$ 37,121,175	$ 18,948,382	$ 5,695,918	$ 6,718,016	$ 4,744,719	$ 1,014,140

<u>Disclosures Relating to Credit Risk</u>

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 or the City's investment policy, or debt agreements, and the actual rating as of fiscal year-end for each investment type.

Investment Type	Total	Minimum Legal Rating	AAA	Not Rated
Local Agency Investment Fund	$ 17,551	N/A	$ -	$ 17,551
California Asset Management Program	10,237,367	N/A	-	10,237,367
Money Market Mutual Funds	60,744	AAA	60,744	-
Negotiable Certificates of Deposit	5,104,788	N/A	-	5,104,788
U.S. Treasury Securities	11,552,081	N/A	11,552,081	-
Federal Agency Securities	3,480,852	N/A	3,480,852	-
Held by Fiscal Agent:				
Money Market Mutual Funds	5,333,721	AAA	5,333,721	-
Pension Stability Fund	1,334,071	N/A	-	1,334,071
Total	$ 37,121,175		$ 20,427,398	$ 16,693,777

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

E. Risk Disclosures (Continued)

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The City has no investments in any one issuer (other than mutual funds and external investment pools) that represent 5% or more of total City investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty (e.g., broker dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the provision for deposits as disclosed in Note 2A.

For investments identified herein 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. At June 30, 2025, the investments held by bond trustee were held in money market mutual funds, which are considered to be cash equivalents.

F. Investment in Local Agency Investment Fund (LAIF)

The City is a participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the state of California. The City's investments with LAIF at June 30, 2025, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities, which included the following:

Structured Notes – Debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities – Generally, mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, collateralized mortgage obligations), or credit card receivables.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

F. Investment in Local Agency Investment Fund (LAIF) (Continued)

As of June 30, 2025, the City had $17,551 invested in LAIF, which had invested 1.10% of the pool investment funds in structured notes and asset-backed securities. The fair value of the City's portion in the pool is the same as the value of the pool shares and reported at amortized cost.

G. California Asset Management Program (CAMP)

The City invests in this investment trust, California Asset Management Program (CAMP), which is similar to a money market mutual fund. The fund invests primarily in certificates of deposit, commercial paper, and U.S. Government and Agency obligations. The City is a voluntary participant in the investment trust.

The CAMP Cash Reserve Portfolio (the Pool) is exempt from registration with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1940 but operates in a manner consistent with SEC Rule 2a-7, "Money Market Funds," of that Act. Accordingly, the Pool meets the definition of a "2a-7 like pool" set forth in GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. While the Pool itself is exempt from SEC registration, the Pool's investment advisor and administrator, PFM Asset Management LLC, is registered with the SEC as an investment advisor under the Investment Advisers Act of 1940. PFM Asset Management LLC has filed with the California Department of Corporations, as well as various other states, as an investment advisor under state securities laws.

In addition, the Pool also meets the definition of "Municipal Fund Security" outlined by Municipal Securities Rulemaking Board (MSRB) Rule 0-12; therefore, contacts with prospective investors relating to shares of the Pool are conducted through PFM Asset Management LLC's wholly owned subsidiary, PFMAM, Inc., a broker/dealer that is registered with the SEC and MSRB and is a member of the National Association of Securities Dealers. The Pool also files an income tax return annually with the Internal Revenue Service, though the net income of the Pool is generally exempt from federal income tax.

NOTE 3 INTERFUND TRANSACTIONS

A. Due From/To Other Funds

At June 30, 2025, the City had the following due from/to other funds:

Due To Other Funds	Due From Other Funds General Fund	Total
Placentia Regional Navigation Center	$ 210,900	$ 210,900
Nonmajor Special Revenue Funds:		
Miscellaneous Grants	186,753	186,753
Landscape Maintenance District 92-1	11,720	11,720
Housing and Community Development	646,457	646,457
Gasoline Tax	22,891	22,891
Sewer Construction	124,149	124,149
Nonmajor Capital Projects Funds:		
City Projects	147,733	147,733
Total	$ 1,350,603	$ 1,350,603

The above amounts resulted from when one fund reflects a deficit in its pooled cash account. Short-term loans were made from the General Fund to address these deficits.

B. Transfers

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

	Transfers Out			
Transfers In	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
Governmental Funds:				
General Fund	$ -	$ 3,367,020	$ 194,663	$ 3,561,683
Debt Service Fund	4,483,922	-	-	4,483,922
Nonmajor Governmental Funds	69,855	-	404,317	474,172
Total Governmental Funds	$ 4,553,777	$ 3,367,020	$ 598,980	$ 8,519,777

In general, transfers are used to 1) use revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and 2) to transfer to the General Fund to fund administration services. Some of the more significant transfers are detailed below.

Transfers from the Debt Service Fund to the General Fund of $3,367,020 were for the construction of assets funded by the issuance of bonds.

Transfers from nonmajor governmental funds to the General Fund of $194,663 were to fund police department expenditures.

NOTE 3 INTERFUND TRANSACTIONS (CONTINUED)

B. Transfers (Continued)

The General Fund transferred $69,855 to nonmajor funds as operating subsidies and $4,483,922 to the Debt Service Fund to fund debt service.

The Gas Tax Special Revenue Fund transferred $404,317 to the Gas Tax Debt Service Fund to fund the 2011 Gas Tax Certificate of Participation debt service.

NOTE 4 LONG-TERM RECEIVABLES

A. Loans Receivable

At June 30, 2025, the City has the following loans receivable:

	General Fund	Citywide Development Impact Fee Special Revenue Fund	Other Governmental Funds	Total
Certificates of Participation Reimbursement	$ 786,121	$ -	$ -	$ 786,121
Owner's Participation Agreement	-	-	27,916	27,916
Placentia Veterans Village Loan	-	-	500,000	500,000
Placentia Veterans Village DIF Mitigation Loan	-	509,148	70,916	580,064
Total	$ 786,121	$ 509,148	$ 598,832	$ 1,894,101

Certificates of Participation Reimbursement

On April 16, 2007, the City Council of the City of Placentia and the Board of Directors of the former Placentia Redevelopment Agency approved a reimbursement agreement between the City and the former Placentia Redevelopment Agency. This agreement provides that the former Placentia Redevelopment Agency will reimburse the City for a portion of the lease payment paid by the City to the bond trustee, with respect to the 2003 Certificates of Participation (COP). The 2003 COP were refinance with the 2022 COP during the year (see Note 7).

The portion reimbursed (87.52%) is based upon the portion of the capital improvements and improved facilities benefiting from the original proceeds of the 2003 COP related debt issue that were within the confines of the development project area.

NOTE 4 LONG-TERM RECEIVABLES (CONTINUED)

A. Loans Receivable (Continued)

Owner's Participation Agreement

The Placentia Redevelopment Agency entered into an owner participation agreement dated January 5, 2001. Pursuant to that agreement, the Agency loaned $150,000 to a small business in Placentia. The term of the loan is 30 years and does not bear interest, except upon default. The loan was recorded in the Low and Moderate Housing fund of the former Redevelopment Agency of Placentia. Upon dissolution of the Redevelopment Agency at February 1, 2012, the outstanding loan receivable balance was transferred to the Housing Successor Fund. During the current fiscal year, the City received $5,833 in principal payments. The ending loan receivable balance at June 30, 2025 is $27,916.

Placentia Veterans Village Loan Receivable

On November 13, 2018, the City Council of the Housing Successor Agency to the former Redevelopment Agency of the City of Placentia approved a loan agreement of $500,000 between the Housing Successor Agency and Mercy Housing California to initiate construction of the Placentia Veterans Village. The loan receivable balance at June 30, 2025 is $500,000.

Placentia Veterans Village Developer Impact Fee Mitigation Loan Receivable

On February 20, 2018, the City Council of the Housing Successor Agency to the former Redevelopment Agency of the City of Placentia approved a loan agreement between the Housing Successor Agency and Mercy Housing California whereby the collection of up to $582,850 of developer impact fees would be deferred. The loan shall be payable from fifty percent (50%) of the residual receipts of the housing project (to be shared pro-rata with other housing project lenders whose loans are payable from residual receipts), until the loan has been paid in full. The loan receivable balance at June 30, 2025 is $580,064.

B. Leases Receivables

The City, acting as lessor, leases land and improvements under eleven long-term, noncancellable lease agreements. The leases expire at various dates through July 1, 2065. The net present values of the leases receivable were determined using discount rates ranging from 0.218% to 2.184%. Rent payments ranging from $271 to $3,543, are received monthly, or ranging from $50,000 to $250,000, received annually. During the year ended June 30, 2025, the City recognized $578,042 and $310,698 in lease revenue and interest revenue, respectively, pursuant to these lease agreements.

The leases provide for increases in future minimum monthly rent payments, subject to certain stated increases.

NOTE 5 CAPITAL ASSETS

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

	Balance June 30, 2024	Additions	Deletions	Reclassifications	Balance June 30, 2025
Capital Assets Not Being Depreciated/Amortized:					
Land	$ 26,118,971	$ -	$ -	$ -	$ 26,118,971
Land-Right of Way	1,008,822	-	-	-	1,008,822
Infrastructure - Trees	3,196,564	-	-	-	3,196,564
Construction in Progress	26,554,604	11,389,948	(1,062,059)	(1,962,002)	34,920,491
Total Capital Assets Not Being Depreciated	56,878,961	11,389,948	(1,062,059)	(1,962,002)	65,244,848
Capital Assets Being Depreciated/Amortized:					
Structures and Improvements	26,163,367	-	-	283,995	26,447,362
Right-to-Use Lease Land	684,909	-	(684,909)	-	-
Right-to-Use Lease Equipment	1,263,360	211,697	(233,956)	-	1,241,101
Subscription Assets	2,918,849	428,836	(127,406)	-	3,220,279
Equipment	18,535,058	874,498	(76,717)	-	19,332,839
Land Improvements	172,528	-	-	-	172,528
Infrastructure:					
Streets Network	71,111,938	-	-	958,852	72,070,790
Street Appurtenances	25,061,943	-	-	719,155	25,781,098
Storm Drains	9,412,120	-	-	-	9,412,120
Total Capital Assets Being Depreciated/Amortized	155,324,072	1,515,031	(1,122,988)	1,962,002	157,678,117
Less: Accumulated Depreciation/Amortization for:					
Structures and Improvements	(9,339,598)	(973,381)	-	-	(10,312,979)
Right-to-Use Lease Land	(456,606)	-	456,606	-	-
Right-to-Use Lease Equipment	(504,617)	(285,779)	233,956	-	(556,440)
Subscription Assets	(777,253)	(462,348)	127,406	-	(1,112,195)
Equipment	(11,966,722)	(1,738,991)	76,764	-	(13,628,949)
Land Improvements	(135,148)	(5,796)	-	-	(140,944)
Infrastructure:					
Streets Network	(29,890,553)	(1,849,192)	-	-	(31,739,745)
Street Appurtenances	(16,463,799)	(535,610)	-	-	(16,999,409)
Storm Drain	(7,238,144)	(188,242)	-	-	(7,426,386)
Total Accumulated Depreciation/Amortization	(76,772,440)	(6,039,339)	894,732	-	(81,917,047)
Total Capital Assets Being Depreciated/Amortized, Net	78,551,632	(4,524,308)	(228,256)	1,962,002	75,761,070
Total Governmental Activities	$ 135,430,593	$ 6,865,640	$ (1,290,315)	$ -	$ 141,005,918

NOTE 5 CAPITAL ASSETS (CONTINUED)

Depreciation/amortization expense was charged to functions/programs of governmental activities for the year ended June 30, 2025, as follows:

General Government	$ 1,200,162
Public Safety	1,522,736
Public Works	2,750,188
Community Services	562,424
Total Depreciation/Amortization Expense	$ 6,039,339

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

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
Capital Assets Being Depreciated:				
Structures and Improvements	$ 34,095,676	$ -	$ -	$ 34,095,676
Equipment	122,158	-	-	122,158
Total Capital Assets Being Depreciated	34,217,834	-	-	34,217,834
Less: Accumulated Depreciation for:				
Structures and Improvements	(21,655,244)	(623,095)	-	(22,278,339)
Equipment	(91,971)	(11,951)	-	(103,922)
Total Accumulated Depreciation	(21,747,215)	(635,046)	-	(22,382,261)
Total Capital Assets Being Depreciated, Net	12,470,619	(635,046)	-	11,835,573
Total Business-Type Activities	$ 12,470,619	$ (635,046)	$ -	$ 11,835,573

Depreciation expense was charged to the Sewer Maintenance Fund within business-type activities.

NOTE 6 LONG-TERM LIABILITIES

A. Governmental Activities

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

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025	Classification: Due within One Year	Classification: Due in More Than One Year
Long-Term Debt:						
Direct Borrowings and Placements:						
Loan Payable- Radio	$ 362,479	$ -	$ (157,967)	$ 204,512	$ 162,969	$ 41,543
Loan Payable-Fire #1	2,096,314	-	(358,596)	1,737,718	368,307	1,369,411
Loan Payable-Fire #2	1,098,741	-	(188,123)	910,618	193,141	717,477
Loan Payable - Easement	222,672	-	(65,406)	157,266	69,367	87,899
Loan Payable - Vehicles	96,530	-	(30,048)	66,482	32,129	34,353
OCTA Advance	714,982	-	(460,399)	254,583	254,583	-
Fire UAL Payoff Loan	344,932	-	(344,932)	-	-	-
Motorola Equipment	1,197,159	-	(96,476)	1,100,683	101,020	999,663
Loan Payable-Ref 2003 COP	1,331,266	-	(433,047)	898,219	443,986	454,233
2021 Installment Sale Agreement (2011 Gas Tax Refunding)	2,293,000	-	(368,000)	1,925,000	373,000	1,552,000
Total Direct Borrowings and Placements	9,758,075	-	(2,502,994)	7,255,081	1,998,502	5,256,579
2020A Lease Revenue Bonds	48,530,000	-	(2,190,000)	46,340,000	2,405,000	43,935,000
2023 Lease Revenue Bonds	9,190,000	-	(140,000)	9,050,000	145,000	8,905,000
Unamortized Bond Premium	352,179	-	(11,739)	340,440	-	340,440
Leases Payable	998,122	200,615	(517,242)	681,495	242,494	439,001
Subscription Liability	1,859,215	273,967	(353,660)	1,779,522	395,369	1,384,153
Total Long-Term Debt	70,687,591	474,582	(5,715,635)	65,446,538	5,186,365	60,260,173
Claims Payable	3,820,916	4,967,976	(1,587,053)	7,201,839	1,800,460	5,401,379
Compensated Absences (a)	2,928,780	-	(419,909)	2,508,871	935,475	1,573,396
Total Long-Term Liabilities	$ 77,437,287	$ 5,442,558	$ (7,722,597)	$ 75,157,248	$ 7,922,300	$ 67,234,948

(a) Deletions to compensated absences are presented net of additions, as allowed by GASB Statement No. 101, *Compensated Absences*.

Loan Payable – Refunding of 2003 Certificates of Participation

On June 1, 2022, the City entered into a loan payable agreement in the amount of $2,189,027 with the Municipal Finance Corporation to (a) refinance certain obligations relating to the 2003 Refunding and Improvements Project Certificates of Participation Principal is payable annually on January 1. Interest is payable semi-annually on January 1 and July 1, commencing January 1, 2023.

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

A. Governmental Activities (Continued)

Loan Payable – Refunding of 2003 Certificates of Participation (Continued)

On April 17, 2007, the City Council of the City of Placentia and the Board of Directors of the former Placentia Redevelopment Agency approved a reimbursement agreement between the City and the Placentia Redevelopment Agency. This agreement provides that the former Placentia Redevelopment Agency will reimburse the City for a portion of the lease payment paid by the city to the Bond trustee. The portion reimbursed is based upon the portion of the capital improvements and improved facilities benefiting from the original proceeds of the related debt issue that were within the confines of the redevelopment project area.

The loan payable is the obligation of the City and is reported in full in the government-wide statement of net position, within the governmental activities. A portion of the 2003 Certificates of Participation, which constitutes 87.52% of the total obligation amount, is to be repaid by the former Placentia Redevelopment Agency, pursuant to the reimbursement agreement mentioned above. As such, an amount reflecting the total obligation is reported on the statement of fiduciary net position within the RDA Successor Agency Private-Purpose Trust Fund. A note receivable is reported in the General Fund, relating to the total obligation that the city is expected to have reimbursement by the former Placentia Redevelopment Agency (see Note 4 for additional details). The outstanding balance of the 2022 Certificates of Participation as of June 30, 2025 is $898,219.

The final payment on this refinancing will be January 1, 2027 and may be prepaid in whole or in part on any payment date beginning on July 1, 2025.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 443,986	$ 21,108	$ 465,094
2027	454,233	10,674	464,907
Total	$ 898,219	$ 31,782	$ 930,001

2020 Lease Revenue Bonds

On November 12, 2020, the City issued the 2020A Lease Revenue Bonds through the Placentia Public Financing Authority to pay the City's currently unamortized, unfunded accrued actuarial liability to CalPERS for the benefit of City employees, to fund certain anticipated increases to the accrued liability to CalPERS, to fund a reserve account for the bonds and to pay the costs incurred in connection with the issuance of the bonds. The bonds are issued in denominations or $5,000 and bear interest ranging from 1.7% to 4.0%. Interest on the bonds will be paid semi-annually on June 1 and December 1 of each year, commencing June 1, 2021.

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

A. Governmental Activities (Continued)

2020 Lease Revenue Bonds (Continued)

The bonds are secured under an indenture as of November 1, 2020, by the authority and US Bank as trustee. The bonds are payable from the revenues pledged under the indenture. Under the indenture, the revenues are defined as base rental payment made by the City to the Authority as the rental for real property and improvements thereon. The City is required under the lease agreement to pay to the Authority specified amounts for use and possession of the leased property which amounts are calculated to be sufficient in both time and amount to pay, when due, the principal of and interest on the Bonds. Except for the Authority's right, title, and interest in and to the base rental payments and otherwise to the lease agreement which have been assigned to the trustee, no funds or properties of the Authority or the City are pledged to or otherwise liable for the bonds or any other obligations of the Authority.

The bonds are being issued to fund 100% of the City's unfunded liability for the miscellaneous plan and safety plan. Upon the issuance of the bonds, the city paid $43,777,218 to CalPERS for deposit to the CalPERS payment fund. This amount represents the June 30, 2019, unfunded liability for the miscellaneous and safety plans shown in the 2019 CalPERS reports, rolled forward to November 12, 2020, and taking into account payments made during the fiscal years 2020 and 2021.

The bonds maturing on or after June 1, 2031 are subject to optional redemption prior to maturity on or after June 1, 2030, at the option of the City, in whole or in part, on any date, at a redemption price equal to the principal amount of the bonds to be redeemed, plus accrued but unpaid interest to the redemption date, without premium. The bonds maturing on June 1, 2035 and June 1, 2045 are subject to mandatory redemption on June 1 in each year until maturity, from mandatory sinking account payments made by the Authority, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, provided however, that in lieu of redemption thereof, such term bonds may be purchased by the Authority and tendered to the trustee.

