CITY OF PISMO BEACH, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Fiscal Year Ended June 30, 2025



CITY OF PISMO BEACH, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Prepared by:

Administrative Services Department

Introductory Section

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December 30, 2025

To the Honorable Mayor,
Members of the City Council, and
Residents of the City of Pismo Beach

REPORT PURPOSE AND ORGANIZATION

It is our pleasure to present to you the Annual Comprehensive Financial Report (ACFR) of the City of Pismo Beach, California for the fiscal year ending on June 30, 2025. The City follows a policy of preparing a complete set of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) after the end of each fiscal year. This report is published to fulfill that policy for the fiscal year ending on June 30, 2025 and marks the twenty-second year the City has prepared an ACFR.

Management of the City of Pismo Beach assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that the City has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the City's financial statements are free of material misstatements.

Audited Financial Statements

The City's financial statements have been audited by Badawi and Associates, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ending on June 30, 2025 are free of material misstatements. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified independent auditor's report that the City of Pismo Beach's financial statements for the fiscal year ending on June 30, 2025 are fairly presented in conformity with GAAP. The independent auditor's report is located at the front 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). The MD&A complements this letter of transmittal and should be read in conjunction with it. The City's MD&A immediately follows the independent auditor's report.

Report Organization

This report is organized in three sections: introductory, financial, and statistical.

1. The *Introductory* section includes this transmittal memorandum and general information on the City's government structure and the services provided. It includes a list of principal officials, an organizational chart, and the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

2. The *Financial* section contains the independent auditor's report on the financial statement audit, the Management Discussion & Analysis (MD&A), basic financial statements, Required Supplementary Information, and combining and individual fund presentations and supplementary information.

3. The *Statistical* section includes selected financial and demographic information.

PROFILE OF THE CITY OF PISMO BEACH

The City of Pismo Beach was incorporated in 1946. The City is located on the Central Coast of California about 200 miles north of Los Angeles. The City is visited annually by a substantial number of tourists seeking to enjoy the area's moderate climate, ocean views and sunsets, fine restaurants, and the relaxing atmosphere unique to coastal communities. The City's downtown area and hotel areas are anchored by the City-owned Pier extending into the Pacific Ocean. The City is home to about 7,804 individuals, and most of the City is residential with a continuing trend of new homes being built with spectacular ocean views.

Form of Government

The City operates under a council-manager form of government. Policy making and legislative authority are vested in the City Council consisting of the elected Mayor and four other elected Council members. The Council is responsible, among other matters, for passing ordinances, adopting the City budget, appointing committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the daily operations of the City, and for appointing other employees and otherwise managing daily operations of the City. The Mayor is elected for two-year terms, and the Council is elected for four-year staggered terms, with two members elected every two years.

City Services

The City provides a full range of municipal services including fire and police protection, construction and maintenance of City streets, storm drains, bridges, and similar infrastructure-type assets, park maintenance, community recreation activities, and public facilities. In terms of business-type activities, the City provides water, wastewater, parking, pier, and transit services through the operation of its enterprises.

Budget Process and Budgetary Control

The City's biennial budget serves as the foundation for the City of Pismo Beach's financial planning and control system. All departments of the City submit requests for appropriations to the City Manager. The City Manager uses these requests as a starting point for developing a proposed budget. The City Manager presents a proposed budget to the City Council every two years. The Council holds public meetings on the proposed budget and then ultimately adopts a formal budget. The budget is adopted by fund, department, and object. The Council periodically reviews the City's actual financial activity in relationship to the original budget, and as necessary, amends the original budget to reflect changing conditions during the fiscal year.

ECONOMIC CONDITION

Long-Term Financial Planning

The City incorporates long-term financial planning into its budget process in five ways:

- First, the City has established a set of financial policies that were reviewed and affirmed by the City Council and Department Head Team on April 3, 2025 during the development of the budget. These policies establish goals for the allocation of public resources in the manner best suited to the efficient provision of services to citizens and visitors present within the City. Some of these policies call for maintaining adequate cash reserves and providing ongoing maintenance of infrastructure and buildings, which are vital to sound fiscal management.