The bonds are reported in full in the government-wide statement of net position, within the governmental activities. The outstanding balance of the 2020A Lease Revenue Bonds as of June 30, 2025 is $46,340,000. The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 2,405,000	$ 1,878,036	$ 4,283,036
2027	2,475,000	1,806,944	4,281,944
2028	2,555,000	1,727,596	4,282,596
2029	2,645,000	1,639,270	4,284,270
2030	2,740,000	1,544,129	4,284,129
2031-2035	15,365,000	6,057,396	21,422,396
2036-2040	12,845,000	2,750,203	15,595,203
2041-2045	5,310,000	585,681	5,895,681
Total	$ 46,340,000	$ 17,989,255	$ 64,329,255

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

A. Governmental Activities (Continued)

2023 Lease Revenue Bonds

On August 2, 2023, the Placentia Public Financing Authority issued the 2023A Lease Revenue Bonds in the amount of $9,190,000, to finance the construction and equipping of an approximately 18,805 square foot public safety center and to pay the costs incurred in connection with the bond issuance. The term bonds with maturities ranging from October 1, 2033 through October 1, 2053, bear interest ranging from 4.25% to 5.0%. The bonds are subject to mandatory redemption on October 1 in each year in accordance with a set schedule. Interest on the bonds will be paid semi-annually on April 1 and October 1 of each year, commencing April 1, 2024.

The bonds are reported in full in the government-wide statement of net position, within the governmental activities. The outstanding balance of the 2023 Lease Revenue Bonds as of June 30, 2025 is $9,050,000. The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 145,000	$ 414,675	$ 559,675
2027	155,000	407,175	562,175
2028	160,000	399,300	559,300
2029	170,000	391,050	561,050
2030	180,000	382,300	562,300
2031-2035	1,030,000	1,765,750	2,795,750
2036-2040	1,325,000	1,472,375	2,797,375
2041-2045	1,700,000	1,097,656	2,797,656
2046-2050	2,125,000	671,181	2,796,181
2051-2054	2,060,000	179,988	2,239,988
Total	$ 9,050,000	$ 7,181,450	$ 16,231,450

Bond premiums are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

2021 Installment Sale Agreement

On March 1, 2021, the City entered into an installment sale agreement with Trust Bank to refund all outstanding 2011 Gas Tax Certificates of Participation and to pay the costs of issuance in connection with such refunding. The agreement constitutes the legal and valid binding agreement of the City enforceable against the City. The installment payment, in the aggregate, are $3,656,000 and include interest components, calculated at the rate of 1.65%, on the unpaid principal payable on the respective installment payment date. On the closing date, the City used the proceeds to pay (1) the amount of $3,531,754 to the escrow fund and $124,246 to the custodial account used to pay all costs of issuance related to the installment agreement.

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

A. Governmental Activities (Continued)

2021 Installment Sale Agreement (Continued)

The City's obligation to pay the installment payments is a special obligation of the City limited solely to the Gas Tax revenues and all amounts on deposit in the Gas Tax Fund. Under no circumstances is the City required to advance moneys derived from any source of income other than the Gas Tax revenues and other sources specifically identified in the agreement. The City has the option to prepay the principal components of the installment payments in whole, on any date, commencing on December 1, 2025. The bonds are reported in full in the government-wide statement of net position, within the governmental activities. The outstanding balance of the 2021 Installment Sale Agreement as of June 30, 2025 is $1,925,000.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 373,000	$ 30,220	$ 403,220
2027	377,000	24,049	401,049
2028	387,000	17,795	404,795
2029	392,000	11,385	403,385
2030	396,000	4,900	400,900
Total	$ 1,925,000	$ 88,349	$ 2,013,349

Loans Payable

800 MHz CCCS Public Safety Radio Upgrade

On October 1, 2016, the City entered into a Purchase Agreement to finance the acquisition and implementation of Citywide public safety radios and dispatch site with the Orange County 800MHz Countywide Coordinated Communications System (CCCS). The assets acquired through the financing agreement were included in the machinery and equipment for governmental activities in the amount of $1,319,360. The loan is for a period of 10 years with an interest rate of 3.13%. Loan payments are payable quarterly in arrears of the period to which they relate to. The agreement contains a provision that in an event of default, the lender may choose to make all outstanding amounts due immediately or may repossess the equipment. The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 162,969	$ 4,501	$ 167,470
2027	41,543	325	41,868
Total	$ 204,512	$ 4,826	$ 209,338

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

A. Governmental Activities (Continued)

Loans Payable (Continued)

Fire Loan Payable #1

On August 27, 2019, the City entered into an agreement for financing the acquisition of fire trucks and equipment for the Placentia Fire and Life Safety Department. The assets acquired through the financing agreement were included in the machinery and equipment for governmental activities in the amount of $3,400,000. The loan is for a period of 10 years with an interest rate of 2.69%. Loan payments are payable on February 1 and August 1, commencing August 1, 2020. The title to the purchased equipment is in the name of the City. The agreement contains a provision that in an event of default, the lender may choose to make all outstanding amounts due immediately or may repossess the fire trucks. The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 368,307	$ 44,284	$ 412,591
2027	378,281	34,310	412,591
2028	388,525	24,066	412,591
2029	399,047	13,544	412,591
2030	203,558	2,738	206,296
Total	$ 1,737,718	$ 118,942	$ 1,856,660

Fire Loan Payable #2

On November 25, 2019, the City entered into an agreement for financing the acquisition of fire trucks and equipment for the Placentia Fire and Life Safety Department. The assets acquired through the financing agreement were included in the machinery and equipment for governmental activities in the amount of $1,795,000. The loan is for a period of 10 years with an interest rate of 2.65%. Loan payments are payable on February 1 and August 1, commencing August 1, 2020. The title to the purchased equipment is in the name of the City. The agreement contains a provision that in an event of default, the lender may choose to make all outstanding amounts due immediately or may repossess the fire trucks. The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 193,141	$ 22,860	$ 216,001
2027	198,293	17,708	216,001
2028	203,583	12,419	216,002
2029	209,013	6,988	216,001
2030	106,588	1,412	108,000
Total	$ 910,618	$ 61,387	$ 972,005

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

A. Governmental Activities (Continued)

Loans Payable (Continued)

Land Easement Loan

On July 18, 2018, the City entered into an agreement for financing a portion of the acquisition of a land easement. The asset acquired through the financing arrangement is included in the land right-of-way in the amount of $750,000. The loan is for a period of 10 years with an interest rate of 6.00%. Annual loan payments of $78,803 are payable on August 1, through August 1, 2027. The outstanding principal as of June 30, 2025 is $157,266. The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 69,367	$ 9,436	$ 78,803
2027	73,530	5,273	78,803
2028	14,369	862	15,231
Total	$ 157,266	$ 15,571	$ 172,837

Vehicles Loan

On July 19, 2018, the City entered into an agreement for financing the acquisition of electric vehicles. The assets acquired through the financing agreement were included in the machinery and equipment for governmental activities in the amount of $160,470. The loan is for a period of 5 years with an interest rate of 6.93%. Annual loan payments of $36,734 are payable on March 1, through March 1, 2027. The agreement contains a provision that in an event of default, the lender may choose to repossess the vehicles. The outstanding principal as of June 30, 2025 is $66,482.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 32,129	$ 4,605	$ 36,734
2027	34,353	2,380	36,733
Total	$ 66,482	$ 6,985	$ 73,467

Motorola Equipment Loan

On September 15, 2023, the City entered into an agreement for financing the acquisition of equipment. The assets acquired through the financing agreement were included construction in progress for governmental activities in the amount of $1,197,159, as the equipment has not yet been put into use. The loan is for a period of 10 years with an interest rate of 4.71%. Annual loan payments of $152,862 are payable on September 15, through September 15, 2033. The agreement contains a provision that in an event of default, the lender may choose to make all outstanding amounts due immediately or may repossess the equipment. The outstanding principal as of June 30, 2025 is $1,100,683.

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

A. Governmental Activities (Continued)

Loans Payable (Continued)

Motorola Equipment Loan (Continued)

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 101,020	$ 51,842	$ 152,862
2027	105,778	47,084	152,862
2028	110,760	42,102	152,862
2029	115,976	36,885	152,861
2030	121,439	31,423	152,862
2031-2034	545,710	65,735	611,445
Total	$ 1,100,683	$ 275,071	$ 1,375,754

OCTA Advance

On February 16, 2010, the City entered into a cooperative agreement with the Orange County Transportation Authority (the OCTA). Terms of the cooperative agreement required OCTA to repay CalTrans $1.5 million for previously disallowed costs in exchange for the City's support of OCTA's direction to CalTrans for any eligible project in Orange County. In addition, OCTA advanced the City $4.1 million of future Measure M funds to the City. Principal and accrued but unpaid interest payments are deducted from future Measure M funds at OCTA's discretion over approximately 19 years. Interest is equal to the yield on OCTA's short-term investment portfolio, and resets annually on June 30. The outstanding principal as of June 30, 2025 is $254,583.

Fire UAL Payoff Loan

On May 5, 2020 the City approved a payment plan to Cal PERS to pay off the $1,878,760 unfunded accrued liability (UAL) on the termination of the City's Safety-Fire category of the City's contract with CalPERS. The payment plan is for a period of 5 years with an interest rate of 1.95%. Payments of $31,664 are payable monthly through May 2025. The balance was paid off during the year.

Leases Payable

The City leases land and improvements for various terms under eighteen long-term, noncancelable lease agreements. The leases expire at various dates through 2029. The net present values of the leases payable were determined using a discount rates ranging from 0.218 to 3.511%. Rent payments ranging from $417 to $1,289, are paid monthly or ranging from $1,483 to $35,490, paid quarterly. The leases provide for increases in future minimum monthly rental payments subject to stated increases.

As of June 30, 2025, lease assets and the related accumulated amortization totaled $1,241,101 and $(556,440), respectively. See Note 5 for Capital Assets.

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

A. Governmental Activities (Continued)

Leases Payable (Continued)

Total future minimum lease payments under lease agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 242,494	$ 14,670	$ 257,164
2027	221,439	8,935	230,374
2028	161,636	3,659	165,295
2029	55,926	774	56,700
Total	$ 681,495	$ 28,038	$ 709,533

SBITA Liabilities

The City has entered into subscription based-information technology arrangements (SBITAs) for finance, cloud, and operating information technology systems. The SBITA arrangements expire at various dates through 2037 and provide for renewal options.

As of June 30, 2025, subscription assets and the related accumulated amortization totaled $3,220,279 and $(1,112,195), respectively. See Note 5 for Capital Assets.

The future subscription payments under SBITA agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 395,369	$ 37,300	$ 432,669
2027	286,550	28,206	314,756
2028	229,885	21,416	251,301
2029	235,438	15,862	251,300
2030	166,120	11,440	177,560
2031-2035	453,525	18,055	471,580
2036-2037	12,635	367	13,002
Total	$ 1,779,522	$ 132,646	$ 1,912,168

There are no variable payments, no payments made related to termination penalties, and no impairment losses on subscription assets. For the SBITA agreements added in the current year, total capitalizable software configuration costs totaled $154,870.

Claims Payable

Estimated claims payable from general liability and workers' compensation claims as determined by outside claims administrator. Outstanding balance as of June 30, 2025 is as follows:

General Liability Claims	$ 1,824,253
Workers' Compensation Claims	5,377,586
Total Claims Payable	$ 7,201,839

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

B. Business-Type Activities

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

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025	Classification: Due Within One Year	Classification: Due in More than One Year
Compensated Absences (a)	$ 31,632	$ 4,763	$ -	$ 36,395	$ 13,570	$ 22,825

(a) Deletions to compensated absences are presented net of additions, as allowed by GASB Statement No. 101, *Compensated Absences*.

C. Fiduciary Activities

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

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025	Classification: Due Within One Year	Classification: Due in More Than One Year
Bonds Payable:						
2013 Tax Allocation Refunding Bonds	$ 7,400,000	$ -	$ (695,000)	$ 6,705,000	$ 720,000	$ 5,985,000
Bond Premium:						
2013 Tax Allocation Refunding Bonds	28,779	-	(3,560)	25,219	-	25,219
Other Liabilities:						
Reimbursement Due to City	1,165,124	-	(379,003)	786,121	388,577	397,544
SERAF Obligation	991,314	-	-	991,314	-	991,314
Total	$ 9,585,217	$ -	$ (1,077,563)	$ 8,507,654	$ 1,108,577	$ 7,399,077

<u>2013 Tax Allocation Refunding Bonds</u>

On December 1, 2013, the Successor Agency to the Redevelopment Agency of the City of Placentia issued a tax allocation refunding bond (TARB) in the amount of $13,120,000. Proceeds of the bond were used to refund the 2002 Series A and Series B Tax Allocation Bonds and the 2009 Subordinate Tax Allocation Note. The bond proceeds, together with other funds deposited from reserves, redeemed the 2002 Series A outstanding principal of $2,445,000, the 2002 Series B outstanding principal of $3,670,000, and the 2009 Subordinate TAN outstanding principal of $6,850,000. In lieu of funding the Reserve Account with proceeds of the Bonds, the Successor Agency has determined to purchase a Municipal Bond Debt Service Reserve Insurance Policy issued by the Insurer.

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

C. Fiduciary Activities (Continued)

2013 Tax Allocation Refunding Bonds (Continued)

The bond is a special obligation of the Successor Agency. The bond does not constitute a debt or liability of the City of Placentia, County of Orange, state of California, or of any political subdivision thereof, other than the Successor Agency. The Successor Agency shall only be obligated to pay the principal of the bond, or interest thereon, from the funds described within the Official Statement. Neither the faith and credit nor the taxing power of the City of Placentia, the County of Orange, the state of California, or any of its political subdivisions is pledged to the payment of the principal of or the interest on the bond. The Successor Agency has no taxing power. As of June 30, 2025, the outstanding principal on this bond is $6,705,000.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 720,000	$ 288,188	$ 1,008,188
2027	750,000	258,788	1,008,788
2028	780,000	227,700	1,007,700
2029	810,000	192,375	1,002,375
2030	850,000	152,950	1,002,950
2031-2033	2,795,000	203,181	2,998,181
Total	$ 6,705,000	$ 1,323,182	$ 8,028,182

Debt Related Pledge of Revenue

The Successor Agency has pledged a portion of future tax increment revenues to repay the 2013 TARB as the source of repayment of this debt. Tax increment revenues were projected to produce a certain percentage of the debt service requirements over the life of the debt. Due to the dissolution of the former Placentia Redevelopment Agency, the pledged revenue is deposited to the County of Orange Redevelopment Property Tax Trust Fund (RPTTF). The County forwards the City funds to pay these recognized obligations.

Certificates of Participation City Reimbursement

On April 17, 2007, the City Council of the City of Placentia and the Board of Directors of the former Placentia Redevelopment Agency approved a reimbursement agreement between the City and the former Placentia Redevelopment Agency. This agreement provides that the former Placentia Redevelopment Agency will reimburse the City for a portion of the lease payment paid by the City to the bond trustee, with respect to the 2003 Refunded and Improvement Project Certificates of Participation.

The portion reimbursed is based upon the portion of the capital improvements and improved facilities benefiting from the original proceeds of the related debt issue that were within the confines of the redevelopment project area. The updated long-term liability balance as of June 30, 2025 of $786,121 represents the portion of the principal balance for which the Successor Agency will reimburse the City.

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Certificates of Participation City Reimbursement (Continued)

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 388,577	$ 18,474	$ 407,051
2027	397,544	9,342	406,886
Total	$ 786,121	$ 27,816	$ 813,937

Supplemental Education Revenue Augmentation Fund (SERAF) Obligation

The Successor Agency has accrued a liability in the amount of $991,314 in regard to its Supplemental Education Revenue Augmentation Fund (SERAF) obligation. This amount includes the unpaid portions from fiscal years 2009-10 and 2010-11. In 2009, the state of California issued a mandate that shifted redevelopment funds to education purposes. This action required each local redevelopment agency to make payment to their respective County Auditor-Controller. The Placentia Redevelopment Agency did not make payment on this obligation for two fiscal years, as it did not have the means to do so. Nonpayment of SERAF obligations would usually result in suspension of redevelopment activity. Upon dissolution of redevelopment in 2012, this unpaid obligation was transferred to the Successor Agency. The Successor Agency will continue working to resolve this matter. Outstanding balance of SERAF Obligation as of June 30, 2025 was $991,314.

Real Property Loan Obligation

On January 20, 2009, the City Council of the City of Placentia and the Board of Directors of the former Placentia Redevelopment Agency approved a Purchase and Sale agreement between the City and the former Placentia Redevelopment Agency. This agreement provides that the Placentia Redevelopment Agency will finance and purchase two real properties from the City; 312 South Melrose Street and 110 South Bradford Avenue for $2,270,000 based on appraised property values at an interest rate of 7%. The City received the final payment on the loan in the current year.

NOTE 7 DEFERRED COMPENSATION PLANS

Section 457 Plan

The City has made available to its employees two deferred compensation plans, created in accordance with Internal Revenue Code (the IRC) Section 457, whereby employees authorize the City to defer a portion of their salary to be deposited in individual investment accounts. There are several options available for employees to invest, including annuities, life insurance, savings accounts, and mutual funds. Funds may be withdrawn by participants upon termination of employment, retirement, or a certified emergency. The City makes no contribution under the plans.

NOTE 7 DEFERRED COMPENSATION PLANS (CONTINUED)

Section 457 Plan (Continued)

Pursuant to changes in IRC Section 457, the City amended its plans and established a trust into which all assets and income of the 457 plan were transferred during the year ended June 30, 1998. The assets and all income attributable to such amounts are held in trust for the exclusive benefit of the participant and their beneficiaries. These assets are no longer the property of the City, and therefore, are no longer subject to the claims of the City's general creditors. As a result, the assets of the 457 deferred compensation plans are no longer presented in an agency fund of the City's financial statements. The City has minimal involvement in the administration of the 457 plans, and therefore, lacks the fiduciary accountability that would require the 457 assets be recorded in an expendable trust fund.

The Defined Compensation Plan assets are not included in the accompanying basic financial statements.

Section 401(a) Qualified Defined Contribution Pension Plan

All City sworn full-time fire personnel are eligible to participate in the Section 401(a) qualified defined contribution pension plan as allowed under the Internal Revenue Code. The plan type sponsored by the City is the Money Purchase Plan (Plan), which was last amended on January 1, 2020. The Plan is a defined contribution retirement plan in which the employer's contribution is nondiscretionary and is based on a formula that is not related to profits. The Plan sponsor guarantees no benefit and bears no investment risk while the Plan participants bear all investment risk and have no guaranteed level of benefits.

An administrative committee comprised of City personnel governs the Plan. The City Council has the authority to establish or amend the Plan's provisions. The Plan's provisions and contribution requirements are established and may be amended by City Council resolution.

Eligible employees begin participating the first day of the month following their employment date of work. The Plan is entirely funded by City contributions of 10% of the participants' base pay to the deferred compensation plan. The City's contributions vest at 100% after completion of four years of uninterrupted employment.

Participants are eligible to begin receiving benefits at age 50 and are required to begin receiving benefits no later than April after age 70-1/2. The employees may also roll their funds to another retirement plan upon separation of service.

The City's payroll for employees covered by the Plan for the year ended June 30, 2025 was $3,929,123. Total employee contributions paid by the City amounted to $293,470.

As of June 30, 2025, the Plan had 28 participants.

NOTE 8 PENSION PLANS

A. Summary

	Governmental Activities	Business-Type Activities	Total
Deferred Outflows of Resources:			
Pension Contribution Made After Measurement Date:			
CalPERS Miscellaneous	$ 387,424	$ 5,396	$ 392,820
CalPERS Safety	689,865	-	689,865
Total Pension Contribution Made After Measurement Date	1,077,289	5,396	1,082,685
Change in Assumptions			
CalPERS Miscellaneous	63,365	882	64,247
CalPERS Safety	117,664	-	117,664
Total Change in Assumptions	181,029	882	181,911
Difference Between Projected and Actual Investment Earnings:			
CalPERS Miscellaneous	141,926	1,977	143,903
CalPERS Safety	230,837	-	230,837
Total Difference Between Projected and Actual Investment Earnings	372,763	1,977	374,740
Difference Between Expected and Actual Experience:			
CalPERS Miscellaneous	213,151	2,969	216,120
CalPERS Safety	389,741	-	389,741
Total Difference Between Expected and Actual Experience	602,892	2,969	605,861
Changes in Proportion and differences between employer contributions and proportionate share of contributions:			
CalPERS Miscellaneous	1,091,295	15,199	1,106,494
CalPERS Safety	752,195	-	752,195
Total Employer Contributions in Excess of Proportionate Share of Contribution	1,843,490	15,199	1,858,689
Total Deferred Outflows of Resources:			
CalPERS Miscellaneous	1,897,161	26,423	1,923,584
CalPERS Safety	2,180,302	-	2,180,302
Total Deferred Outflows of Resources	$ 4,077,463	$ 26,423	$ 4,103,886

NOTE 8 PENSION PLANS (CONTINUED)

A. Summary (Continued)

	Governmental Activities	Business-Type Activities	Total
Net Pension Liabilities:			
CalPERS Miscellaneous	$ 2,465,341	$ 34,335	$ 2,499,676
CalPERS Safety	4,775,717	-	4,775,717
Total Net Pension Liabilities	$ 7,241,058	$ 34,335	$ 7,275,393
Deferred Inflows of Resources:			
Change in Assumptions			
CalPERS Miscellaneous	$ -	$ -	$ -
CalPERS Safety	-	-	-
Total Change in Assumptions	-	-	-
Changes in Proportion and differences between employer contributions and proportionate share of contributions:			
CalPERS Miscellaneous	893,832	12,450	906,282
CalPERS Safety	1,978,746	-	1,978,746
Total Adjustment Due to Difference in Proportions	2,872,578	12,450	2,885,028
Difference Between Expected and Actual Experience:			
CalPERS Miscellaneous	8,317	116	8,433
CalPERS Safety	12,672	-	12,672
Total Difference Between Expected and Actual Experience	20,989	116	21,105
Employer Contributions In Excess of Proportionate Share of Contribution:			
CalPERS Miscellaneous	-	-	-
CalPERS Safety	-	-	-
Total Employer Contributions in Excess of Proportionate Share of Contribution	-	-	-
Difference Between Expected and Actual Experience:			
CalPERS Miscellaneous	-	-	-
CalPERS Safety	-	-	-
Total Difference Between Expected and Actual Experience	-	-	-
Total Deferred Inflows of Resources:			
CalPERS Miscellaneous	902,149	12,566	914,715
CalPERS Safety	1,991,418	-	1,991,418
Total Deferred Inflows of Resources	$ 2,893,567	$ 12,566	$ 2,906,133

NOTE 8 PENSION PLANS (CONTINUED)

A. Summary (Continued)

	Governmental Activities	Business-Type Activities	Total
Pension Expenses:			
CalPERS Miscellaneous	$ 2,867,744	$ 39,940	$ 2,907,684
CalPERS Safety	3,226,330	-	3,226,330
Total Net Pension Expense	$ 6,094,074	$ 39,940	$ 6,134,014

B. General Information about the Pension Plans

Plan Description

The City contributes to the California Public Employees Retirement System (CalPERS), a cost-sharing, multiple-employer defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the state of California. Benefit provisions and all other requirements are established by state statute and City ordinance. Copies of the CalPERS annual financial report may be obtained from their Executive Office located at 400 P Street, Sacramento, California 95814.

Employees Covered by Benefit Terms

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

	Miscellaneous	Miscellaneous PEPRA	Safety	Safety PEPRA
Active Employees	29	91	18	33
Transferred Employees	66	62	17	11
Separated Employees	29	47	10	10
Retired Employees and Beneficiaries	184	6	122	1
Total	308	206	167	55

Benefit Provided

CalPERS provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Classic and PEPRA Safety CalPERS members become eligible for service retirement upon attainment of age 55 with at least five years of credited service. PEPRA miscellaneous members become eligible for service retirement upon attainment of age 62 with at least five years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member’s highest 36 full-time equivalent monthly pay.

NOTE 8 PENSION PLANS (CONTINUED)

B. General Information about the Pension Plans (Continued)

Benefit Provided (Continued)

Following are the benefit provisions for each plan:

	Miscellaneous	Miscellaneous Tier 2	Miscellaneous PEPRA	Safety	Safety PEPRA
Benefit Formula	2.0% @ 55	2.0% @ 60	2.0% @ 62	3.0% @ 50	2.7% @ 57
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	55	60	62	50	50-57
Monthly Benefits, as a Percentage of Eligible Compensation	2.0%	2.0%	2.0%	3.0%	2.7%
Required Employee Contribution Rate	7.000%	7.000%	7.750%	9.000%	13.750%
Required Employer Contribution Rate	12.520%	10.710%	7.870%	27.320%	13.760%

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. For the year ended June 30, 2025, the City made contributions to each Plan were as follows:

	Miscellaneous	Safety	Total
Contributions - Employer	$ 392,820	$ 689,865	$ 1,082,685

NOTE 8 PENSION PLANS (CONTINUED)

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

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

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

	Miscellaneous	Safety
Proportion - June 30, 2023	0.05376 %	0.07318 %
Proportion - June 30, 2024	0.05168	0.06550
Change - Increase (Decrease)	(0.00208)%	(0.00768)%

For the year ended June 30, 2025, the City recognized pension expense of $2,907,684 and $3,226,330, for the Miscellaneous and Safety plans, respectively. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution Made After the Measurement Date	$ 392,820	$ -
Difference Between Expected and Actual Experience	216,120	8,433
Changes of Assumptions	64,247	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	143,903	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	1,106,494	906,282
Total	$ 1,923,584	$ 914,715

NOTE 8 PENSION PLANS (CONTINUED)

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

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

	Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution Made After the Measurement Date	$ 689,865	$ -
Difference Between Expected and Actual Experience	389,741	12,672
Changes of Assumptions	117,664	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	230,837	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	752,195	1,978,746
Total	$ 2,180,302	$ 1,991,418

	Aggregate Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution Made After the Measurement Date	$ 1,082,685	$ -
Difference Between Expected and Actual Experience	605,861	21,105
Changes of Assumptions	181,911	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	374,740	-
Adjustments Due to Difference in Proportions	1,858,689	2,885,028
Total	$ 4,103,886	$ 2,906,133

NOTE 8 PENSION PLANS (CONTINUED)

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

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

For the Miscellaneous Plan and Safety Plan, $392,820 and $689,865, respectively, were reported as deferred outflows of resources related to pensions resulting from City's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, **2025**2025**20252025**. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred (Inflows) Outflows of Resources		
Measurement Period Ending June 30,	Miscellaneous Plan	Safety Plan	Total
2025	$ 809,026	$ 104,253	$ 913,279
2026	(58,479)	(274,371)	(332,850)
2027	(85,184)	(251,882)	(337,066)
2028	(49,314)	(78,981)	(128,295)
2029	-	-	-
Thereafter	-	-	-
Total	$ 616,049	$ (500,981)	$ 115,068

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	6.90%
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.3% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.3% thereafter.

NOTE 8 PENSION PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS experience study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and review of Actuarial Assumptions 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 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. The expected real rates of return by asset class are as follows:

Asset Class (a)	Assumed Asset Allocation	Real Return (a) (b)
Global Equity - Cap-Weighted	30.00 %	4.45 %
Global Equity - Non-Cap-Weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-Backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)
Total	100.00 %	

(a) An expected inflation of 2.30% used for this period.

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

NOTE 8 PENSION PLANS (CONTINUED)

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

Discount Rate

The discount rate used to measure the total pension liability 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.

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

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

	Plan's Net Pension (Asset) Liability		
	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Miscellaneous	$ 11,446,990	$ 2,499,676	$ (4,865,280)
Safety	20,663,785	4,775,717	(8,218,489)
Total	$ 32,110,775	$ 7,275,393	$ (13,083,769)

Pension Plan Fiduciary Net Position

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

D. Payable to the Pension Plan

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

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT PLAN

A. Summary

	Governmental Activities	Business-Type Activities	Total
Deferred Outflows of Resources:			
Employer Contributions Made Subsequent to the Measurement Date	$ 546,029	$ 15,139	$ 561,168
Changes in Assumptions	1,494,539	41,438	1,535,977
Total Deferred Outflows of Resources	$ 2,040,568	$ 56,577	$ 2,097,145
Net OPEB Liability	$ 12,588,382	$ 349,023	$ 12,937,405
Deferred Inflows of Resources:			
Changes in Assumptions	$ 5,224,488	$ 144,853	$ 5,369,341
Difference Between Expected and Actual Experience	4,716,607	130,772	4,847,379
Net Difference Between Projected and Actual Earnings	100,778	2,794	103,572
Total Deferred Inflows of Resources	$ 10,041,873	$ 278,419	$ 10,320,292
OPEB Income	$ (1,254,472)	$ (34,781)	$ (1,289,253)

B. General Information About OPEB

Plan Description

The City provides post-employment defined benefits to retired employees in the form of a contribution towards their health insurance premiums under the CalPERS health plan, an agent multiple employer plan, that provides health insurance benefits to eligible retirees in accordance with various labor agreements. The minimum required retiree contributions are established by CalPERS. Survivor benefits are not provided. Copies of the CalPERS' annual financial report can be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Eligibility

All employees hired prior to November 21, 1995, are in Tier I and become eligible for these benefits as long as they are 50 years of age or older and have worked for the City a minimum of five years and elect a service retirement from the City. The health benefits for Tier I retirees include medical, dental, optical, and life. These benefits are considered to be vested for Tier I employees. The City pays the same contribution for these benefits to Tier I employees as is paid to active employees. Vision benefits are also provided to Tier I employees who retired after September 30, 1990. The life insurance is available to Tier I retirees until they reach age of 70.

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

B. General Information About OPEB (Continued)

All employees hired on or after November 21, 1995 are Tier II. The City pays the minimum required medical insurance contribution established by CalPERS for Tier II employees.

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

Active Plan Members	204
Retirees	149
Total	353

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

Contributions

Benefit provisions and contribution requirements are established and may be amended through agreements and memorandums of understanding between the City, its management employees, and unions representing the City's employees. The plan does not require employee contributions.

The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2025, the City made contributions to the plan totaling $561,168 ($855,087 actual benefit payments and a $169,176 implicit subsidy credit, less trust reimbursements of $463,095). Employees are not required to contribute to the plan.

Total OPEB Liability

The City’s total OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024. The total OPEB liability at June 30, 2025 was $14,932,515.

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

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

Actuarial Assumptions

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

Actuarial Assumptions:	
Discount Rate	5.60% (Bond Buyer 20-Bond Index)
Inflation	2.40% Annually
Aggregate Payroll Increases	2.80%
Expected Long-Term Investment Rate of Return	N/A
Mortality, Termination, and Disability	CalPERS 2000-2019 Experience Study
Mortality Improvement Scale	Modified projected fully generational with Scale MP-2021
Healthcare Trend Rate - Non-Medicare	An annual healthcare cost trend rate of 8.20% for 2025, decreasing to an ultimate rate of 5.00% in 2031
Healthcare Trend Rate - Medicare	An annual healthcare cost trend rate of 7.30% for 2025, decreasing to an ultimate rate of 4.50% in 2030

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the November 2021 CalPERS experience study covering 2000 to 2019.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.80%. This discount rate is the mid-point, rounded to five basis points of the range of three 20-year municipal bond rate indices; S&P Municipal bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO Index, and Fidelity GO AA 20 Year Bond Index.

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

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

Change in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance - June 30, 2023 (Measurement Date)	$ 15,832,494	$ 1,833,177	$ 13,999,317
Changes Recognized for the Measurement Period:			
Service Cost	304,795	-	304,795
Interest on the Total OPEB Liability	746,786	-	746,786
Difference Between Expected and Actual Experience	(684,035)	-	(684,035)
Changes of Assumptions	(95,294)	-	(95,294)
Contributions from the Employer		1,172,231	(1,172,231)
Net Investment Income		168,079	(168,079)
Administrative Expenses		(6,146)	6,146
Benefit Payments	(1,172,231)	(1,172,231)	-
Net Changes	(899,979)	161,933	(1,061,912)
Balance - June 30, 2024 (Measurement Date)	$ 14,932,515	$ 1,995,110	$ 12,937,405

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.80%) or 1-percentage point higher (5.80%) than the current discount rate:

	Plan's Total OPEB Liability		
	1% Decrease (4.50%)	Current Discount Rate (5.60%)	1% Increase (6.60%)
OPEB Pension Plan	$ 14,512,347	$ 12,937,405	$ 11,608,719

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	Plan's Total OPEB Liability		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
OPEB Pension Plan	$ 12,375,916	$ 12,937,405	$ 13,604,265

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

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

OPEB Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2025, the City recognized OPEB income of $1,289,253. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ -	$ 4,847,379
Changes in Assumptions	1,535,977	5,369,341
Employer Contributions Made Subsequent to the Measurement Date	561,168	-
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	103,572
Total	$ 2,097,145	$ 10,320,292

The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five-year period. The remaining gains and losses are amortized over the expected average remaining service life. The expected average remaining service life is 8 years, which was determined as of July 1, 2021, the beginning of the measurement period, for employees covered by the OPEB plan benefit terms as of the valuation date.

$561,168 was reported as a deferred outflow of resources related to OPEB resulting from the City's contributions subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025.

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

Fiscal Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2026	$ (1,696,601)
2027	(1,428,627)
2028	(1,816,076)
2029	(1,992,156)
2030	(1,167,053)
Thereafter	(683,802)
Total	$ (8,784,315)

NOTE 10 RISK MANAGEMENT AND SELF-INSURANCE PROGRAM

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in municipal agency risk pools for their property, workers' compensation, and excess liability coverage.

A. General Liability

The City is a member of the Public Agency Risk Sharing Authority of California (PARSAC), a joint powers authority, which provides joint protection programs for public entities covering automobile, general liability, errors and omission losses, workers' compensation, and property claims. Under the program, the City has a $100,000 retention limits similar to a deductible with the PARSAC being responsible for losses above that amount up to $1 million.

The PARSAC has additional coverage of $34 million in excess of its $1 million retention limit affiliated risk management authorities. The PARSAC also provides $1 billion aggregate per occurrence property coverage to its members with such coverage provided by purchased insurance.

B. Workers' Compensation

The City is a member of the Local Agency Workers' Compensation Excess (the LAWCX), a joint powers authority, which provides joint protection programs for public entities covering worker's compensation claims. Under the program, the City has a $250,000 retention limits similar to a deductible with the LAWCX being responsible for losses above that amount up to $4.7 million. The City has purchased excess coverage for workers' compensation excess of $5 million.

C. Other Insurance

The City has Crime Bond Insurance coverage as a member of PARSAC under Alliant Crime Insurance Program (the ACIP) excess of $2,500 up to $1 million. This insurance includes coverage for faithful performance of duty, forgery, or alteration, inside premises theft of money and securities, inside premises robbery and safety, burglary other property outside the premises, computer fraud, funds transfer fraud, and money orders and counterfeit paper currency fraud.

NOTE 10 RISK MANAGEMENT AND SELF-INSURANCE PROGRAM (CONTINUED)

C. Other Insurance (Continued)

A reconciliation of changes in aggregates for claims filed in the current and prior fiscal years are as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Year Liability	Amounts Due within One Year	Amounts Due in more than One Year
Workers' Compensation:						
2023-2024	$ 2,883,583	$ 470,637	$ (857,340)	$ 2,496,880	$ 624,220	$ 1,872,660
2024-2025	2,496,880	3,858,473	(977,767)	5,377,586	1,344,397	4,033,189
General Liability:						
2023-2024	$ 1,167,761	$ 1,074,374	$ (918,099)	$ 1,324,036	$ 317,259	$ 1,006,777
2024-2025	1,324,036	743,653	(243,436)	1,824,253	456,063	1,368,190

NOTE 11 CLASSIFICATION OF FUND BALANCES

At June 30, 2025, fund balances are classified in the governmental funds as follows:

	General Fund	Citywide Development Impact Fee Special Revenue Fund	Placentia Regional Navigation Center	Debt Service Fund	Nonmajor Governmental Funds	Total
Nonspendable:						
Inventory	$ 7,740	$ -	$ -	$ -	$ -	$ 7,740
Prepaid Items	66,203	3,282	-	-	-	69,485
Loans Receivable	397,544	-	-	-	-	397,544
Total Nonspendable	471,487	3,282	-	-	-	474,769
Restricted:						
Public Safety	-	-	-	-	2,050,580	2,050,580
Public Works	-	-	-	-	1,176,380	1,176,380
Community Development	-	5,152,794	-	-	2,405,180	7,557,974
Community Services	-	-	-	-	201,159	201,159
Debt Service	-	-	-	4,676,884	87,394	4,764,278
Transportation	-	-	-	-	464,823	464,823
Park Development	-	-	-	-	21,518	21,518
Air Quality	-	-	-	-	382,443	382,443
Housing	-	-	-	-	2,110,268	2,110,268
Pension Stability	1,334,070	-	-	-	-	1,334,070
Total Restricted	1,334,070	5,152,794	-	4,676,884	8,899,745	20,063,493
Committed:						
Measure U - Infrastructure	1,996,732	-	-	-	-	1,996,732
Total Committed	1,996,732	-	-	-	-	1,996,732
Assigned:						
Subsequent Year's Budget:						
Appropriation of Fund Balance	1,396,102	-	-	-	-	1,396,102
Total Assigned	1,396,102	-	-	-	-	1,396,102
Unassigned	9,078,465	-	(2,180,341)	-	(1,836,306)	5,061,818
Total Fund Balances	$ 14,276,856	$ 5,156,076	$ (2,180,341)	$ 4,676,884	$ 7,063,439	$ 28,992,914

NOTE 12 COMMITMENTS AND CONTINGENCIES

A. Commitments

The City had several outstanding or planned construction and other projects as of June 30, 2025. These projects are evidenced by contractual commitments with contractors or other agencies and include:

Projects	Commitment
Buildings and Facilities	$ 2,636,906
Streets and Streetscapes	14,651,255
Traffic and Transportation	1,512,581
Sewer	61,953
Parks	1,211,306
Major Studies	779,298
Vehicles and Equipment	272,254
Technology	243,263
Total	$ 21,368,816

The City has various outstanding purchase commitments. Total commitments at June 30, 2025 are as follows:

	Outstanding Purchase Commitments
Governmental Funds:	
General Fund	$ 2,143,266
Other Governmental Funds	3,257,738
Total	$ 5,401,004

B. Contingencies

The City is a defendant in a number of lawsuits, which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty.