- Second, the Council undertakes a strategic planning process to establish goals and priorities for the organization that takes into account a long-term vision of the City and incorporates public input. The Council reviews and may modify its long-term vision statement for the City every two years. Additionally, the Council seeks public input in developing the City's goals to meet this vision. This public input process, branded *Pismo Voice*, includes a tri-fold flyer in all utility bills that directly asks for ideas about priorities, with prepaid postage for return mail to the City. In addition, the City received feedback about priorities from social media and other online notifications such as Facebook, Notify Me; online survey/Pismo Voice platform, and feedback through the City's website. The resulting City goals are long-term goals that typically cannot be accomplished in one or two years. As such, City staff develop work plans to implement various stages of those goals, and those items are incorporated into the budget.

- Third, the City maintains a five-year operating projection for the General Fund and the Water and Wastewater Enterprise Funds. The General Fund projection is updated quarterly and shared with Council periodically, especially during labor negotiations and water and wastewater rate studies. In FY 2023, the City prepared a five-year financial plan for the Water and Wastewater Enterprise Funds as part of the water and wastewater rate development process. These projections allow management to see what the future could look like given a set of assumptions and are evaluated in the context of whether decisions are sustainable over the long term. In FY 2024, the City prepared three-year General Fund projections related to the three-year labor agreements.

- Fourth, the City maintains a 10-year long-range capital planning process that helps drive annual capital funding decisions as well as periodic bond issues for larger investments. The Capital Improvement Plan is approved biennially along with the two-year Adopted Budget.

- Finally, all Governmental Accounting Standards Board (GASB) pronouncements are monitored and implemented into the City's financial statements.

The general fund's budget to actual comparison, a major governmental type fund under the reporting standards, is presented as required supplementary information in a separate section of this report immediately following the notes to the financial statements. For the City's other governmental-type funds, a budget to actual comparison schedule is presented as optional information in the section of this report containing combining financial statements and individual fund schedules.

Economic Condition and Outlook

U.S. Economy

The U.S. economic outlook for FY 2026 and FY 2027 displays continued improvement, supported by key economic indicators and a steadying national fiscal environment.

The Federal Open Market Committee (FOMC), in its September 17, 2025 economic projections, anticipate modest but sustained growth through the remainder of 2025 and into calendar years 2026 and 2027. Real Gross Domestic Product (GDP) is projected to increase by 1.6% in 2025, followed by 1.8% in 2026 and 1.9% in 2027, which is slightly below the FOMC's optimal growth range of 2.0% to 3.0% per year. GDP measures the total value of goods and services produced within the United States, and its annual growth rate reflects the economy's pace of expansion compared to the prior year.

The national unemployment rate is expected to remain relatively stable, decreasing slightly from 4.5% in 2025 to 4.4% in 2026 and 4.3% in 2027. The FOMC identifies the normal range for unemployment between 3.6% and 4.5%, indicating that employment conditions are expected to remain healthy.

Inflation, measured by the Personal Consumption Expenditures (PCE) price index, the FOMC's preferred gauge of consumer spending, is projected to continue moderating. PCE inflation is forecast at 3.0% in 2025, easing to 2.6% in 2026 and 2.1% in 2027, approaching the Committee's long-term target of 2.0%. This moderation reflects ongoing stabilization in prices for goods and services, including healthcare and housing.

Monetary policy is likewise expected to become more accommodative, with the federal funds rate projected to decline from 3.6% in 2025 to 3.4% in 2026 and 3.1% in 2027. Lower interest rates are intended to encourage investment and support continued economic expansion.

In summary, the U.S. economic outlook for FY 2026 and FY 2027 reflects gradual but steady improvement, characterized by stable employment levels, moderating inflation, and consistent GDP growth, signs of a resilient national economy adapting to a slower yet sustainable growth trajectory.

State of California Economy

Based on economic projections from the California Department of Finance in April 2025, the California consumer price index for urban consumers (CPI-U) is projected to rise by 4.2% in FY 2026 compared to FY 2025, followed by a 3.1% growth in FY 2027 compared to FY 2026. **The state's fiscal health currently stands on a positive footing, and the future-year outlook continues to signal economic expansion. Employment is projected to grow modestly**, with a 0.1% increase in FY 2026 and a 0.2% increase in FY 2027, correlating with a projected unemployment rate of 5.5% compared to the previous year for 2026 and 2027, slightly above the anticipated national average. **Personal income is also on an upward trajectory**, with an expected 4.1% growth in 2026 compared to 2025, followed by a 4.6% increase in 2027 compared to 2026, building upon the projected 4.0% uptick in 2025 compared to 2024 personal income.

California Tourism Dynamics:

The City of Pismo Beach relies significantly on tourism, constituting a substantial portion of its revenue. The City's General Fund, its largest discretionary fund, draws 41% of its revenues from Transient Occupancy Tax (TOT), an 11% tax on short-term lodging rentals. Additionally, a portion of the City's sales and use tax revenues is derived from visitor spending on shopping, dining, fuel purchases, and general consumer goods within Pismo Beach.

The broader California travel and tourism sector continues to exhibit growth. According to Tourism Economics' "California's Visits and Spending Forecast" from October 2025, total visitors to California are expected to increase by approximately 1.7% in 2026 compared to 2025, with a further 2.6% rise in 2027 compared to 2026. Estimated total expenditures by these visitors in California are projected to increase by 4.2% in 2026 and 4.5% in 2025. International visitor trends have changed based on the economic impacts of tariffs, policies, and pronouncements from the Trump administration, which have contributed to a growing wave of negative sentiment toward the US among potential international travelers. Heightened border security measures and visible immigration enforcement actions are amplifying concerns. Despite these issues, India and Mexico visitors have increased travel

to California while Germany, Japan, Australia, and Canadian visitors are seeking other areas to visit, reflecting a projected 5% per year growth projected for 2026 and 2027 for internation visitors.

City of Pismo Beach Economy

The City of Pismo Beach's local economy is closely intertwined with the broader economic conditions of the United States and the State of California. However, Pismo Beach is uniquely characterized by its strong dependence on tourism, distinguishing it from the average municipality. The majority of the City's visitors originate from California's San Joaquin Valley, seeking relief from the region's summer heat, providing a consistent and reliable base for the local hospitality sector. In addition, Pismo Beach continues to attract international travelers journeying along the iconic route between San Francisco and Los Angeles.

Visitors are drawn to Pismo Beach's exceptional outdoor amenities, including its expansive sandy beach, year-round mild climate, the scenic Pismo Preserve, and the revitalized Pier Plaza. These attributes have positioned the City as a leader in San Luis Obispo County's tourism and hospitality market, contributing significantly to local economic vitality.

Maintaining Fiscal Stability and Investing in the Future:

The City's General Fund remains balanced and fiscally sound, reflecting prudent management and careful planning. While ongoing expenditures currently exceed ongoing revenues, this is a planned, transitional phase as the City invests in major capital and public safety initiatives that will serve the community for decades to come. This temporary imbalance results from short-term TOT revenue reductions and rising costs tied to key long-term investments, including the Public Safety Facility, CalFire services, and technology enhancements for Police and City operations. The debt service on the 2024A Lease Revenue Bonds for the Public Safety Facility is supported primarily by a dedicated 1% of TOT revenues, supplemented by approximately $600,000 annually from the Parking Enterprise Fund. Over time, as TOT revenues grow while debt payments remain level, this structure will strengthen the City's fiscal flexibility and long-term sustainability.

Looking ahead, several hotels are planning renovations during FY 2026, temporarily affecting both Transient Occupancy Tax (TOT) and sales tax revenues. Conversely, the voter-approved Measure F-24—raising the local transaction and use tax rate from 0.5% to 1.0%, which will provide additional funding for critical street and infrastructure improvements. These investments are expected to reduce long-term maintenance costs and support continued economic development within a well-managed municipal framework.

As the City approaches FY 2027, modest but steady economic growth is anticipated, reflecting broader national and state trends of gradual expansion following a period of strong post-pandemic recovery. Pismo Beach remains well-positioned to maintain fiscal stability while advancing strategic investments that enhance both resident quality of life and visitor appeal.

City's Response to Economic Issues

In response to ongoing economic challenges, the City's FY 2026 and FY 2027 Adopted Budget reflects a prudent and strategic approach to fiscal management. It incorporates conservative revenue projections, sustains fully funded reserves, and establishes a Budget Stabilization Reserve to safeguard against potential revenue declines during future economic downturns. The budget also directs resources toward essential infrastructure improvements and community investments, further strengthening the City's long-term fiscal position. Together, these actions underscore the City's continued commitment to financial stability, resilience, and proactive planning amid evolving economic conditions.

City staff continue to closely monitor revenues and expenditures to maintain structural balance and financial integrity. Several proactive strategies are underway to improve efficiency and control long-term costs, including:

- Asset Management Program: Establishing a proactive maintenance approach for City facilities to prevent costly deferred repairs.

- Annual Paving and Drainage Improvements: Implementing consistent maintenance cycles to reduce long-term capital costs and improve infrastructure reliability.

Despite short-term challenges, the City's reserves remain strong, ensuring essential services continue without interruption and positioning the City to respond effectively to future needs or economic changes.