C. Grants

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies. While no matters of noncompliance were disclosed by the audit of the financial statements or single audit of the Federal grant programs, grantor agencies may subject grant programs to additional compliance tests, which may result in disallowed costs. In the opinion of management, future disallowances of current or prior grant expenditures, if any, would not have a material adverse effect on the financial position of the City.

NOTE 13 OTHER REQUIRED FUND DISCLOSURES

A. Expenditures in Excess of Appropriation

Excess of expenditures over appropriations occurred in individual funds during the year ended June 30, 2025, as follows:

	Expenditures	Appropriation	Expenditure in Excess of Appropriations
Special Revenue Funds:			
Measure M	$ 1,906,622	$ 1,848,448	$ (58,174)
Supplemental Law Enforcement	194,663	191,000	(3,663)
Opioid Settlement	10,557	-	(10,557)
Debt Service Funds:			
Major Debt Service Fund	4,693,073	4,662,800	(30,273)
Gas Tax Debt Service	404,317	368,000	(36,317)

B. Deficit Net Position and Fund Balances

Funds with deficit net position/fund balance at June 30, 2025, are as follows:

	Deficit Fund Balance	Deficit Net Position
Special Revenue Funds:		
Placentia Regional Navigation Center (Major Fund)	$ (2,180,341)	
Miscellaneous Grants	(696,186)	
Measure M	(174,251)	
Landscape Maintenance District 92-1	(67,192)	
Housing and Community Development	(566,931)	
Sewer Construction	(123,349)	
Total	$ (3,808,250)	
Capital Projects Fund:		
City Capital Projects	$ (311,031)	
Internal Service Fund:		
Risk Management		$ (4,924,680)

At June 30, 2025, the City's governmental activities had an unrestricted net position deficit of $(66,583,173) on the statement of net position. This deficit was created from the implementation of GASB Statement 68 (Net Pension Liability) in fiscal year 2015 and the implementation of GASB Statement 75 (Total OPEB Liability) in 2018. The City expects to eliminate the deficit via increased pension and OPEB contributions consistent with the amortization schedules provided by the City's pension and OPEB administrators.

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

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CITY OF PLACENTIA
BUDGETARY COMPARISON SCHEDULE –
GENERAL FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Taxes	$ 46,986,063	$ 47,411,063	$ 47,216,243	$ (194,820)
Intergovernmental	280,000	2,387,654	533,191	(1,854,463)
Licenses and Permits	2,903,140	3,206,743	3,202,633	(4,110)
Fines and Forfeitures	485,000	575,000	764,685	189,685
Investment Income	800,000	800,000	1,070,564	270,564
Charges for Services	1,458,425	1,485,804	1,604,224	118,420
Leases and Rents	1,081,000	1,101,000	1,579,509	478,509
Miscellaneous	314,400	637,812	706,522	68,710
Total Revenues	54,308,028	57,605,076	56,677,571	(927,505)
EXPENDITURES				
Current:				
General Government	15,175,710	16,451,945	16,586,077	(134,132)
Public Safety	19,365,868	19,820,370	20,563,786	(743,416)
Public Works	4,566,940	5,133,823	5,174,844	(41,021)
Community Development	1,782,450	2,024,001	1,894,731	129,270
Community Services	3,481,600	3,412,616	3,288,610	124,006
Capital Outlay	4,348,750	15,377,846	10,234,402	5,143,444
Debt Service:				
Principal Retirement	1,611,876	1,611,876	2,311,372	(699,496)
Interest and Fiscal Charges	189,286	189,286	201,154	(11,868)
Total Expenditures	50,522,480	64,021,763	60,254,976	3,766,787
REVENUE OVER (UNDER) EXPENDITURES	3,785,548	(6,416,687)	(3,577,405)	2,839,282
OTHER FINANCING SOURCES (USES)				
Issuance of Debt	-	-	474,582	474,582
Transfers In	405,100	415,100	3,561,683	3,146,583
Transfers Out	(1,998,660)	(1,349,734)	(4,553,777)	(3,204,043)
Total Other Financing Sources (Uses)	(1,593,560)	(934,634)	(517,512)	417,122
NET CHANGE IN FUND BALANCE	$ 2,191,988	$ (7,351,321)	(4,094,917)	$ 3,256,404
Fund Balance - Beginning of Year			18,371,773	
FUND BALANCE - END OF YEAR			$ 14,276,856	

See accompanying Notes to Budgetary Comparison Schedules.

CITY OF PLACENTIA
BUDGETARY COMPARISON SCHEDULE –
CITYWIDE DEVELOPMENT IMPACT FEE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Investment Earnings	$ -	$ -	$ 108,913	$ 108,913
Contributions	-	1,541,007	2,896,668	1,355,661
Total Revenues	-	1,541,007	3,005,581	1,464,574
EXPENDITURES				
Current:				
Public Safety	103,500	123,500	2,260	121,240
Capital Outlay	411,450	1,112,288	226,307	885,981
Total Expenditures	514,950	1,235,788	228,567	1,007,221
REVENUE OVER (UNDER) EXPENDITURES	(514,950)	305,219	2,777,014	2,471,795
NET CHANGE IN FUND BALANCE	$ (514,950)	$ 305,219	2,777,014	$ 2,471,795
Fund Balance - Beginning of Year			2,379,062	
FUND BALANCE - END OF YEAR			$ 5,156,076	

See accompanying Notes to Budgetary Comparison Schedules.

CITY OF PLACENTIA
BUDGETARY COMPARISON SCHEDULE –
PLACENTIA REGIONAL NAVIGATION CENTER SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 2,933,600	$ 4,315,236	$ 3,488,019	$ (827,217)
EXPENDITURES				
Current:				
Public Safety	2,933,600	4,314,436	3,039,702	1,274,734
NET CHANGE IN FUND BALANCE	$ -	$ 800	448,317	$ 447,517
Fund Balance - Beginning of Year			(2,628,658)	
FUND BALANCE - END OF YEAR			$ (2,180,341)	

See accompanying Notes to Budgetary Comparison Schedules.

Budgetary Control and Accounting Policy

The City prepares its budgets on the basis of estimated revenues and expenditures and, accordingly, the budget amounts included in the accompanying financial statements are presented on a basis substantially consistent with generally accepted accounting principles. Encumbrance accounting is utilized during the fiscal year, whereby purchase orders, contracts, and other commitments are recorded in order to control appropriations. However, at fiscal year-end, all appropriations lapse. Accordingly, encumbrances are cancelled and generally are re-appropriated as part of the following year's budget. Encumbrances are not included in reported expenditures.

Annual budgets are adopted for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year. In 2025, the City did not create a budget for the following governmental special revenue funds: Park Development, Storm Drain, Traffic Offender, Sewer Construction, Affordable Housing In-Lieu, Community Based Transitional Housing Grant, Housing Successor, and Orangethorpe Corridor.

The budgetary level of control for all governmental fund types is the fund level. The City Administrator has the discretion to transfer appropriations between departments within a fund, but transfers between funds must be approved by the City Council.

CITY OF PLACENTIA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITIES AND RELATED RATIOS – MISCELLANEOUS PLAN
LAST TEN FISCAL YEARS

Fiscal Year Ended	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Measurement Date	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Plan's Proportion of the Net Pension Liability	0.05168%	0.05376%	0.03319%	-0.45585%	0.38926%	0.14843%	0.14479%	0.14212%	0.14024%	0.13337%
Plan's Proportionate Share of the Net Pension Liability	$ 2,499,676	$ 2,688,135	$ 1,552,976	$ 16,419,169	$ 16,419,169	$ 15,209,436	$ 13,952,246	$ 14,094,828	$ 12,135,165	$ 9,154,245
Plan's Covered Payroll	$ 9,790,895	$ 8,115,390	$ 7,062,718	$ 6,733,121	$ 5,725,763	$ 5,027,138	$ 4,966,210	$ 4,171,235	$ 4,140,888	$ 3,220,454
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	25.53%	33.12%	21.99%	243.86%	286.76%	332.34%	345.80%	337.91%	293.06%	284.25%
Plan's Fiduciary Net Position	$ 63,806,001	$ 60,515,009	$ 60,033,972	$ 40,663,791	$ 40,663,791	$ 41,142,220	$ 40,682,189	$ 39,816,871	$ 38,103,697	$ 40,735,920
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	96.23%	95.75%	97.48%	71.24%	71.24%	74.46%	73.86%	73.86%	75.85%	81.65%
Plan's Proportionate Share of Aggregate Employer Contributions	$ 2,435,479	$ 2,515,714	$ 3,114,009	$ 2,642,842	$ 1,383,994	$ 1,139,534	$ 932,993	$ 785,438	$ 667,441	$ 383,155

Notes to Schedule:

Benefit Changes:
There were no changes in benefits.

Changes in Assumptions:
From fiscal year June 30, 2016 to June 30, 2017: There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:
In fiscal year 2017-2018, the financial reporting discount rate was reduced from 7.65% to 7.15%. Deferred outflows of resources and deferred inflows of resources for changes of assumptions represent the unamortized portion of this assumption change and the unamortized portion of the changes of assumptions related to prior measurement periods.

From fiscal year June 30, 2018 to June 30, 2019:
In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

From fiscal year June 30, 2019 to June 30, 2020:
In fiscal year 2019-2020, the financial reporting discount rate was reduced from 7.375% to 7.150%. The inflation rate was reduced from 2.75% to 2.50% in fiscal year 2019-2020.

From fiscal year June 30, 2020 to June 30, 2021: There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022: There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023: In fiscal year 2022-2023, the financial reporting discount rate was reduced from 7.150% to 6.900%.

From fiscal year June 30, 2023 to June 30, 2024: There were no changes in assumptions.

From fiscal year June 30, 2024 to June 30, 2025: There were no changes in assumptions.

CITY OF PLACENTIA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITIES AND RELATED RATIOS – SAFETY PLAN
LAST TEN FISCAL YEARS

Fiscal Year Ended	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Measurement Period	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Plan's Proportion of the Net Pension Liability	0.06550%	0.07318%	0.04235%	-0.41630%	0.44230%	0.26351%	0.27222%	0.27242%	0.28572%	0.30267%
Plan's Proportionate Share of the Net Pension Liability	$ 4,775,717	$ 5,470,210	$ 2,910,326	$ 29,467,303	$ 29,467,303	$ 27,002,144	$ 26,231,540	$ 27,017,047	$ 24,723,412	$ 20,774,757
Plan's Covered Payroll	$ 6,360,119	$ 5,760,486	$ 5,428,571	$ 5,414,606	$ 4,822,533	$ 4,385,233	$ 4,383,655	$ 4,193,517	$ 4,142,921	$ 4,074,947
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	75.09%	94.96%	53.61%	544.22%	611.03%	615.75%	598.39%	644.26%	596.76%	509.82%
Plan's Fiduciary Net Position	$ 116,311,710	$ 104,039,873	$ 104,039,873	$ 113,454,370	$ 69,454,497	$ 69,385,418	$ 65,913,238	$ 62,459,293	$ 58,150,629	$ 60,121,518
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	96.06%	95.00%	97.28%	79.38%	70.21%	71.99%	71.53%	69.81%	70.17%	74.32%
Plan's Proportionate Share of Aggregate Employer Contributions	$ 4,119,383	$ 4,216,661	$ 6,941,085	$ 6,061,344	$ 2,517,884	$ 2,108,590	$ 3,034,432	$ 2,753,462	$ 2,568,441	$ 2,175,167

Notes to Schedule:

Benefit Changes:
There were no changes in benefits.

Changes in Assumptions:
From fiscal year June 30, 2016 to June 30, 2017: There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:
In fiscal year 2017-2018, the financial reporting discount rate was reduced from 7.65% to 7.15%. Deferred outflows of resources and deferred inflows of resources for changes of assumptions represent the unamortized portion of this assumption change and the unamortized portion of the changes of assumptions related to prior measurement periods.

From fiscal year June 30, 2018 to June 30, 2019:
In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

From fiscal year June 30, 2019 to June 30, 2020:
In fiscal year 2019-2020, the financial reporting discount rate was reduced from 7.375% to 7.150%. The inflation rate was reduced from 2.75% to 2.50% in fiscal year 2019-2020.

From fiscal year June 30, 2020 to June 30, 2021: There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022: There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023: In fiscal year 2022-2023, the financial reporting discount rate was reduced from 7.150% to 6.900%.

From fiscal year June 30, 2023 to June 30, 2024: There were no changes in assumptions.

From fiscal year June 30, 2024 to June 30, 2025: There were no changes in assumptions.

CITY OF PLACENTIA
SCHEDULE OF CITY'S PENSION CONTRIBUTIONS –
MISCELLANEOUS PLAN
LAST TEN FISCAL YEARS

Fiscal Year	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Contractually Determined Contribution (Actuarially Determined)	$ 392,820	$ 854,667	$ 710,758	$ 589,881	$ 1,516,621	$ 1,383,994	$ 1,139,534	$ 932,993	$ 785,438	$ 667,441
Contributions in Relation to the Actuarially Determined Contributions	(392,820)	(854,667)	(710,758)	(589,881)	(17,663,643)	(1,383,994)	(1,139,534)	(932,993)	(785,438)	(667,441)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ (16,147,022)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 9,710,922	$ 9,790,895	$ 8,115,390	$ 7,062,718	$ 6,733,121	$ 5,725,763	$ 5,027,138	$ 4,966,210	$ 4,171,235	$ 4,140,888
Contributions as a Percentage of Covered Payroll	4.05%	8.73%	8.76%	8.35%	262.34%	31.07%	26.35%	22.22%	19.27%	16.12%

Notes to Schedule:

Valuation Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Methods and Assumptions Used to Determine Contribution Rates:										
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.30%	2.30%	2.30%	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.9% (3)	6.9% (3)	6.9% (3)	7.150% (3)	7.150% (3)	7.150% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed
(2) Depending on age, service, and type of employment
(3) Net of pension plan investment expense, including inflation
(4) 50 for all plans with the exception of 52 for Miscellaneous PEPRA 2%@62**
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted BR the CalPERS Board.

CITY OF PLACENTIA
SCHEDULE OF CITY'S PENSION CONTRIBUTIONS –
SAFETY PLAN
LAST TEN FISCAL YEARS

Fiscal Year	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Contractually Determined Contribution (Actuarially Determined)	$ 689,865	$ 1,236,862	$ 1,095,286	$ 1,015,425	$ 2,561,365	$ 2,519,683	$ 2,108,590	$ 3,034,432	$ 2,753,462	$ 2,568,441
Contributions in Relation to the Actuarially Determined Contributions	(689,865)	(1,236,862)	(1,095,286)	(1,015,425)	(30,597,527)	(2,519,683)	(2,108,590)	(3,034,432)	(2,753,462)	(2,568,441)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ (28,036,162)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 7,151,590	$ 6,360,119	$ 5,760,486	$ 5,428,571	$ 5,414,606	$ 4,822,533	$ 4,385,233	$ 4,383,655	$ 4,193,517	$ 4,142,921
Contributions as a Percentage of Covered Payroll	9.65%	19.45%	19.01%	18.71%	565.09%	52.25%	48.08%	69.22%	65.66%	62.00%

Notes to Schedule:

Valuation Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Methods and Assumptions Used to Determine Contribution Rates:										
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1.00)	(1.00)	(1.00)	(1.00)	-1	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.30%	2.30%	2.30%	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.9% (3)	6.9% (3)	6.9% (3)	7.150% (3)	7.150% (3)	7.150% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed
(2) Depending on age, service, and type of employment
(3) Net of pension plan investment expense, including inflation
(4) 50 for all plans with the exception of 52 for Miscellaneous PEPRA 2%@62**
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted BR the CalPERS Board.

CITY OF PLACENTIA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST SEVEN FISCAL YEARS

Measurement Period, Year Ending: [1]	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB Liability:							
Service Cost	$ 304,795	$ 296,493	$ 491,712	$ 532,568	$ 359,454	$ 542,976	$ 569,606
Interest	746,786	639,487	536,526	691,435	919,735	1,092,405	1,032,870
Changes of Benefit Terms	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(684,035)	(5,302)	(2,064,492)	(4,989,665)	-	(2,606,242)	-
Changes of Assumptions	(95,294)	(2,319,626)	(4,427,399)	(1,506,167)	4,699,117	332,593	(1,089,486)
Benefit Payments, Including Refunds of Member Contributions	(1,172,231)	(1,093,319)	(1,132,073)	(1,143,510)	(1,142,314)	(1,112,888)	(1,107,000)
Net change in Total OPEB Liability	(899,979)	(2,482,267)	(6,595,726)	(6,415,339)	4,835,992	(1,751,156)	(594,010)
Total OPEB Liability - Beginning	15,832,494	18,314,761	24,910,487	31,325,826	26,489,834	28,240,990	28,835,000
Total OPEB Liability - Ending (a)	$ 14,932,515	$ 15,832,494	$ 18,314,761	$ 24,910,487	$ 31,325,826	$ 26,489,834	$ 28,240,990
OPEB Fiduciary Net Position:							
Contributions - Employer	$ 1,172,231	$ 2,800,144	$ 1,132,073	$ 1,146,160	$ 1,146,160	$ 1,142,314	$ 1,112,888
Net Investment Income	168,079	132,778	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,172,231)	(1,093,319)	(1,132,073)	(1,146,160)	(1,146,160)	(1,142,314)	(1,112,888)
Administrative Expense	(6,146)	(6,426)	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	161,933	1,833,177	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	1,833,177	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	1,995,110	1,833,177	-	-	-	-	-
Plan Net OPEB Liability - Ending (a) - (b)	$ 12,937,405	$ 13,999,317	$ 18,314,761	$ 24,910,487	$ 31,325,826	$ 26,489,834	$ 28,240,990
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	13.36%	11.58%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	$ 24,117,472	$ 18,881,076	$ 17,448,843	$ 13,993,405	$ 12,286,189	$ 11,810,189	$ 11,466,203
Plan Net OPEB Liability as a Percentage of Covered Payroll	54%	74%	105%	178%	255%	224%	239%

Notes to Schedule:

For the June 30, 2024, measurement date, the discount rate was increased from 4.80% to 5.60% and the genral inflation rate as increase from 2.30% to 2.40%

For the June 30, 2023, measurement date, the discount rate was updated based on the municipal bond rate as of the measurement date.

[1] Historical information is only presented for measurement periods after GASB 75 implementation.

CITY OF PLACENTIA
SCHEDULE OF CITY'S OPEB CONTRIBUTIONS
LAST SEVEN FISCAL YEARS

Fiscal Year [1]	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Actuarially Determined Contribution	$ 1,262,494	$ 1,193,153	$ 1,327,789	$ 1,132,073	$ 1,146,160	$ 1,142,314	$ 1,112,888	$ 1,107,000
Contributions in Relation to the Actuarially Determined Contribution	(561,168)	(1,172,231)	(2,800,144)	(1,132,073)	(1,146,160)	(1,142,314)	(1,112,888)	(1,107,000)
Contribution Deficiency (Excess)	$ 701,326	$ 20,922	$ (1,472,355)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 25,736,680	$ 24,117,472	$ 18,881,076	$ 17,448,843	$ 13,993,405	$ 12,286,189	$ 11,810,189	$ 11,466,203
Contributions as a Percentage of Covered Payroll	2.18%	4.86%	14.83%	6.49%	8.19%	9.30%	9.42%	9.65%

Notes to Schedule:

Valuation Date	6/30/2024	6/30/2022	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2017	6/30/2017

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	Level Percentage of Payroll
Inflation	2.40% Annually
Salary Increases	Aggregate 2.80% Annually, Merit - CalPERS 2019 Experience Study
Payroll Growth	2.80%
Discount Rate	5.60% (Bond Buyer 20-Bond Index)
Mortality, Retirement, Disability, and Termination	CalPERS 2019 experience study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Medical Trend	Non-Medicare – 8.20% for 2025, decreasing to an ultimate rate of 5.00% in 2031 Medicare – 7.30% for 2025, decreasing to an ultimate rate of 4.50% in 2030

[1] Historical information is only presented for measurement periods after GASB 75 implementation.