In addition, the City's Lodging Business Improvement District (LBID) remains a vital component in supporting and promoting the local tourism economy. Funded through a 1% assessment on gross lodging revenues, the LBID drives initiatives to expand and diversify tourism markets while enhancing the visitor experience. A supplemental 1% levy supports visitor-serving amenities and capital improvements, including projects such as the Addie Street restroom renovation, City-wide holiday decorations, beautification efforts, signage and safety upgrades at the Butterfly Grove, extended-use lighting for sports courts, and new beach cleaning equipment. Collectively, these efforts reflect the City's dedication to sustainable economic growth, community enhancement, and maintaining Pismo Beach's reputation as a premier coastal destination.

Policy and Legislative Issues and City's Response

- **City Council's Fiscal Policies and Policy Decisions – Enable Strong Financial Status, Employee Relations, Community Partnerships:** The Council's fiscal policies and policy decisions have allowed the City's financial status to continue the healthy financial position forecasted during the last two-year budget cycle. In addition to the City's strong financial status, our employee culture is positive and collaborative, and employee relations are excellent. The City also appreciates its beneficial working relationships with the private sector and our community partners. Staff continue to work closely and hold meetings with the Pismo Beach Chamber of Commerce and the South County Chamber of Commerce to address outstanding issues such as parking, homeless issues, and other current topics.

- **Water Supply**: The City continues to be water-supply conscious due to the most recent drought, and took measured actions to deal with the drought, including a three-tiered system of building restrictions depending on the City's total water supply.

    - **Lake Lopez Litigation**: There is litigation over Lopez Lake and the associated increased environmental water releases that may reduce the available water allocation for Pismo Beach, compelling the City to rely more heavily on higher-cost alternatives such as State Water or increased groundwater pumping. This substitution can raise operational and energy costs, in addition to expensive litigation costs, putting upward pressure on the City's water enterprise budget and potentially pushing retail water rates higher. Because the City holds an entitlement of approximately 892 acre-feet per year from Lopez Lake, any supply curtailment directly erodes its supply reliability and increases financial risk. On the positive side, Pismo Beach's multi-source portfolio and participation in the Central Coast Blue recycled water project provide strategic mitigation, though benefits will accrue over time rather than immediately. In short, until the litigation is resolved and long-term release and operating rules are set, the City must plan for cost uncertainty in its FY 2026 and FY 2027 budgets and maintain flexibility to absorb potential supply disruptions.

    - **Central Coast Blue:** The FY 2026 and FY 2027 Adopted Budget includes substantial investments toward the Central Coast Blue Project, a regional water sustainability project that is proposed to create a new, high-quality, and reliable water supply for the City of Pismo Beach. Currently, Pismo Beach is designing a new advanced water purification facility to create a high-quality water source to supplement local groundwater supplies. This project will allow the City to have sufficient supplies even in times of water shortage or drought. These funds are used to support various environmental studies associated with a regional recycled water treatment plant, permitting, planning, designing, and garnering financial support from the federal and state governments. The overall cost of this project is expected to be $63 million,

which includes projected $38 million in various grants and $24 million in Clean Water State Revolving Fund Loan financing. Of this amount, the City supports 33% of the project from its Water Enterprise Fund and 67% of the project from its Wastewater Enterprise Fund.

Relevant Financial Policies

The City of Pismo Beach has adopted a comprehensive set of financial policies to provide guidance for all fiscal activities and resource allocation decisions as defined in the Adopted Budget and Purchasing Policy & Procedures Manual. In addition, the City Council approved or adopted several other fiscal policies including:

- City's Purchasing Policy & Procedures Manual in March 2024 to update purchasing amount limits
- City's Investment Policy, adopted most recently in January 2025
- Debt Management Policy, adopted in March 2017
- Ordinance to amend the City's Municipal Code to add details on committed fund balances, including the General Fund Reserve, the General Fund City Facility Reserve, and the Risk Management Reserve policies in April 2015
- Capital Assets Policies and Procedures, effective July 1, 2014 as part of the City's Purchasing Policy

The following policies are particularly relevant to the City's financial performance in FY 2025.

General Fund Reserve: Establish and maintain a General Fund reserve of 25% of budgeted expenditures in the General Fund. The City maintained a General Fund reserve of 25% of budgeted operating expenditures and did not use any of these reserves.