SUPPLEMENTARY INFORMATION

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CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
DEBT SERVICE FUND (MAJOR FUND)
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Investment Earnings	$ -	$ -	$ 239,536	$ 239,536
Total Revenues	-	-	239,536	239,536
EXPENDITURES				
Debt Service:				
General Government	2,500	2,500	2,500	-
Principal Retirement	2,330,000	2,330,000	2,330,000	-
Interest and Fiscal Charges	2,330,300	2,330,300	2,360,573	(30,273)
Total Expenditures	4,662,800	4,662,800	4,693,073	(30,273)
REVENUE OVER (UNDER) EXPENDITURES	(4,662,800)	(4,662,800)	(4,453,537)	209,263
OTHER FINANCING SOURCES				
Transfers In	4,657,704	4,657,704	4,483,922	(173,782)
Transfers Out	-	(3,367,020)	(3,367,020)	-
Total Other Financing Sources	4,657,704	1,290,684	1,116,902	(173,782)
NET CHANGE IN FUND BALANCE	$ (5,096)	$ (3,372,116)	(3,336,635)	$ 35,481
Fund Balance - Beginning of Year			8,013,519	
FUND BALANCE - END OF YEAR			$ 4,676,884	

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NONMAJOR GOVERNMENTAL FUNDS

Miscellaneous Grants Special Revenue Fund – to account for federal, state, county, or other grants received which are not otherwise separately accounted for in other funds.

Park Development Special Revenue Fund – to account for in lieu fees charged to developers on a per unit basis for park development and rehabilitation.

Street Lighting Special Revenue Fund – to account for funds received from special assessments on property owners to provide street lighting in areas of the City not covered by the County lighting district.

Measure M Special Revenue Fund – to account for funds received by the City as a result of the voter-approved ballot measure in 1990 and extended by voter approval in 2006 to increase sales tax by ½% in Orange County to fund transportation projects.

Storm Drain Construction Special Revenue Fund – to account for funds restricted by state law to be spent on storm drain construction, which are received from acreage fees placed on developers at the time of development. The City is divided into eight storm drain areas and funds can be expended only within the area in which funds are collected.

Thoroughfare Construction Special Revenue Fund – to account for funds restricted by City ordinance to be spent for traffic signal, bridge, and culvert construction, which are received from acreage fees placed on developers at the time of development.

Asset Seizure Special Revenue Fund – to account for monies seized from criminal activities. Revenues are restricted for use in law enforcement.

Traffic Offender Special Revenue Fund – to account for revenue generated from driving under the influence (DUI) administrative impound fees that are restricted to be spent on traffic enforcement activities, including, but not limited to, personnel, training, and equipment costs.

Supplemental Law Enforcement Special Revenue Fund – to account for the receipts and expenditures of funds resulting from the Citizen's Option for Public Safety (COPS) program, a state funded program, which are restricted for front line municipal police services.

Air Quality Special Revenue Fund – to account for the City's portion of motor vehicle registration fees collected pursuant to AB2766 passed during the 1990 state legislative session. This fee was levied to fund programs to reduce air pollution from mobile sources, such as cars, trucks, and buses.

Landscape Maintenance District 92-1 Special Revenue Fund – to account for benefit assessments levied under the Landscaping and Lighting Act of 1972, restricted for maintenance, operation, and administration of landscape improvements in certain areas of the City.

Housing and Community Development Special Revenue Fund – to account for U.S. Housing and Community Development Department grants requiring segregated fund accounting, such as the Community Development Block Grant program.

Gasoline Tax Special Revenue Fund – to account for receipts and expenditures of money apportioned under Streets and Highways Code Sections 2103, 2105, 2106, 2107, and 2107.5 of the state of California. These funds are earmarked for maintenance, rehabilitation, or improvement of public streets.

Sewer Construction Special Revenue Fund – to account for funds restricted by state law to be spent on sewer construction, which are received from acreage fees placed on developers at the time of development.

PEG Special Revenue Fund – to account for a portion of funds received from cable television franchise fees that are restricted for use for Public, Educational, and Governmental (PEG) access channels and related programming.

Affordable Housing in Lieu Fund – to account for the receipt and expenditure of developer fees restricted for affordable housing purposes.

SB1 Gas Tax Fund – to account for the receipts and expenditures of Road Maintenance and Rehabilitation Account (RMRA) funds resulting from the Road Repair and Accountability Act of 2017 (SB 1). Funds are restricted for maintenance, rehabilitation or improvement of streets, freeways, bridges, and other transit related improvements.

North Orange County Public Safety Grant Fund – to account for the receipts and expenditures of the North Orange County Public Safety Task Force (NOC) grant funds to the City. Funds are restricted to be used for law enforcement activities, including, but not limited to, pertaining to violence prevention, intervention, and suppression activities.

Community Based Transitional Housing Grant Fund – to account for the receipts and expenditures of the Community-Based Transitional Housing Program Grant awarded by the state of California Department of Finance. Funds are restricted to be used to provide transitional support housing that provides treatment and reentry programming to individuals who will benefit from those services.

TOD Impact Fee Special Revenue Fund – to account for the receipts and expenditures of new development impact on the City's sewer collection system in the City's Transit-Oriented Development Zone (TOD). Funds are restricted within the TOD project area, including, but not limited to acquisition, financing, construction, and reconstruction of sanitary or sewer facilities and infrastructure in the TOD.

General Plan Update Fee Fund – to account for the accumulation of General Plan update fees that are charged on building permits. Expenditures are restricted to update the City General Plan or other specific plans.

Technology Impact Fee Fund – to account for the accumulation of technology fees charged on building permits. Expenditures are restricted for the acquisition and construction of technology improvements.

Housing Successor Fund – to account for the residual balance of the former low- and moderate-income housing fund of the former Placentia Redevelopment Agency, and revenues and expenditures related to such housing projects and programs.

Orangethorpe Corridor Fund – to account for financing and construction of all rail projects within the boundaries of the City.

Cal Recycle Grant Fund – to account for the receipts and expenditures related to the funding received from CalRecycle grants related to recycling and material diversion programs.

Enhanced Infrastructure Financing District (EIFD) – to account for revenue and expenditures for the EIFD established with the County of Orange. The purpose of the EIFD is to finance public capital facilities or other specified projects of community-wide significance that provide benefits to the district or the surrounding community.

Fire Impact Fee Fund – to account for revenues and expenditures associated with new development within Placentia for fire protection-related services. The purpose of the fire impact fee is to fund the cost of fire protection and emergency response facilities, apparatus, and equipment attributable to new residential and nonresidential development in the City. The fire impact fee will ensure that new development will not burden existing development with the cost of expanded facilities, apparatus, and equipment required to accommodate growth as it occurs within the City.

Animal Shelter Impact Fee Fund – to account for the revenues and expenditures associated with the cost of animal shelter facilities for new residential development in the City. The animal shelter impact fee will ensure that new development will not burden existing development with the cost of expanded animal shelter facilities required to accommodate growth as it occurs within the City.

Opioid Settlement Fund – to account for the distribution of monies received from the California Opioid Settlement Funds. Expenditures are restricted for opioid remediation activities focused on prevention, intervention, harm reduction, treatment, and recovery services.

City Capital Projects Fund – to account for and report financial resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities within the boundaries of the City.

Gas Tax Debt Service Fund – to account for the receipt and expenditure of gas tax revenues pledged for the payment of debt service on debt payable from Gas Tax proceeds.

CITY OF PLACENTIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Special Revenue Funds						
	Miscellaneous Grants	Park Development	Street Lighting	Measure M	Storm Drain Construction	Thoroughfare Construction	Asset Seizure
ASSETS							
Cash and Investments	$ 31,957	$ 21,518	$ 16,855	$ 366,574	$ 530	$ 5,055	$ 1,427,374
Receivables:							
Accounts	-	-	753	124,744	-	-	7,443
Grants	639,999	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-
Loans and Notes	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-
Land Held for Resale	-	-	-	-	-	-	-
Total Assets	$ 671,956	$ 21,518	$ 17,608	$ 491,318	$ 530	$ 5,055	$ 1,434,817
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 511,390	$ -	$ 17,608	$ 606,226	$ -	$ -	$ -
Accrued Liabilities	-	-	-	-	-	-	-
Deposits Payable	-	-	-	-	-	-	-
Retentions Payable	-	-	-	59,343	-	-	-
Due to Other Funds	186,753	-	-	-	-	-	-
Unearned Revenue	30,000	-	-	-	-	-	-
Total Liabilities	728,143	-	17,608	665,569	-	-	-
DEFERRED INFLOWS OF RESOURCES							
Leases	-	-	-	-	-	-	-
Unavailable Revenues	639,999	-	-	-	-	-	-
Total Deferred Inflows of Resources	639,999	-	-	-	-	-	-
FUND BALANCES							
Restricted	-	21,518	-	-	530	5,055	1,434,817
Unassigned (Deficit)	(696,186)	-	-	(174,251)	-	-	-
Total Fund Balances	(696,186)	21,518	-	(174,251)	530	5,055	1,434,817
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 671,956	$ 21,518	$ 17,608	$ 491,318	$ 530	$ 5,055	$ 1,434,817

CITY OF PLACENTIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Special Revenue Funds						
	Traffic Offender	Supplemental Law Enforcement	Air Quality	Landscape Maintenance District 92-1	Housing and Community Development	Gasoline Tax	Sewer Construction
ASSETS							
Cash and Investments	$ 4,874	$ 247,298	$ 383,943	$ -	$ -	$ -	$ -
Receivables:							
Accounts	1,126	-	-	2,507	85,772	125,525	800
Grants	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-
Loans and Notes	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-
Land Held for Resale	-	-	-	-	-	-	-
Total Assets	$ 6,000	$ 247,298	$ 383,943	$ 2,507	$ 85,772	$ 125,525	$ 800
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ -	$ -	$ 1,500	$ 51,585	$ 740	$ -	$ -
Accrued Liabilities	-	-	-	6,394	5,506	-	-
Deposits Payable	-	-	-	-	-	-	-
Retentions Payable	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	11,720	646,457	22,891	124,149
Unearned Revenue	-	-	-	-	-	-	-
Total Liabilities	-	-	1,500	69,699	652,703	22,891	124,149
DEFERRED INFLOWS OF RESOURCES							
Leases	-	-	-	-	-	-	-
Unavailable Revenues	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-
FUND BALANCES							
Restricted	6,000	247,298	382,443	-	-	-	-
Unassigned (Deficit)	-	-	-	(67,192)	(566,931)	102,634	(123,349)
Total Fund Balances	6,000	247,298	382,443	(67,192)	(566,931)	102,634	(123,349)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 6,000	$ 247,298	$ 383,943	$ 2,507	$ 85,772	$ 125,525	$ 800

CITY OF PLACENTIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Special Revenue Funds					
	PEG	Affordable Housing In-Lieu	SB1 Gas Tax	NOC Public Safety Grant	Community Based Transitional Housing Grant	TOD Impact Fee
ASSETS						
Cash and Investments	$ 105,671	$ 404	$ 1,376,974	$ 345,048	$ 75	$ 1,172,356
Receivables:						
Accounts	15,358	-	251,150	-	-	-
Grants	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-
Loans and Notes	-	-	-	-	-	38,050
Leases	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Land Held for Resale	-	-	-	-	-	-
Total Assets	$ 121,029	$ 404	$ 1,628,124	$ 345,048	$ 75	$ 1,210,406
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$ 4,152	$ -	$ 1,082,967	$ -	$ -	$ 6,138
Accrued Liabilities	-	-	-	1,322	75	-
Deposits Payable	-	-	-	-	-	-
Retentions Payable	-	-	80,334	-	-	72,847
Due to Other Funds	-	-	-	-	-	-
Unearned Revenue	-	-	-	48,460	-	-
Total Liabilities	4,152	-	1,163,301	49,782	75	78,985
DEFERRED INFLOWS OF RESOURCES						
Leases	-	-	-	-	-	-
Unavailable Revenues	-	-	-	-	-	38,050
Total Deferred Inflows of Resources	-	-	-	-	-	38,050
FUND BALANCES						
Restricted	116,877	404	464,823	295,266	-	1,093,371
Unassigned (Deficit)	-	-	-	-	-	-
Total Fund Balances	116,877	404	464,823	295,266	-	1,093,371
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 121,029	$ 404	$ 1,628,124	$ 345,048	$ 75	$ 1,210,406

CITY OF PLACENTIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Special Revenue Funds						
	General Plan Update Fee	Technology Impact Fee	Housing Successor	Orangethorpe Corridor	Cal Recycle Grant	EIFD	Fire Impact Fee
ASSETS							
Cash and Investments	$ 1,430,051	$ 593,275	$ 544,110	$ 168	$ 102,998	$ 294,190	$ 67,253
Receivables:							
Accounts	-	-	833	-	-	-	-
Grants	-	-	-	-	-	-	-
Accrued Interest	-	-	32	-	-	-	-
Loans and Notes	-	-	527,916	-	-	-	16,433
Leases	-	-	7,039	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-
Land Held for Resale	-	-	1,036,761	-	-	-	-
Total Assets	$ 1,430,051	$ 593,275	$ 2,116,691	$ 168	$ 102,998	$ 294,190	$ 83,686
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	$ 15,234	$ 12,419	$ -	$ -	$ 5,961	$ 7,145	$ 54
Accrued Liabilities	-	-	-	-	780	-	-
Deposits Payable	-	-	-	168	-	-	-
Retentions Payable	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	13,248	-	-
Total Liabilities	15,234	12,419	-	168	19,989	7,145	54
DEFERRED INFLOWS OF RESOURCES							
Leases	-	-	6,827	-	-	-	-
Unavailable Revenues	-	-	-	-	-	-	16,433
Total Deferred Inflows of Resources	-	-	6,827	-	-	-	16,433
FUND BALANCES							
Restricted	1,414,817	580,856	2,109,864	-	83,009	287,045	67,199
Unassigned (Deficit)	-	-	-	-	-	-	-
Total Fund Balances	1,414,817	580,856	2,109,864	-	83,009	287,045	67,199
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,430,051	$ 593,275	$ 2,116,691	$ 168	$ 102,998	$ 294,190	$ 83,686

CITY OF PLACENTIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Special Revenue Funds		Capital Projects Fund	Debt Service Fund	
	Animal Shelter Impact Fee	Opioid Settlement	City Capital Projects	Gas Tax	Total Other Governmental Funds
ASSETS					
Cash and Investments	$ 1,435	$ 177,230	$ -	$ 87,394	$ 8,804,610
Receivables:					
Accounts	-	340,903	-	-	956,914
Grants	-	-	-	-	639,999
Accrued Interest	-	-	-	-	32
Loans and Notes	16,433	-	-	-	598,832
Leases	-	-	-	-	7,039
Due from Other Funds	-	-	-	-	-
Land Held for Resale	-	-	-	-	1,036,761
Total Assets	$ 17,868	$ 518,133	$ -	$ 87,394	$ 12,044,187
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ -	$ -	$ 11,410	$ -	$ 2,334,529
Accrued Liabilities	-	90	26,388	-	40,555
Deposits Payable	-	-	125,000	-	125,168
Retentions Payable	-	-	500	-	213,024
Due to Other Funds	-	-	147,733	-	1,139,703
Unearned Revenue	-	-	-	-	91,708
Total Liabilities	-	90	311,031	-	3,944,687
DEFERRED INFLOWS OF RESOURCES					
Leases	-	-	-	-	6,827
Unavailable Revenues	16,433	318,319	-	-	1,029,234
Total Deferred Inflows of Resources	16,433	318,319	-	-	1,036,061
FUND BALANCES					
Restricted	1,435	199,724	-	87,394	8,899,745
Unassigned (Deficit)	-	-	(311,031)	-	(1,836,306)
Total Fund Balances	1,435	199,724	(311,031)	87,394	7,063,439
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 17,868	$ 518,133	$ -	$ 87,394	$ 12,044,187

CITY OF PLACENTIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	Special Revenue Funds						
	Miscellaneous Grants	Park Development	Street Lighting	Measure M	Storm Drain Construction	Thoroughfare Construction	Asset Seizure
REVENUES							
Intergovernmental	$ 550,188	$ -	$ -	$ 1,197,086	$ -	$ -	$ -
Fines and Forfeitures	-	-	-	-	-	-	98,084
Investment Earnings	-	615	-	18,006	-	176	39,964
Charges for Services	-	-	131,759	-	-	-	-
Lease Revenue	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total Revenues	550,188	615	131,759	1,215,092	-	176	138,048
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Public Safety	7,959	-	-	-	-	-	29,000
Public Works	-	-	201,614	-	-	-	-
Community Development	39,500	-	-	136,025	-	-	-
Community Services	7,843	-	-	-	-	-	-
Capital Outlay	722,868	-	-	1,284,349	-	-	6,453
Debt Service:							
Principal Retirement	-	-	-	460,400	-	-	-
Interest and Fiscal Charges	-	-	-	25,848	-	-	-
Total Expenditures	778,170	-	201,614	1,906,622	-	-	35,453
REVENUES OVER (UNDER) EXPENDITURES	(227,982)	615	(69,855)	(691,530)	-	176	102,595
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	69,855	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	69,855	-	-	-	-
NET CHANGES IN FUND BALANCES	(227,982)	615	-	(691,530)	-	176	102,595
Fund Balance - Beginning of Year	(468,204)	20,903	-	517,279	530	4,879	1,332,222
FUND BALANCES - END OF YEAR	$ (696,186)	$ 21,518	$ -	$ (174,251)	$ 530	$ 5,055	$ 1,434,817

CITY OF PLACENTIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	Special Revenue Funds						
	Traffic Offender	Supplemental Law Enforcement	Air Quality	Landscape Maintenance District 92-1	Housing and Community Development	Gasoline Tax	Sewer Construction
REVENUES							
Intergovernmental	$ -	$ 194,663	$ 94,099	$ -	$ 85,772	$ 1,475,514	$ -
Fines and Forfeitures	-	-	-	-	-	-	-
Investment Earnings	176	10,276	9,925	-	-	14,492	-
Charges for Services	-	-	-	459,865	-	-	-
Lease Revenue	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total Revenues	176	204,939	104,024	459,865	85,772	1,490,006	-
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Public Works	-	-	-	470,330	-	966,314	-
Community Development	-	-	34,147	-	141,543	-	-
Community Services	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Debt Service:							
Principal Retirement	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-
Total Expenditures	-	-	34,147	470,330	141,543	966,314	-
REVENUES OVER (UNDER) EXPENDITURES	176	204,939	69,877	(10,465)	(55,771)	523,692	-
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	(194,663)	-	-	-	(404,317)	-
Total Other Financing Sources (Uses)	-	(194,663)	-	-	-	(404,317)	-
NET CHANGES IN FUND BALANCES	176	10,276	69,877	(10,465)	(55,771)	119,375	-
Fund Balance - Beginning of Year	5,824	237,022	312,566	(56,727)	(511,160)	(16,741)	(123,349)
FUND BALANCES - END OF YEAR	$ 6,000	$ 247,298	$ 382,443	$ (67,192)	$ (566,931)	$ 102,634	$ (123,349)