Risk Management Reserve: Establish and maintain a Risk Management Reserve to be used for unanticipated risk management costs, funded with $50 thousand per year, up to $250,000. The City maintained a reserve of $250 thousand in FY 2024 and did not use any of these reserves.

Cost Recovery: Establish the level of cost recovery desired from various fees for services. The City Council approved an updated cost allocation model and implemented a phase-in approach of the cost allocation starting in FY 2024 and increasing the recovery each fiscal year.

Establish New Fees: Review fees annually, establish actual costs and adjust and establish new fees as needed. The City Council approved updated Development Impact Fees effective April 20, 2019 as part of a comprehensive update to the fees established in 2004. All other City Fees are updated by an inflation factor or updated based on federal and state requirements. During FY 2024, various service fees were updated or established to help offset the City's costs. The Council updated City user fees and development impact fees, effective FY 2025 on July 1, 2025.

Infrastructure: Contribute from the General Fund annually for the improvement of infrastructure. The City contributed to various infrastructure improvements in FY 2025, including: the 2022 Paving project; James Way Beautification project; the Police and Parking Annex; public safety cameras; park sign updates; and Fire Station 63 roof repair.

Public Safety: Provide funding to maintain adequate levels of safety for citizens and visitors of Pismo Beach. The City supported: the Police Department Parking Division Annex construction; design and construction of the Public Safety Facility for the Police Department; and continued support of the Police Department's personnel, equipment, and vehicles for Police officers and support staff; and the expansion of the public safety camera program to other City facilities. The City also invests in fire prevention efforts to protect the community through its contract with CalFIRE with investments in the Public Safety Facility for the Fire Department, Fire vehicles and equipment, prescribed burns, weed abatement, inspections of buildings, and protecting the public at the beach with the City's lifeguards.

Water and Wastewater Funds: Maintain adequate reserve funds for the construction and replacement of major capital facilities of the Water and Wastewater Funds by setting rates at levels sufficient to provide the necessary funding. In FY 2023, Water and Wastewater fees were updated to reflect the final year of rate changes from the

prior approved 5-year rate change for Water and Wastewater Fees. On October 17, 2023, after a comprehensive analysis, public outreach, multiple workshops, and a public hearing, the Council adopted a new 5-year rate schedule for Water and Wastewater Fees effective January 1, 2024 and every January 1st thereafter through January 1, 2028.

Operational Efficiencies: Provide City services in the most cost-effective manner, including utilizing consultants and temporary help for special projects or peak workload periods. The City has hired consultants to work on the General Plan Local Coastal Plan update, the Central Coast Blue project, and the Public Safety Facility project, all special projects, to allow City staff to continue to respond promptly to service requests from the public and focus on managing the various City projects.

Employee Development: Attract and retain competent employees for the City workforce by compensating employees fairly, providing adequate training opportunities, ensuring safe working conditions, and maintaining a professional work environment. The City staff produced two training academies in-house to get its employees up to speed on how the City government works, including the Management Academy and Line-Level Academy. Staff also annually trains its employees on cybersecurity and invests in external training for professional development at conferences, trainings, webinars, trade, financial, fraud, public safety, etc.

Economic Development: Achieve organized, sustainable community development for the citizens of Pismo Beach by providing a diverse economic base while preserving our scenic beauty, small town charm, and historical assets. The City contributed various funds in FY 2025 for the James Way Beautification project for quality of life for residents; playground improvements at Palisades Park and Chumash Park; design of a new Ventana Sports Courts; and continues to invest in maintenance of the City's infrastructure by purchasing and developing a new asset management system.

Projects Accomplished in FY 2025

Pismo Beach is an active and vibrant community, with a municipal government that is proactive and prepared to respond to changing community needs. Even with a small staff, the City has accomplished many projects in FY 2025. The following list highlights some of the most significant accomplishments in FY 2025.

Infrastructure Maintenance and Beautification

- ✓ Construction of the Public Safety Facility
- ✓ Completion of the Police and Parking Annex
- ✓ Completion of the James Way Beautification Project
- ✓ Completion of playground improvements at Palisades Park and Chumash Park
- ✓ Completion of the Toucan Terrace sewer trestle recoating
- ✓ Completion of the demolition of Digester #1 at the WWTP
- ✓ Construction of the Clarifiers Equipment Replacement
- ✓ Completion of Palisades and Chumash Park playgrounds
- ✓ Completion of the FY 2022 Paving Project
- ✓ Completion of the Oak Park Medical Plaza Parking Lot Repair
- ✓ Installation of new park signs throughout the City
- ✓ Significant progress on planning and design of the Charles St reservoir replacement project
- ✓ Clarifier gates repaired
- ✓ Replaced manual transfer switch at Vista Del Mar lift station fixing power issues
- ✓ Rewired and replaced damaged equipment at Five Cities lift station
- ✓ Repaired Ventana storm drain to address flooding issue on Ventana Drive near Chumash Park
- ✓ Completed installation of six painted public art benches along the James Way Corridor
- ✓ Completed painting of thirteen utility boxes as part of the City's public art initiatives

Housing, Health, and Safety

- ✓ Continued Community Camera Program expansion

- ✓ New License Plate Readers (LPRs) were purchased and installed in designated areas throughout the City to assist with investigations and criminal activity involving vehicles
- ✓ Implemented new technology which will allow officers to issue electronic citation for all vehicle code and municipal code violations
- ✓ New parking meters installed downtown, with updated software and functionality
- ✓ New Ford F-150 trucks have been built out for patrol operations and put into service
- ✓ Worked closely with the construction and design team for the new public safety center to ensure all operational needs are being addressed in the construction of the new building.
- ✓ Purchased new tasers to replace outdated taser systems
- ✓ Purchased the "Briefing Room" training system to provide daily training on changes to codes and case law.
- ✓ Continued support of planning and construction of Public Safety Fire Station
- ✓ State funded one additional full-time equivalent position at Shell Beach Fire Station 63 bringing minimum staffing to 3 per day
- ✓ Completed Phase 1 of treating high-risk areas within the City requiring fuel reduction to reduce impact from damaging wildfire
- ✓ Completed Vegetation Management Projects at Bluffs/Cave, Ontario, Chumash Park, and Shell Beach Reservoir
- ✓ Completed SB 1205 inspections
- ✓ Purchased and placed Engine 64 into service
- ✓ Recruitment and retention of 13 new Ocean Lifeguards through the last two USLA Academies

Preservation of essential services and fiscal health
- ✓ Fully funded the General Fund Reserve at 25% of General Fund budgeted operating expenditures
- ✓ Maintained the Risk Management Reserve for a total balance of $250 thousand to fund unanticipated general liability and workers' compensation costs
- ✓ Maintained the $500 thousand General Fund City Facility Reserve
- ✓ Maintained a $2.0 million Budget Stabilization set-aside of General Fund dollars

Economic Development
- ✓ Continued the process of updating the General Plan/Local Coastal Plan and Zoning Code that will provide the roadmap for future development for the City
- ✓ Provided high quality recreation programs throughout the community that are fun, educational, accessible, and safe for people of all ages and abilities
- ✓ Conference and Visitors Bureau along with the Special Event Committee administered permits for 75 Special Events in the City of Pismo Beach including the WSL SLO CAL Open at Pismo Beach which saw over 207k unique views online and had 93 press mentions and the Pismo Classic Car Show that had almost 1,000 classic car entries

Community Awareness and Communication
- ✓ Successfully printed and mailed a grant funded Wildland Preparedness Booklet to all City residents and businesses
- ✓ Formed a Pismo Beach Fire Safe Council Focus Group
- ✓ Increased enrollment in Junior Lifeguard program
- ✓ Continue to provide a high-quality life for residents and visitors such as Pumpkins in the Park, Egg-Stravaganza, Pacific Breeze Concert Series, Stride with the Tode, Movies in the Park, Holiday Harmony, Father Daughter Dance, and Neighborhood Events
- ✓ Recreation continues to provide numerous classes for all interests including fitness and youth camps such as art, volleyball, surf, ocean adventure, ocean explorer, baseball, tennis, and pickleball
- ✓ Achieved a record turnout for Stride with the Tide, with 420 participants
- ✓ Increased facility and park rentals by 10%.

FY 2026 Major Initiatives

The FY 2026 & FY 2027 City Goals build upon the success of the FY 2024 & FY 2025 City goals from the last two-year budget. Similar to the last two-year budget, the Council continues to focus on providing resources toward enhancing quality of life for residents; enhancing, beautifying, and maintaining the City's streets and infrastructure; ensuring the safety of the community; providing a sustainable water supply; addressing circulation and parking, and supporting development and housing access. The majority of these goals are continued from the last two-year budget, with the break out of a new City Goal of Streets and Infrastructure, that was included in the FY 2024 & FY 2025 quality of life City Goal as the City will be able to capitalize on an additional 0.5% transaction sales and use tax after the passage of Measure F-24 in the 2024 election.