CITY OF PLACENTIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	Special Revenue Funds					
	PEG	Affordable Housing In-Lieu	SB1 Gas Tax	NOC Public Safety Grant	Community Based Transitional Housing Grant	TOD Impact Fee
REVENUES						
Intergovernmental	$ -	$ -	$ 1,425,201	$ 239,000	$ -	$ -
Fines and Forfeitures	-	-	-	-	-	-
Investment Earnings	2,635	-	28,809	7,290	-	43,125
Charges for Services	64,119	-	-	-	-	1,137
Lease Revenue	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	66,754	-	1,454,010	246,290	-	44,262
EXPENDITURES						
Current:						
General Government	38,694	-	-	-	-	-
Public Safety	-	-	-	23,744	-	-
Public Works	-	-	-	-	-	303
Community Development	-	-	-	-	-	-
Community Services	-	-	-	-	-	-
Capital Outlay	-	-	1,607,056	-	-	294,980
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Total Expenditures	38,694	-	1,607,056	23,744	-	295,283
REVENUES OVER (UNDER) EXPENDITURES	28,060	-	(153,046)	222,546	-	(251,021)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
NET CHANGES IN FUND BALANCES	28,060	-	(153,046)	222,546	-	(251,021)
Fund Balance - Beginning of Year	88,817	404	617,869	72,720	-	1,344,392
FUND BALANCES - END OF YEAR	$ 116,877	$ 404	$ 464,823	$ 295,266	$ -	$ 1,093,371

CITY OF PLACENTIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	Special Revenue Funds						
	General Plan Update Fee	Technology Impact Fee	Housing Successor	Orangethorpe Corridor	Cal Recycle Grant	EIFD	Fire Impact Fee
REVENUES							
Intergovernmental	$ 150,000	$ -	$ -	$ -	$ -	$ 233,999	$ -
Fines and Forfeitures	-	-	-	-	-	-	-
Investment Earnings	38,295	16,425	15,459	-	3,777	3,338	1,317
Charges for Services	267,413	161,479	-	-	-	-	44,912
Lease Revenue	-	-	7,113	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total Revenues	455,708	177,904	22,572	-	3,777	237,337	46,229
EXPENDITURES							
Current:							
General Government	-	-	-	-	-	6,752	-
Public Safety	-	175,098	-	-	55,493	-	54
Public Works	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	-
Community Services	-	-	-	-	-	-	-
Capital Outlay	204,609	-	-	-	-	41,257	-
Debt Service:							
Principal Retirement	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-
Total Expenditures	204,609	175,098	-	-	55,493	48,009	54
REVENUES OVER (UNDER) EXPENDITURES	251,099	2,806	22,572	-	(51,716)	189,328	46,175
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-
NET CHANGES IN FUND BALANCES	251,099	2,806	22,572	-	(51,716)	189,328	46,175
Fund Balance - Beginning of Year	1,163,718	578,050	2,087,292	-	134,725	97,717	21,024
FUND BALANCES - END OF YEAR	$ 1,414,817	$ 580,856	$ 2,109,864	$ -	$ 83,009	$ 287,045	$ 67,199

CITY OF PLACENTIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	Special Revenue Funds		Capital Projects Fund	Debt Service Fund	
	Animal Shelter Impact Fee	Opioid Settlement	City Capital Projects	Gas Tax	Total Other Governmental Funds
REVENUES					
Intergovernmental	$ -	$ 203,583	$ -	$ -	$ 5,849,105
Fines and Forfeitures	-	-	-	-	98,084
Investment Earnings	-	4,831	4,743	-	263,674
Charges for Services	1,435	-	-	-	1,132,119
Lease Revenue	-	-	-	-	7,113
Miscellaneous	-	-	158,336	-	158,336
Total Revenues	1,435	208,414	163,079	-	7,508,431
EXPENDITURES					
Current:					
General Government	-	-	-	-	45,446
Public Safety	-	10,557	-	-	301,905
Public Works	-	-	-	-	1,638,561
Community Development	-	-	596	-	351,811
Community Services	-	-	-	-	7,843
Capital Outlay	-	-	297,345	-	4,458,917
Debt Service:					
Principal Retirement	-	-	-	368,000	828,400
Interest and Fiscal Charges	-	-	-	36,317	62,165
Total Expenditures	-	10,557	297,941	404,317	7,695,048
REVENUES OVER (UNDER) EXPENDITURES	1,435	197,857	(134,862)	(404,317)	(186,617)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	404,317	474,172
Transfers Out	-	-	-	-	(598,980)
Total Other Financing Sources (Uses)	-	-	-	404,317	(124,808)
NET CHANGES IN FUND BALANCES	1,435	197,857	(134,862)	-	(311,425)
Fund Balance - Beginning of Year	-	1,867	(176,169)	87,394	7,374,864
FUND BALANCES - END OF YEAR	$ 1,435	$ 199,724	$ (311,031)	$ 87,394	$ 7,063,439

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MISCELLANEOUS GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 941,801	$ 3,408,389	$ 550,188	$ (2,858,201)
EXPENDITURES				
Current:				
Public Safety	-	74,845	7,959	66,886
Community Development	-	-	39,500	(39,500)
Community Services	-	60,000	7,843	52,157
Capital Outlay	941,801	2,932,764	722,868	2,209,896
Total Expenditures	941,801	3,067,609	778,170	2,289,439
NET CHANGE IN FUND BALANCE	$ -	$ 340,780	(227,982)	$ (568,762)
Fund Balance - Beginning of Year			(468,204)	
FUND BALANCE - END OF YEAR			$ (696,186)	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STREET LIGHTING SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Charges for Services	$ 136,244	$ 136,244	$ 131,759	$ (4,485)
EXPENDITURES				
Current:				
Public Works	280,000	280,000	201,614	78,386
REVENUE OVER (UNDER) EXPENDITURES	(143,756)	(143,756)	(69,855)	73,901
OTHER FINANCING SOURCES				
Transfers In	143,756	143,756	69,855	(73,901)
Total Other Financing Sources	143,756	143,756	69,855	(73,901)
NET CHANGE IN FUND BALANCE	$ -	$ -	-	$ -
Fund Balance - Beginning of Year			-	
FUND BALANCE - END OF YEAR			$ -	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE M SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 1,300,538	$ 1,300,538	$ 1,197,086	$ (103,452)
Investment Earnings	-	-	18,006	18,006
Total Revenues	1,300,538	1,300,538	1,215,092	(85,446)
EXPENDITURES				
Current:				
Community Development	76,200	205,421	136,025	69,396
Capital Outlay	1,203,000	1,238,710	1,284,349	(45,639)
Debt Service:				
Principal Retirement	404,317	404,317	460,400	(56,083)
Interest and Fiscal Charges	-	-	25,848	(25,848)
Total Expenditures	1,683,517	1,848,448	1,906,622	(58,174)
NET CHANGE IN FUND BALANCE	$ (382,979)	$ (547,910)	(691,530)	$ (143,620)
Fund Balance - Beginning of Year			517,279	
FUND BALANCE - END OF YEAR			$ (174,251)	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
THOROUGHFARE CONSTRUCTION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Investment Earnings	$ -	$ -	$ 176	$ 176
EXPENDITURES				
Capital Outlay	-	4,172	-	4,172
NET CHANGE IN FUND BALANCE	$ -	$ (4,172)	176	$ 4,348
Fund Balance - Beginning of Year			4,879	
FUND BALANCE - END OF YEAR			$ 5,055	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
ASSET SEIZURE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Fines and Forfeitures	$ -	$ -	$ 98,084	$ 98,084
Investment Earnings	-	-	39,964	39,964
Total Revenues	-	-	138,048	138,048
EXPENDITURES				
Current:				
Public Safety	228,444	191,444	29,000	162,444
Capital Outlay	-	35,000	6,453	28,547
Total Expenditures	228,444	226,444	35,453	190,991
NET CHANGE IN FUND BALANCE	$ (228,444)	$ (226,444)	102,595	$ 329,039
Fund Balance - Beginning of Year			1,332,222	
FUND BALANCE - END OF YEAR			$ 1,434,817	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SUPPLEMENTAL LAW ENFORCEMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 181,000	$ 191,000	$ 194,663	$ 3,663
Investment Earnings	-	-	10,276	10,276
Total Revenues	181,000	191,000	204,939	13,939
OTHER FINANCING SOURCES (USES)				
Transfers Out	(181,000)	(191,000)	(194,663)	(3,663)
NET CHANGE IN FUND BALANCE	$ -	$ -	10,276	$ 10,276
Fund Balance - Beginning of Year			237,022	
FUND BALANCE - END OF YEAR			$ 247,298	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
AIR QUALITY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 65,900	$ 65,900	$ 94,099	$ 28,199
Investment Earnings	-	-	9,925	9,925
Total Revenues	65,900	65,900	104,024	38,124
EXPENDITURES				
Community Development	19,100	51,405	34,147	17,258
Capital Outlay	60,000	313,333	-	313,333
Total Expenditures	79,100	364,738	34,147	330,591
NET CHANGE IN FUND BALANCE	$ (13,200)	$ (298,838)	69,877	$ 368,715
Fund Balance - Beginning of Year			312,566	
FUND BALANCE - END OF YEAR			$ 382,443	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
LANDSCAPE MAINTENANCE DISTRICT 92-1 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Charges for Services	$ 457,992	$ 457,992	$ 459,865	$ 1,873
EXPENDITURES				
Current:				
Public Works	440,000	559,400	470,330	89,070
NET CHANGE IN FUND BALANCE	$ 17,992	$ (101,408)	(10,465)	$ 90,943
Fund Balance - Beginning of Year			(56,727)	
FUND BALANCE - END OF YEAR			$ (67,192)	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
HOUSING AND COMMUNITY DEVELOPMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 322,998	$ 351,934	$ 85,772	$ (266,162)
EXPENDITURES				
Current:				
Community Development	322,998	322,998	141,543	181,455
NET CHANGE IN FUND BALANCE	$ -	$ 28,936	(55,771)	$ (84,707)
Fund Balance - Beginning of Year			(511,160)	
FUND BALANCE - END OF YEAR			$ (566,931)	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GASOLINE TAX SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 1,455,676	$ 1,455,676	$ 1,475,514	$ 19,838
Investment Earnings	-	-	14,492	14,492
Total Revenues	1,455,676	1,455,676	1,490,006	34,330
EXPENDITURES				
Current:				
Public Works	974,558	974,558	966,314	8,244
REVENUE OVER (UNDER) EXPENDITURES	481,118	481,118	523,692	42,574
OTHER FINANCING SOURCES (USES)				
Transfers Out	(407,750)	(407,750)	(404,317)	3,433
NET CHANGE IN FUND BALANCE	$ 73,368	$ 73,368	119,375	$ 46,007
Fund Balance - Beginning of Year			(16,741)	
FUND BALANCE - END OF YEAR			$ 102,634	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PEG REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Investment Earnings	$ -	$ -	$ 2,635	$ 2,635
Charges for Services	100,000	100,000	64,119	(35,881)
Total Revenues	100,000	100,000	66,754	(33,246)
EXPENDITURES				
Current:				
General Government	103,000	103,000	38,694	64,306
NET CHANGE IN FUND BALANCE	$ (3,000)	$ (3,000)	28,060	31,060
Fund Balance - Beginning of Year			88,817	
FUND BALANCE - END OF YEAR			$ 116,877	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SB1 RMRA GAS TAX SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 1,343,778	$ 1,343,778	$ 1,425,201	$ 81,423
Investment Earnings	-	-	28,809	28,809
Total Revenues	1,343,778	1,343,778	1,454,010	110,232
EXPENDITURES				
Capital Outlay	1,597,000	1,872,397	1,607,056	265,341
NET CHANGE IN FUND BALANCE	$ (253,222)	$ (528,619)	(153,046)	$ 375,573
Fund Balance - Beginning of Year			617,869	
FUND BALANCE - END OF YEAR			$ 464,823	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
NORTH ORANGE COUNTY (NOC) PUBLIC SAFETY GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ -	$ 239,000	$ 239,000	$ -
Investment Earnings	-	-	7,290	7,290
Total Revenues	-	239,000	246,290	7,290
EXPENDITURES				
Current:				
Public Safety	99,000	338,000	23,744	314,256
NET CHANGE IN FUND BALANCE	$ (99,000)	$ (99,000)	222,546	$ 321,546
Fund Balance - Beginning of Year			72,720	
FUND BALANCE - END OF YEAR			$ 295,266	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
TOD IMPACT FEE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Investment Earnings	$ -	$ -	$ 43,125	$ 43,125
Charges for Services	-	-	1,137	1,137
Total Revenues	-	-	44,262	44,262
EXPENDITURES				
Current:				
Public Works	-	-	303	(303)
Capital Outlay	185,300	627,636	294,980	332,656
Total Expenditures	185,300	627,636	295,283	332,353
NET CHANGE IN FUND BALANCE	$ (185,300)	$ (627,636)	(251,021)	$ 376,615
Fund Balance - Beginning of Year			1,344,392	
FUND BALANCE - END OF YEAR			$ 1,093,371	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL PLAN UPDATE FEE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ 150,000	$ 150,000
Investment Earnings	-	-	38,295	38,295
Charges for Services	-	-	267,413	267,413
Total Revenues	-	-	455,708	455,708
EXPENDITURES				
Current:				
Capital Outlay	325,000	652,012	204,609	447,403
NET CHANGE IN FUND BALANCE	$ (325,000)	$ (652,012)	251,099	$ 903,111
Fund Balance - Beginning of Year			1,163,718	
FUND BALANCE - END OF YEAR			$ 1,414,817	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
TECHNOLOGY IMPACT FEE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Investment Earnings	$ -	$ -	$ 16,425	$ 16,425
Charges for Services	-	-	161,479	161,479
Total Revenues	-	-	177,904	177,904
EXPENDITURES				
Current:				
Public Safety	289,034	289,034	175,098	113,936
Capital Outlay	-	71,385	-	71,385
Total Expenditures	289,034	360,419	175,098	185,321
NET CHANGE IN FUND BALANCE	$ (289,034)	$ (360,419)	2,806	$ 363,225
Fund Balance - Beginning of Year			578,050	
FUND BALANCE - END OF YEAR			$ 580,856	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
CAL RECYCLE GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 144,054	$ 144,054	$ -	$ (144,054)
Investment Earnings	-	-	3,777	3,777
Total Revenues	144,054	144,054	3,777	(140,277)
EXPENDITURES				
Current:				
Public Safety	131,693	131,693	55,493	76,200
NET CHANGE IN FUND BALANCE	$ 12,361	$ 12,361	(51,716)	$ (64,077)
Fund Balance - Beginning of Year			134,725	
FUND BALANCE - END OF YEAR			$ 83,009	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
EFID SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ 70,000	$ 70,000	$ 233,999	$ 163,999
Investment Earnings	-	-	3,338	3,338
Total Revenues	70,000	70,000	237,337	167,337
EXPENDITURES				
Current:				
General Government	10,000	10,000	6,752	3,248
Capital Outlay	10,000,000	10,000,000	41,257	9,958,743
Total Expenditures	10,010,000	10,010,000	48,009	9,961,991
NET CHANGE IN FUND BALANCE	$ (9,940,000)	$ (9,940,000)	189,328	$ 10,129,328
Fund Balance - Beginning of Year			97,717	
FUND BALANCE - END OF YEAR			$ 287,045	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FIRE IMPACT FEE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Investment Earnings	$ -	$ -	$ 1,317	$ 1,317
Charges for Services	-	21,902	44,912	23,010
Total Revenues	-	21,902	46,229	24,327
EXPENDITURES				
Current:				
Public Safety	6,000	6,000	54	5,946
NET CHANGE IN FUND BALANCE	$ (6,000)	$ 15,902	46,175	$ 30,273
Fund Balance - Beginning of Year			21,024	
FUND BALANCE - END OF YEAR			$ 67,199	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
ANIMAL SHELTER IMPACT FEE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Charges for Services	$ -	$ 491	$ 1,435	$ 944
NET CHANGE IN FUND BALANCE	$ -	$ 491	1,435	$ 944
Fund Balance - Beginning of Year			-	
FUND BALANCE - END OF YEAR			$ 1,435	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
OPIOID SETTLEMENT FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ 174,387	$ 203,583	$ 29,196
Investment Earnings	-	-	4,831	4,831
Total Revenues	-	174,387	208,414	34,027
EXPENDITURES				
Current:				
Public Safety	-	-	10,557	(10,557)
NET CHANGE IN FUND BALANCE	$ -	$ 174,387	197,857	$ 23,470
Fund Balance - Beginning of Year			1,867	
FUND BALANCE - END OF YEAR			$ 199,724	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
CITY CAPTAL PROJECTS FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Intergovernmental	$ -	$ 4,075,929	$ -	$ (4,075,929)
Investment Earnings	-	-	4,743	4,743
Miscellaneous	-	770,662	158,336	(612,326)
Total Revenues	-	4,846,591	163,079	(4,683,512)
EXPENDITURES				
Current:				
Community Development	456,000	453,300	596	452,704
Capital Outlay	-	3,259,665	297,345	2,962,320
Total Expenditures	456,000	3,712,965	297,941	3,415,024
NET CHANGE IN FUND BALANCE	$ (456,000)	$ 1,133,626	(134,862)	$ (1,268,488)
Fund Balance - Beginning of Year			(176,169)	
FUND BALANCE - END OF YEAR			$ (311,031)	

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GAS TAX DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES	$ -	$ -	$ -	$ -
EXPENDITURES				
Debt Service:				
Principal Retirement	368,000	368,000	368,000	-
Interest and Fiscal Charges	-	-	36,317	(36,317)
Total Expenditures	368,000	368,000	404,317	(36,317)
REVENUE OVER (UNDER) EXPENDITURES	(368,000)	(368,000)	(404,317)	(36,317)
OTHER FINANCING SOURCES (USES)				
Transfers In	407,750	407,750	404,317	(3,433)
Total Other Financing Sources (Uses)	407,750	407,750	404,317	(3,433)
NET CHANGE IN FUND BALANCE	$ 39,750	$ 39,750	-	$ (39,750)
Fund Balance - Beginning of Year			87,394	
FUND BALANCE - END OF YEAR			$ 87,394	

CITY OF PLACENTIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2025

	Risk Management	Health and Welfare	Equipment Replacement	Total
ASSETS				
Current Assets:				
Cash and Investments	$ 2,321,446	$ 47,012	$ 131,966	$ 2,500,424
Total Current Assets	2,321,446	47,012	131,966	2,500,424
Noncurrent Assets:				
Capital Assets, Net of Accumulated Depreciation	-	-	105,198	105,198
Total Assets	2,321,446	47,012	237,164	2,605,622
LIABILITIES				
Current Liabilities:				
Accounts Payable	31,742	12,764	-	44,506
Accrued Liabilities	12,545	289	-	12,834
Accrued Claims and Judgments - Due Within One Year	1,800,460	-	-	1,800,460
Total Current Liabilities	1,844,747	13,053	-	1,857,800
Noncurrent Liabilities:				
Accrued Claims and Judgments - Due in More Than One Year	5,401,379	-	-	5,401,379
Total Noncurrent Liabilities	5,401,379	-	-	5,401,379
Total Liabilities	7,246,126	13,053	-	7,259,179
NET POSITION				
Investment In Capital Assets	-	-	105,198	105,198
Unrestricted	(4,924,680)	33,959	131,966	(4,758,755)
Total Net Position	$ (4,924,680)	$ 33,959	$ 237,164	$ (4,653,557)