- The Quality of Life City Goal includes investing building on community strengths to protect and enhance the City's quality of life and includes investments in various parks, including Dinosaur Caves Park, Boosinger Park, Shell Beach sports courts; Cliff & Ocean storm drain improvements; sidewalk cleaning and pressure washing; installing 17 trash cans at bus stop locations; parking lot and sports courts lighting; beach cleaning equipment; and other quality of life improvements.

- The Streets and Infrastructure City Goal is another continued goal, but in this two-year budget, it is its own goal to capitalize on an additional 0.5% transaction sales and use tax after the passage of Measure F-24 in the 2024 election. This City Goal includes routine street maintenance; paving and drainage projects, and various wastewater infrastructure projects.

- The Public Safety City Goal is another continued and important goal. This includes completing the new Public Safety Facility, ensuring a robust CalFire agreement, creating a lifeguard facility, as well as prioritizing retention of Police personnel and supporting technology investments that enhance public safety.

- The Council continues to prioritize Water Resources. This long-term goal and the Council’s commitment to achieving a more sustainable water supply, including conservation and focusing on implementing Central Coast Blue, continues to be a top priority. This goal also includes the implementation of a new production well and other water infrastructure projects.

- Another continued goal is Circulation and Parking, which includes updating the Downtown Study, continuing to work on downtown parking solutions, and turning City-owned 320 and 330 Main Street into parking lots.
- Finally, the Development and Housing Access goal is similar to the previous goal of Housing and Homelessness, which includes supporting an affordable housing renovation project; updating the City's Safety Element & Access Element; and contributions to the Five Cities Homeless Coalition.

These goals reflect our dedication to the well-being and prosperity of our community, building upon past successes and embracing new challenges for the benefit of all residents.

The FY 2026 and FY 2027 Adopted Budgets allocate resources to specific projects aligned with our six City Goals. These projects are designed with a keen understanding of our community's needs, built upon strong partnerships, financially supported by the City's stable position, and ultimately aimed to implement these **Clear Goals, Bold Vision**. As we move forward, the future looks promising for Pismo Beach, its residents, and visitors, thanks to our strategic investments that will have lasting positive impacts.

AWARD AND ACKNOWLEDGMENTS

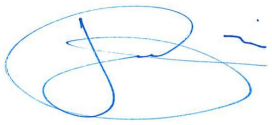
Award for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pismo Beach for its annual comprehensive financial report (ACFR) for the fiscal year ending on June 30, 2024. In order to receive this award, the City published an easily readable and efficiently organized ACFR. This report satisfies both U.S. generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a one-year period only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Administrative Services Department. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. I would also like to thank the City Council for its steadfast leadership, thoughtful policy direction, and forward-looking vision that continue to guide our organization. Credit must also be given to the Executive Management Team for their continued support for maintaining the highest standards of professionalism in the management of the City of Pismo Beach's financial affairs.

Respectfully submitted,



Jorge E. Garcia
City Manager



Nadia Feeser
Administrative Services Director

City Council

Mayor	Edward Waage
Mayor Pro Tempore	Mary Ann Reiss
Council Member	Marcia Guthrie
Council Member	Stacy Inman
Council Member	Scott Newton