CITY OF PLACENTIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
ALL INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2025

	Governmental Activities			
	Risk Management	Health and Welfare	Equipment Replacement	Total
OPERATING REVENUES				
Reimbursements	$ 534,239	$ 909,664	$ -	$ 1,443,903
Sales and Service Charges	2,807,977	630,881	-	3,438,858
Other Revenues	-	-	-	-
Total Operating Revenues	3,342,216	1,540,545	-	4,882,761
OPERATING EXPENSES				
Administration	175,802	452,688	7,658	636,148
Reinsurance Premiums	-	203,798	-	203,798
Claims	4,255,759	-	-	4,255,759
Medical and Dental Premiums	-	883,797	-	883,797
Liability Insurance Premiums	2,290,200	4,684	-	2,294,884
Depreciation Expense	-	-	3,829	3,829
Total Operating Expenses	6,721,761	1,544,967	11,487	8,278,215
OPERATING INCOME (LOSS)	(3,379,545)	(4,422)	(11,487)	(3,395,454)
NONOPERATING INCOME (LOSS)				
Gain on Disposal of Capital Assets	-	-	42,619	42,619
CHANGES IN NET POSITION	(3,379,545)	(4,422)	31,132	(3,352,835)
Net Position - Beginning of Year	(1,545,135)	38,381	206,032	(1,300,722)
NET POSITION - END OF YEAR	$ (4,924,680)	$ 33,959	$ 237,164	$ (4,653,557)

CITY OF PLACENTIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2025

	Risk Management	Health and Welfare	Equipment Replacement	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers and Users	$ 3,342,811	$ 1,540,545	$ 31,524	$ 4,914,880
Cash Paid to Suppliers for Goods and Services	878,193	(1,532,598)	(7,658)	(662,063)
Cash Paid for Insurance Claims	(4,255,759)	-	-	(4,255,759)
Net Cash Provided (Used) by Operating Activities	(34,755)	7,947	23,866	(2,942)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds From Sale of Capital Assets	-	-	31,133	31,133
Net Cash Provided by Capital And Related Financing Activities	-	-	31,133	31,133
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(34,755)	7,947	54,999	28,191
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION				
Beginning of Year	2,356,201	39,065	76,967	2,472,233
End of Year	$ 2,321,446	$ 47,012	$ 131,966	$ 2,500,424
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income	$ (3,379,545)	$ (4,422)	$ (11,487)	$ (3,395,454)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	-	3,829	3,829
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivables	595	-	31,524	32,119
(Increase) Decrease in Prepaids	-	1,309	-	1,309
Increase (Decrease) in Accounts Payable	(32,760)	11,062	-	(21,698)
Increase (Decrease) in Accrued Liabilities	(3,968)	(2)	-	(3,970)
Increase (Decrease) in Claims Payable	3,380,923	-	-	3,380,923
Net Cash Provided (Used) by Operating Activities	$ (34,755)	$ 7,947	$ 23,866	$ (2,942)

FIDUCIARY FUNDS

CUSTODIAL FUNDS

Community Facilities District Fund – to account for the Community Facilities District No. 89-1 (East Placentia). This fund accounts for the service of $25,000,000 of Community Facilities District No. 89-1 (East Placentia) Special Tax Bonds issued to finance the construction of street and drainage infrastructure improvements and to fund development of a 13-acre park/recreation sports complex to benefit properties within the District.

Public Safety CFD 2014-01 Fund – to account for revenues and expenditures to provide public safety services associated with new development within Placentia including, but not limited to, police protection, fire protection, and ambulance and paramedic services. The services would be partially paid for through the levy of a Special Tax on real property.

TOD District CFD Fund – to account for the Community Facilities District 2018-1 (Transit Oriented District) providing a special tax to pay for certain public facilities within such community facilities district, to levy such special tax, and to provide non-General Fund and sustainable funding source to pay for the ongoing maintenance and repairs of the public streetscape improvements constructed within the Transit Oriented District.

CITY OF PLACENTIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2025

	Custodial Funds			
	Community Facilities District	Public Safety CFD 2014-01	TOD District CFD	Total
ASSETS				
Cash and Investments	$ 52,204	$ 483,661	$ 137,738	$ 673,603
Miscellaneous Receivables	-	726	-	726
Total Assets	52,204	484,387	137,738	674,329
LIABILITIES				
Accounts Payable	-	1,491	105	1,596
Accrued Liabilities	-	14	-	14
Total Liabilities	-	1,505	105	1,610
NET POSITION (DEFICIT)				
Restricted for Individuals, Organizations, and Other Governments	52,204	482,882	137,633	672,719
Total Net Position (Deficit)	$ 52,204	$ 482,882	$ 137,633	$ 672,719

CITY OF PLACENTIA
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	Custodial Funds			
	Community Facilities District	Public Safety CFD 2014-01	TOD District CFD	Total
ADDITIONS				
Charges for Services	$ -	$ 202,949	$ 95,542	$ 298,491
Investment Earnings	1,493	11,857	2,284	15,634
Total Additions	1,493	214,806	97,826	314,125
DEDUCTIONS				
Administrative Expenses	-	2,461	12,155	14,616
Contributions to City	-	42,281	-	42,281
Total Deductions	-	44,742	12,155	56,897
CHANGE IN NET POSITION	1,493	170,064	85,671	257,228
Net Position - Beginning of Year	50,711	312,818	51,962	415,491
NET POSITION - END OF YEAR	$ 52,204	$ 482,882	$ 137,633	$ 672,719

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STATISTICAL SECTION

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CITY OF PLACENTIA
DESCRIPTION OF STATISTICAL SECTION CONTENTS

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

Contents: Page

CITY OF PLACENTIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESS IN THOUSANDS)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities:										
Net Investment in Capital Assets	$ 66,799	$ 67,960	$ 67,915	$ 72,176	$ 81,106	$ 86,061	$ 86,045	$103,757	$ 114,777	$ 118,813
Restricted	7,681	6,199	5,819	6,090	7,732	21,456	20,175	18,361	21,767	20,962
Unrestricted	(30,490)	(32,780)	(52,089)	(50,858)	(53,352)	(68,263)	(23,396)	(43,543)	(62,344)	(66,583)
Total Governmental Activities Net Position	$ 43,990	$ 41,379	$ 21,645	$ 27,408	$ 35,486	$ 39,254	$ 82,824	$ 78,575	$ 74,200	$ 73,192
Business-Type Activities:										
Net Investment in Capital Assets	$ 10,765	$ 10,303	$ 9,778	$ 9,275	$ 8,748	$ 8,221	$ 7,694	$ 7,166	$ 12,471	$ 11,836
Unrestricted	845	1,066	(1,514)	(2,055)	(2,682)	361	1,842	1,245	1,895	3,638
Total Business-Type Activities Net Position	$ 11,610	$ 11,369	$ 8,264	$ 7,220	$ 6,066	$ 8,582	$ 9,536	$ 8,411	$ 14,366	$ 15,474
Primary Government:										
Net Investment in Capital Assets	$ 78,263	$ 77,693	$ 81,451	$ 89,854	$ 94,282	$ 93,739	$ 110,923	$ 127,248	$ 127,248	$ 130,649
Restricted	6,199	5,819	6,090	7,732	21,456	20,175	18,361	21,767	21,767	20,962
Unrestricted	(31,714)	(53,603)	(52,913)	(56,034)	(67,902)	(21,554)	(42,298)	(60,449)	(60,449)	(62,945)
Total Primary Government Net Position	$ 52,748	$ 29,909	$ 34,628	$ 41,552	$ 47,836	$ 92,360	$ 86,986	$ 88,566	$ 88,566	$ 88,666

Source: City of Placentia, Finance Department

CITY OF PLACENTIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESS IN THOUSANDS)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PROGRAM REVENUE										
Governmental Activities:										
Charges for Services:										
General Government	$ 1,956	$ 2,136	$ 2,206	$ 2,356	$ 2,651	$ 2,754	$ 2,812	$ 3,215	$ 3,298	$ 3,106
Public Safety	1,340	1,092	1,078	742	771	567	928	877	913	1,147
Public Works	679	597	670	1,100	776	917	877	811	856	987
Community Development	1,211	1,074	1,251	1,011	1,670	2,014	1,598	1,700	1,509	2,580
Community Services	221	194	314	213	145	148	253	337	497	397
Operating Grants	4,744	4,637	4,575	7,709	9,588	6,103	6,499	15,643	9,937	7,575
Capital Grants and Contributions	145	465	4,528	1,117	2,994	8,027	1,850	5,025	1,938	4,765
Total Governmental Activities Program Revenues	10,296	10,195	14,622	14,248	18,595	20,530	14,817	27,608	18,948	20,557
Business-Type Activities:										
Charges for Services:										
Refuse	2,890	2,958	3,039	3,148	3,252	3,688	3,732	4,283	4,813	5,241
Sewer Maintenance	688	722	760	722	723	783	791	1,448	1,511	1,688
Total Business-Type Activities Program Revenues	3,578	3,680	3,799	3,870	3,975	4,471	4,523	5,731	6,324	6,929
Total Primary Government Program Revenues	13,874	13,875	18,421	18,118	22,570	25,001	19,340	33,339	25,272	27,486
EXPENSES										
Governmental Activities:										
General Government	5,343	10,579	10,046	9,346	11,654	12,850	9,242	19,220	17,490	18,873
Public Safety	18,556	19,188	18,114	20,547	26,139	26,045	(5,341)	39,863	27,471	28,181
Public Works	7,445	7,246	4,328	2,465	4,926	9,846	3,159	11,632	10,729	13,857
Community Development	1,373	1,904	1,068	1,502	1,640	2,893	1,554	2,425	2,563	2,988
Community Services	1,263	1,318	1,690	4,401	1,757	2,580	1,685	3,755	4,254	4,655
Interest on Long-Term Debt	837	783	717	588	475	765	2,591	2,372	2,960	2,605
Total Governmental Activities	34,817	41,018	35,963	38,849	46,591	54,979	12,890	79,267	65,467	71,159
Business-Type Activities:										
Refuse	2,555	2,571	3,034	3,164	3,127	3,287	3,421	4,341	4,888	4,920
Sewer Maintenance	1,418	954	1,943	1,593	1,836	(1,365)	150	2,533	1,467	1,005
Total Business-Type Activities	3,973	3,525	4,977	4,757	4,963	1,922	3,571	6,874	6,355	5,925
Total Primary Government Expenses	38,790	44,543	40,940	43,606	51,554	56,901	16,461	86,141	71,822	77,084
NET REVENUE (EXPENSE)										
Governmental Activities	(30,823)	(21,341)	(24,601)	(27,996)	(34,449)	1,927	(51,659)	(46,519)	(46,519)	(50,602)
Business-Type Activities	155	(1,178)	(887)	(988)	2,549	952	(1,143)	(31)	(31)	1,004
Total Primary Government Net Expense	(30,668)	(22,519)	(25,488)	(28,984)	(31,900)	2,879	(52,802)	(46,550)	(46,550)	(49,598)

CITY OF PLACENTIA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESS IN THOUSANDS)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL REVENUE AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Taxes:										
Property	$ 13,259	$ 13,972	$ 14,560	$ 15,478	$ 15,981	$ 16,752	$ 17,191	$ 18,809	$ 20,761	$21,951
Sales and Use	6,848	7,020	6,948	8,184	13,141	15,113	17,248	17,530	16,870	17,005
Utility Users	2,750	2,637	2,545	2,461	2,362	2,503	2,689	3,200	3,048	3,235
Franchise	2,332	2,244	2,270	2,340	2,358	2,466	2,651	2,870	3,076	3,164
Other	1,258	1,365	1,316	1,267	1,047	1,022	1,842	2,091	2,146	2,095
Miscellaneous	35	41	125	136	447	280	256	2,544	282	461
Investment Income	34	31	72	227	312	13	(297)	378	1,901	1,683
Other	-	-	-	-	215	-	-	-	-	-
Special Item	-	-	-	-	-	-	-	-	-	-
Contribution from successor Agency	-	-	-	-	19	-	-	-	-	-
Contribution from Custodial Fund	-	-	-	-	-	30	-	-	-	-
Extraordinary Item	(1,035)	-	-	-	-	-	-	-	-	-
Transfers	646	402	251	268	192	39	-	-	(5,940)	-
Total Government Activities	26,127	27,712	28,087	30,361	36,074	38,218	41,580	47,422	42,144	49,594
Business-Type Activities:										
Investment Income	7	7	24	34	27	4	2	19	45	104
Special Item	-	-	-	-	-	-	-	-	-	-
Other	75	-	-	-	-	-	-	-	-	-
Transfers	(646)	(402)	(251)	(192)	(192)	(39)	-	-	5,940	-
Total Business-Type Activities	(564)	(395)	(227)	(158)	(165)	(35)	2	19	5,985	104
Total Primary Government	25,563	27,317	27,860	30,203	35,909	38,183	41,582	47,441	48,129	49,698
CHANGE IN NET POSITION										
Governmental Activities	6,371	3,486	2,365	1,625	40,145	(10,079)	903	(4,375)	(4,375)	(1,008)
Business-Type Activities	(1,573)	(1,114)	(1,146)	2,384	917	(1,141)	(12)	5,954	5,954	1,108
Total Primary Government	$ 4,798	$ 2,372	$ 1,219	$ 4,009	$ 41,062	$ (11,220)	$ 891	$ 1,579	$ 1,579	$ 100

Source: City of Placentia, Finance Department

CITY OF PLACENTIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESS IN THOUSANDS)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Nonspendable	$ 3,881	$ 3,354	$ 4,955	$ 4,706	$ 3,734	$ 3,347	$ 2,522	$ 1,454	$ 896	$ 472
Restricted	1,030	1,024	1,019	571	555	556	2	805	1,644	1,334
Committed	3,600	3,600	3,400	4,528	5,811	6,434	13,856	4,535	1,037	1,997
Assigned	286	40	-	-	-	-	-	-	-	1,396
Unassigned	72	56	(1,346)	543	3,866	9,894	7,205	19,919	14,795	9,078
Total General Fund	$ 8,869	$ 8,074	$ 8,028	$ 10,348	$ 13,966	$ 20,231	$ 23,585	$ 26,713	$ 18,372	$ 14,277
All Other Governmental Funds:										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ 10	$ 6	$ 5	$ 3	$ 3
Restricted	6,651	5,175	4,800	5,518	7,177	20,900	20,173	17,555	19,117	18,729
Unrestricted	-	(368)	(531)	(1,045)	(1,552)	(1,406)	(2,754)	(2,577)	(3,981)	(4,017)
Total All Other Governmental Funds	$ 6,651	$ 4,807	$ 4,269	$ 4,473	$ 5,625	$ 19,504	$ 17,425	$ 14,983	$ 15,139	$ 14,715

Source: City of Placentia, Finance Department

CITY OF PLACENTIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESS IN THOUSANDS)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
REVENUES										
Property Tax	$ 13,259	$ 13,972	$ 14,551	$ 15,478	$ 15,981	$ 16,752	$ 17,191	$ 18,809	$ 20,761	$21,717
Sales Tax	7,257	7,020	6,948	10,646	13,141	15,113	17,248	17,530	16,870	17,005
Other Tax	6,318	6,222	6,043	3,548	5,708	5,993	7,182	8,090	8,216	8,494
Intergovernmental	2,998	3,572	6,487	7,530	8,459	6,700	6,498	16,569	9,704	9,870
Licenses and Permits	1,733	1,572	1,702	1,922	2,454	2,828	2,440	2,644	2,536	3,203
Fines and Forfeitures	1,154	1,297	592	613	819	314	503	1,777	639	863
Investment Income	34	32	69	228	307	13	(297)	377	1,900	1,683
Charges for Services	2,216	1,743	2,197	2,003	4,056	9,334	2,267	2,387	2,446	2,736
Other	2,108	1,892	2,151	2,289	2,327	2,536	3,581	5,783	3,374	5,348
Total Revenues	37,077	37,322	40,740	44,257	53,252	59,583	56,613	73,966	66,446	70,919
EXPENDITURES										
Current:										
General Government	6,571	10,450	8,109	7,889	8,389	10,995	12,105	15,771	15,493	16,634
Public Safety	17,880	18,436	19,156	18,718	23,442	16,938	17,476	19,139	21,034	23,908
Public Works	4,824	5,050	5,951	6,078	5,938	5,049	5,262	6,005	6,734	6,813
Community Development	952	1,858	1,291	1,171	1,693	2,245	2,007	2,165	2,448	2,247
Community Services	1,191	1,292	1,526	4,405	1,793	1,547	2,305	2,623	3,441	3,296
Capital Outlay	1,262	2,340	2,971	1,047	11,534	6,178	-	22,104	29,242	14,920
Debt Service:										
Principal	1,333	1,654	1,855	2,105	1,177	1,904	3,135	4,760	5,014	5,470
Interest	837	783	717	587	475	765	489	2,356	2,785	2,623
Debt Issuance Costs	-	-	-	-	-	-	182	-	-	-
Total Expenditures	34,850	41,863	41,576	42,000	54,441	45,621	42,961	74,923	86,191	75,911
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	2,227	(4,541)	(836)	2,257	(1,189)	13,962	13,652	(957)	(19,745)	(4,992)
OTHER FINANCING SOURCES (USES)										
Transfers In	7,000	8,010	4,778	1,515	1,882	2,849	4,034	6,938	11,010	8,520
Transfers Out	(6,354)	(7,607)	(4,527)	(1,247)	(1,690)	(2,811)	(4,034)	(6,938)	(11,010)	(8,520)
Issuance of Debt	251	-	-	-	5,766	57,583	2,189	1,643	11,207	475
Other	-	-	-	-	-	(51,441)	(2,069)	-	352	-
Total Other Financing Sources (Uses)	897	403	251	268	5,958	6,180	120	1,643	11,559	475
EXTRAORDINARY ITEMS	-	1,500	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	$ 3,124	$ (2,638)	$ (585)	$ 2,525	$ 4,769	$ 20,142	$ 13,772	$ 686	$ (8,186)	$ (4,517)
Ratio of Total Debt Service Expenditures to Total Noncapital Expenditures	6.49%	6.91%	6.57%	7.14%	7.04%	4.00%	7.26%	15.57%	15.87%	15.30%

Source: City of Placentia, Finance Department

CITY OF PLACENTIA
REVENUES BY SOURCE – GENERAL FUND
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Taxes	Sales and Use Taxes	Other Taxes	Licenses and Permits	Fines, Forfeitures, and Penalties	Use of Money and Property	Investment Earnings*	Leases and Rents*	Inter-Governmental Revenue	Charges for Current Services	Other Revenues	Totals
2016	$ 13,259,241	$ 7,257,004	$ 3,550,183	$ 1,733,049	$ 542,253	$ -	$ 24,157	$ 670,631	$ 466,271	$ 1,091,250	$ 1,053,220	$ 29,647,259
2017	13,971,691	7,019,906	3,578,424	1,571,584	587,005	-	3,645	1,199,161	297,831	863,387	629,737	29,722,371
2018	14,551,076	6,948,279	6,042,998	1,701,878	562,390	-	31,161	1,255,240	252,963	1,284,507	708,662	33,339,154
2019	15,477,587	10,646,101	3,547,567	1,922,689	438,581	-	164,724	1,230,532	353,354	1,070,821	944,874	35,796,830
2020	15,980,879	13,140,914	5,708,333	2,453,827	418,752	-	170,567	1,211,622	701,864	885,206	885,076	41,557,040
2021	16,752,112	15,112,657	5,993,621	2,827,761	290,534	-	(28,258)	1,079,979	9,743	879,298	490,006	43,407,453
2022	17,191,426	17,247,980	7,182,055	2,440,102	503,302	-	(323,152)	1,422,831	952,389	1,263,215	785,684	48,665,832
2023	18,738,855	17,530,357	8,160,127	2,643,941	457,065	-	67,366	1,572,445	8,640,895	1,364,054	1,385,763	60,560,868
2024	20,706,482	16,869,472	8,271,106	2,535,885	548,960	-	1,175,860	1,677,641	2,717,309	1,441,304	1,125,980	57,069,999
2025	21,717,144	17,005,105	8,493,994	3,202,633	764,685	-	1,070,564	1,579,509	533,191	1,604,224	706,522	56,677,571

* Investment Earnings and Rents previously reported as Use of Money and Property Leases previously reported as Other Revenues.

Source: City of Placentia, Annual Comprehensive Financial Reports

CITY OF PLACENTIA
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESS IN THOUSANDS)

	City				
Fiscal Year	Secured	Public Utility	Unsecured	Taxable Assessed Value	Direct Rate
2016	$ 5,706,871	292	$ 169,843	$ 5,877,006	0.1644
2017	5,948,117	292	186,698	6,135,107	0.1644
2018	6,259,165	292	183,716	6,443,173	0.1644
2019	6,564,402	544	210,294	6,775,240	0.1644
2020	6,862,623	544	189,948	7,053,115	0.1644
2021	7,160,394	544	191,112	7,352,050	0.1644
2022	7,373,165	544	187,422	7,561,131	0.1644
2023	7,915,501	738	213,554	8,129,793	0.1644
2024	8,744,760	738	234,484	8,979,982	0.1644
2025	9,223,877	738	268,368	9,492,983	0.1644

Note:

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 at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: County of Orange

CITY OF PLACENTIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Placentia City	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340
Placentia City Street Lighting Reorg.	0.0304	0.0304	0.0304	0.0304	0.0304	0.0304	0.0304	0.0304	0.0304	0.0304
Direct City Rate	0.1644	0.1644	0.1644	0.1644	0.1644	0.1644	0.1644	0.1644	0.1644	0.1644
Overlapping Rates:										
OC Water District - Water Reserve	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
OC Vector Control	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011
OC Transportation Authority	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026
Orange County Water District	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080
OC Harbor Beaches & Parks	0.0144	0.0144	0.0144	0.0144	0.0144	0.0144	0.0144	0.0144	0.0144	0.0144
OC Department of Education	0.0171	0.0171	0.0171	0.0171	0.0171	0.0171	0.0171	0.0171	0.0171	0.0171
Orange County Flood Control	0.0186	0.0186	0.0186	0.0186	0.0186	0.0186	0.0186	0.0186	0.0186	0.0186
OC Sanitation District #2 Operating	0.0309	0.0309	0.0309	0.0309	0.0309	0.0309	0.0309	0.0309	0.0309	0.0309
Placentia Library District	0.0376	0.0376	0.0376	0.0376	0.0376	0.0376	0.0376	0.0376	0.0376	0.0376
Orange County General Fund	0.0579	0.0579	0.0579	0.0579	0.0579	0.0579	0.0579	0.0579	0.0579	0.0579
North OC Comm. College General Fund	0.0655	0.0655	0.0655	0.0655	0.0655	0.0655	0.0655	0.0655	0.0655	0.0655
Education Revenue Augmentation Fund	0.1876	0.1876	0.1876	0.1876	0.1876	0.1876	0.1876	0.1876	0.1876	0.1876
Placentia Yorba Linda Unified Gen. Fund	0.3943	0.3943	0.3943	0.3943	0.3943	0.3943	0.3943	0.3943	0.3943	0.3943
Total Overlapping Rate	0.8356	0.8356	0.8356	0.8356	0.8356	0.8356	0.8357	0.8356	0.8357	0.8357
Metropolitan Water District	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0070
Placentia Yorba Linda Unified	0.0567	0.0548	0.0553	0.0526	0.0485	0.0603	0.0485	0.0464	0.0424	0.0341
N. Orange County Community College	0.0304	0.0289	0.0293	0.0283	0.0241	0.0320	0.0288	0.0278	0.0172	0.0174
Total Rate	1.0906	1.0871	1.0881	1.0844	1.0761	1.0958	1.0809	1.0777	1.0632	1.0586

Note:

In 1978, the voters of the State of California passed Proposition 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.

Source: HdL Coren Cone

CITY OF PLACENTIA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT AND NINE YEARS AGO
(AMOUNTS EXPRESS IN THOUSANDS)

	2025				2016		
Taxpayer	Taxable Assessed Value	Estimated Total Tax	Percent of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Estimated Total Tax	Percent of Total City Taxable Assessed Value
310 S Jefferson Street Ground Owner LP	$184,130	$ 1,841	1.94 %	Placentia Place Apartments LLC	$82,759	$ 828	1.41 %
MG Herald Apartments LLC	137,144	1,371	1.44	Placentia 422	54,590	546	.93
Jefferson Centerpoint LLC	71,687	717	.76	Villa Angellina Apartment Fund LTD	52,229	522	.89
Placentia 422	64,434	644	.68	Villa Tierra Apartments LLC	35,839	358	.61
Gelt Cherry Street Fee Owner LLC	63,150	632	.67	Placentia-Linda Hospital Inc.	35,650	357	.61
Villa Angelina Apartment Fund LTD	61,292	613	.65	Arlon Graphics LLC	34,769	348	.59
GRI Village Center LLC	60,588	606	.64	Ora Bradford Court 127 LLC	27,429	274	.47
HP Bradford Terrace LLC	45,778	458	.48	Reef Imperial Rose Inc.	27,232	272	.46
NMC Placentia LLC	42,265	423	.45	Donahue Schriber Realty Group	26,522	265	.45
Sedona-Placentia Owner LLC	42,076	421	.44	Ronald and Martha Beltran	26,213	262	.45
Total	$ 772,544	$ 7,725	8.14 %	Total	$ 403,232	$ 4,032	6.86 %

Source: HdL Coren Cone

CITY OF PLACENTIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2016	$ 12,742,715	$ 13,529,800	106.18%	N/A	N/A	N/A
2017	12,831,914	12,865,221	100.26	N/A	N/A	N/A
2018	13,471,679	13,421,607	99.63	N/A	N/A	N/A
2019	14,144,498	14,244,954	100.71	N/A	N/A	N/A
2020	14,623,234	14,675,128	100.35	N/A	N/A	N/A
2021	15,211,067	15,384,500	101.14	N/A	N/A	N/A
2022	15,734,335	15,777,022	100.27	N/A	N/A	N/A
2023	17,044,617	16,794,264	98.53	N/A	N/A	N/A
2024	18,351,232	18,092,765	98.59	N/A	N/A	N/A
2025	19,347,943	19,065,082	98.54	N/A	N/A	N/A

Note:

The amounts presented include City property taxes, In-Lieu Vehicle License Fees, and "triple flip" property tax revenue in lieu of sales tax. 2016 includes final payment of "triple flip" property tax revenue.

Source: County of Orange Auditor-Controller

CITY OF PLACENTIA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESS IN THOUSANDS, EXCEPT PER CAPITA)

	Governmental Activities				Business-Type Activities				
Fiscal Year	Tax Allocation Bonds and Notes	Loans Payable	Certificates of Participation	Leases & Subscriptions Payable	Loans Payable	Total Primary Government	Percent of Assessed Valuation	Per Capita	Percent of Personal Income
2016	$ 3,063	$ 218	$ 8,697	$ -	$ -	$ 11,978	.217	230	.78
2017	2,242	162	8,237	-	-	10,641	.181	204	.68
2018	1,226	1,325	7,737	-	-	10,288	.168	197	.64
2019	-	1,144	7,680	-	-	8,824	.137	167	.51
2020	-	6,154	7,095	-	-	13,249	.196	253	.73
2021	58,266	5,587	2,845	-	-	66,698	.946	1,295	3.51
2022	55,970	8,657	-	651	-	65,278	.888	1,276	3.33
2023	53,755	7,549	-	2,838	-	64,142	.789	1,222	3.04
2024	60,710	5,566	-	4,411	-	70,687	.787	1,353	3.05
2025	57,670	4,285	454	3,444	-	65,853	.694	1,270	2.73

Source: City of Placentia, Finance Department

CITY OF PLACENTIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITY DEBT
JUNE 30, 2025

2023-24 Assessed Valuation (in thousands):	$ 10,179,722
Successor Agency Incremental Valuation (in thousands):	690,084
Adjusted Assessed Valuation (in thousands):	$ 9,489,638

Direct Debt:	Total Debt June 30, 2025	% Applicable (1)	City's Share of Debt June 30, 2025
Placentia Capital Lease (Radio)	$ 204,512	100.00 %	$ 204,512
Placentia Fire Lease #1	1,756,379	100.00	1,756,379
Placentia Fire Lease #2	920,267	100.00	920,267
Placentia Melrose Easement	157,266	100.00	157,266
Placentia Capital Lease (Electric Vehicles)	66,483	100.00	66,483
Placentia OCTA Advance	254,583	100.00	254,583
Placentia Fire UAL Loan Payoff	-	100.00	-
Placentia Motorola Equipment	1,100,683	100.00	1,100,683
Placentia 2022 Lease Agreement	887,280	100.00	887,280
Placentia 2021 Installment Sale Agreement	1,940,000	100.00	1,940,000
Placentia PFA 2020A Lease Revenue Bonds	46,340,000	100.00	46,340,000
Placentia PFA 2023A Lease Revenue Bonds	9,050,000	100.00	9,050,000
Total Direct Debt			62,677,453
Overlapping Tax and Assessment Debt:			
Placentia -Yorba Linda Unified 2002, 2008, 2012 Bond	$189,367,472	23.228 %	$ 43,986,276
Metropolitan Water District	17,155,000	.233	39,971
N. OC Community College 2002, 2014 Bond	275,134,676	5.252	14,450,073
Orange County General Fund Obligations	429,065,000	1.171	5,024,351
Orange County Board of Education COP	9,120,000	1.171	106,795
North Orange County Regional Occupation Program COP	6,880,000	5.401	371,589
Placentia-Yorba Linda Unified School District COP	75,175,000	23.228	17,461,649
Total Overlapping Debt			81,440,704
Total Direct and Overlapping Debt			$ 144,118,157

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the city.

Ratios of Direct vs. Overlapping Debt:	
Direct Debt	43.49 %
Overlapping Debt	56.51
Total Debt	100.00 %

Ratios of Debt to Assessed Valuation:	
Direct Debt	.66 %
Overlapping Debt	.86
Total Debt	1.52 %

Source: HdL, Coren Cone

CITY OF PLACENTIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for the Current Year:		
Assessed Value	$	9,721,473,416
Debt Limit (3.75% of Assessed Value)		364,555,253
Debt Applicable to Limit		-
Legal Debt Margin - Current Year	$	364,555,253

Fiscal Year	Debt Limit	Debt Applicable to Limit	Legal Debt Margin	Debt as Percentage of Limit
2016	$ 220,387,742	$ -	$ 220,387,742	- %
2017	230,066,512	-	230,066,512	-
2018	248,734,552	-	230,066,512	-
2019	261,192,507	-	248,734,552	-
2020	271,595,021	-	271,595,021	-
2021	283,280,448	-	283,280,448	-
2022	291,210,596	-	291,210,596	-
2023	312,538,330	-	312,538,330	-
2024	344,780,034	-	344,780,034	-
2025	364,555,253	-	364,555,253	-

Note:

The City charter includes a debt limit of 15%; however, at the time the charter was established, only 25% of the market value was used. For the purpose of determining the debt limit, the City is following the intent of the charter and reducing the debt limit to 3.75% of assessed valuation.

Source: City of Placentia, Finance Department

CITY OF PLACENTIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(PERSONAL INCOME IN THOUSANDS, EXCEPT PER CAPITA)

Calendar Year	City Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2015	52,263	$ 1,567,115	$ 29,985	5.1 %
2016	52,268	1,614,628	30,891	4.5
2017	52,755	1,716,075	32,529	3.5
2018	52,333	1,805,719	34,504	3.0
2019	51,494	1,899,759	36,892	2.9
2020	51,173	1,959,175	38,285	8.7
2021	51,204	2,024,718	39,542	5.8
2022	52,507	2,109,099	40,167	3.2
2023	52,226	2,319,890	44,420	3.6
2024	53,982	2,413,284	44,705	4.0

Sources: City Population - State Department of Finance
Unemployment Date - California Employment Development Department
HdL, Coren Cone

CITY OF PLACENTIA
TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS
(AMOUNTS EXPRESS IN THOUSANDS)

	Calendar Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Apparel Stores	$ -	$ -	$ -	$ -	$ -	$ -	$ 21,114	$21,854	$23,060	$24,984
General Merchandise	6,635	6,759	7,178	7,440	7,649	8,208	7,907	7,535	4,620	3,581
Food Stores	18,529	17,919	17,102	17,530	18,363	20,539	19,152	20,029	20,552	20,924
Eating and Drinking Places	79,730	84,676	85,373	83,083	87,912	77,897	101,361	105,185	106,523	107,629
Building Materials	38,156	55,996	60,664	68,803	74,767	69,616	89,608	98,051	101,532	126,433
Auto Dealers and Supplies	105,341	107,146	104,963	82,789	72,781	71,301	99,240	118,317	116,350	110,930
Service Stations	70,961	62,495	68,101	74,924	73,200	49,981	72,505	95,585	86,634	78,270
Other Retail Stores	60,419	70,775	74,578	75,597	76,411	65,702	62,668	64,773	44,736	51,656
All Other Outlets	255,719	240,166	234,501	245,115	268,067	269,831	278,458	292,479	272,051	271,263
Total	$ 635,490	$ 645,932	$ 652,460	$ 655,281	$ 679,150	$ 633,075	$ 752,013	$ 823,808	$ 776,058	$ 795,670

Note:

Due to confidentiality issues, the names of the ten largest revenue payers are not available.
The categories presented are intended to provide alternative information regarding the sources of the City's sales tax revenue.
The category "Apparel Stores" was added in the FY21/22 ACFR

Source: State of California Board of Equalization and The HdL Companies

CITY OF PLACENTIA
BUDGETED FULL-TIME EMPLOYEES BY DEPARTMENT
LAST TEN FISCAL YEARS

	Fiscal Year									
Department	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City Clerk	2.00	2.00	2.00	-	2.00	2.00	2.00	2.00	-	-
City Administrator	-	-	-	-	-	-	-	-	5.00	5.00
Administrative Services (formerly Administration)	7.00	7.00	11.50	9.50	10.50	25.45	26.45	29.65	32.00	32.00
Finance	7.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00	9.00
Development Services	4.00	4.75	6.50	8.50	8.50	8.55	9.55	11.35	12.00	12.00
Police	69.50	74.50	80.00	76.00	84.00	71.00	72.00	75.00	76.00	75.00
Fire and Life Safety	-	-	-	-	-	25.00	27.00	28.00	30.00	30.00
Public Works	19.00	20.25	20.75	20.00	22.00	22.00	26.00	28.00	30.00	29.00
Community Services	6.00	6.50	7.25	7.00	7.00	7.00	8.00	9.00	10.00	11.00
Total	99.00	105.00	114.50	122.00	136.00	170.00	180.00	192.00	204.00	203.00

Note:

In FY23/24 the category "City Administrator" was added and "Administration" was renamed "Administrative Services"
As of FY23/24, "City Clerk" staff will be included in "Administrative Services"

Source: City of Placentia, Finance Department

CITY OF PLACENTIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year 2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police:										
Physical Arrests	1,373	1,250	1,381	1,282	1,053	1,257	1,400	1,380	1,360	1,478
Parking Citations	12,729	13,161	2,359	7,398	4,646	3,742	2,974	7,585	9,755	15,833
Traffic Citations	2,060	1,824	2,659	7,707	1,601	1,162	509	818	1,944	1,857
Community Development:										
Building Permits	1,472	1,268	1,347	1,263	1,407	1,346	1,425	1,461	1,509	1,612
Building and Zoning Inspections	133	128	87	92	126	181	128	435	127	165
Public Works:										
Feet of Sewer Main Cleaned	401,280	249,134	385,510	318,118	396,000	372,246	372,246	372,246	295,421	262,633
Streetsweeping Miles	21,684	21,684	7,955	7,955	8,772	8,772	8,772	8,772	8,772	6,624
Traffic Signals Maintained	57	57	61	61	63	63	63	63	63	63
Culture and Recreation:										
Recreation Classes	747	727	645	610	577	387	421	477	637	611

Source: City of Placentia, Finance Department

CITY OF PLACENTIA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year 2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Sworn Officers	46	46	51	51	46	51	46	48	51	47
Patrol Vehicles	26	26	32	32	33	16	16	17	17	17
Fire Stations	2	2	2	2	2	2	2	2	2	2
Highways and Streets:										
Miles of Streets	107	107	107	132	132	132	133	133	133	134
Street Trees	9,214	9,214	9,139	7,175	7,077	6,929	6,688	6,915	6,863	6,883
Traffic Signals	229	229	230	230	230	230	230	230	230	230
Street Lights	3,656	3,656	3,660	3,660	3,656	3,656	3,656	3,915	3,656	3,656
Sewer:										
Miles of Sanitary Sewers	76	76	76	76	84	84	84	84	84	84
Storm Drains	506	506	506	506	506	506	531	531	531	531
Culture and Recreation:										
Parks	16	16	16	16	15	15	15	15	15	15
Area of Parks (Acres)	72.9	72.9	72.9	100.9	60.9	60.9	60.9	60.9	60.9	74.2
Community Buildings	7	7	7	7	7	7	7	7	7	7
Community Centers	3	3	3	3	3	3	3	3	3	3
Senior Centers	1	1	1	1	1	1	1	1	1	1
Baseball Diamonds	7	7	7	7	7	7	7	7	7	7
Basketball Courts	8	8	8	8	7	7	7	7	7	7
Soccer Fields	1	1	1	1	1	1	1	1	1	1
Pools	2	2	2	2	2	2	2	2	2	2
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Tennis Courts	-	-	-	-	-	-	-	1	1	1
Pickleball Courts	-	-	-	-	-	-	-	4	4	4
Handball Courts	-	-	-	-	-	-	-	-	6	6

Note:

In FY20/21, the Fleet Manager provided the number of patrol vehicles as 16. The police department could not recreate the previously reported number of 33. When taking into account all police department vehicles, the number was 45. Therefore, only the actual patrol vehicles were reported starting in FY20/21.

In FY23/24 the handball courts were added to the list. They are not new to the city, but new to the list.

Source: City of Placentia, Finance Department

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