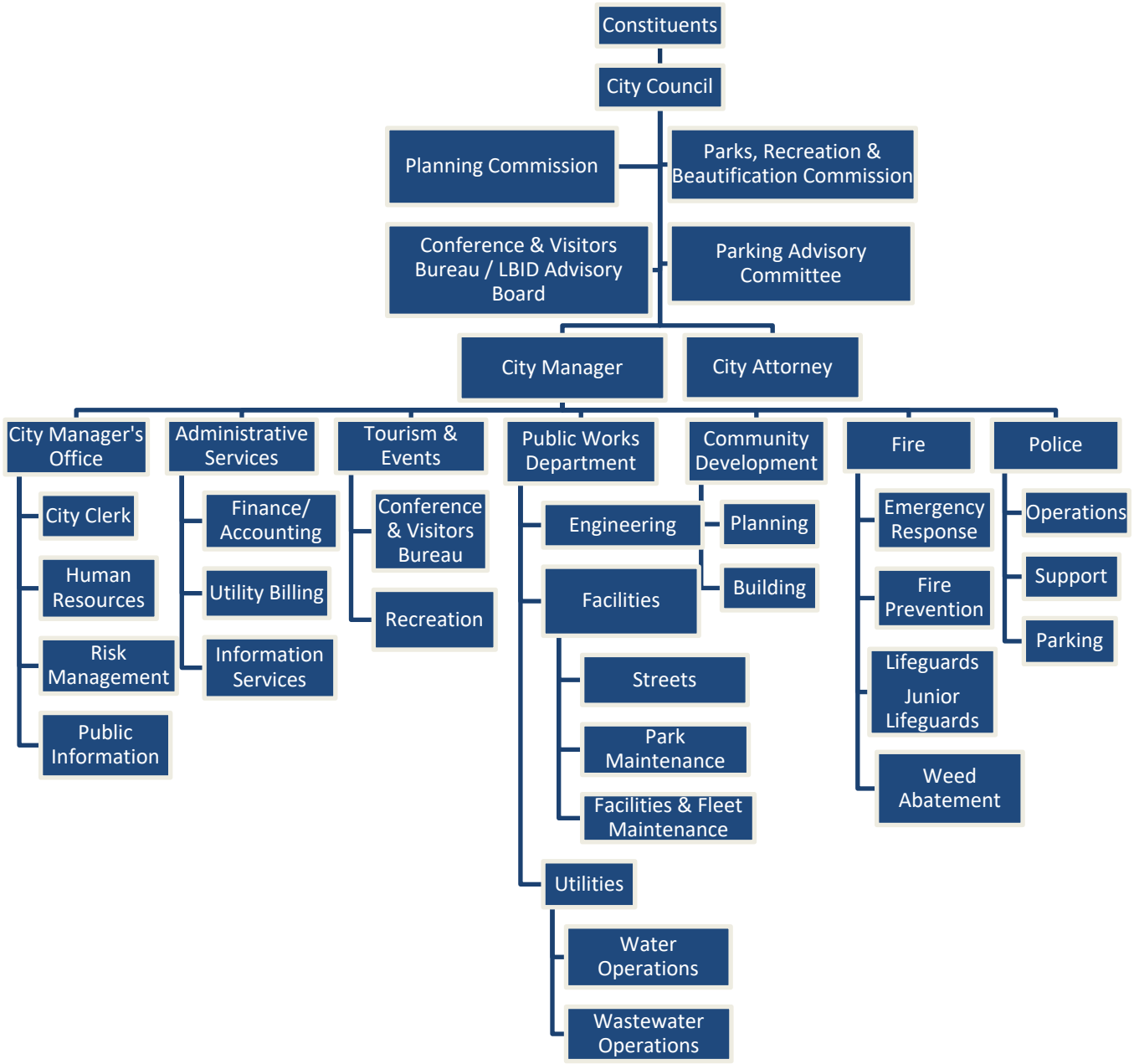
Executive Management Team

City Manager	Jorge E. Garcia
Administrative Services Director	Nadia Feeser
Community Development Director	Scot Graham
Fire Battalion Chief	Paul Lee
Police Chief	Jeff Smith
Public Works Director	Rosemarie Gaglione
Tourism & Events Director	Gordon Jackson

Year End Audit / Financial Statement Team

Administrative Services Director	Nadia Feeser
Finance Manager	Vanessa Garris
Finance Supervisor	Marc Arroyo
Accountant	Carson Caulk
Accountant	Heather Johnson
Accounting Technician	Emily France
Accounting Technician	Julia Goodman
Accounting Clerk	Brenda Alvarado
Accounting Clerk	Jessica Benzon
Office Assistant	Patty Geiselhart

City of Pismo Beach
Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Pismo Beach
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

Financial Section

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BADAWI & ASSOCIATES
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Pismo Beach
Pismo Beach, California

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the General Fund and major special revenue funds, and the required pension and OPEB schedules on pages 5-18 and 91–102 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund statements and the budgetary comparison schedules for the Capital Projects Fund and nonmajor governmental funds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

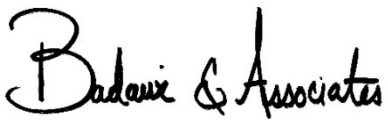
The combining and individual nonmajor fund statements and the budgetary comparison schedules for the Capital Projects Fund and nonmajor governmental funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund statements and the budgetary comparison schedules for the Capital Projects Fund and nonmajor governmental funds 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 comprehensive financial report. The other information comprises the information included in the annual comprehensive financial report but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 December 30, 2025 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.



Badawi & Associates, CPAs
Emeryville, California
December 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Pismo Beach's Annual Comprehensive Financial Report presents a narrative overview and analysis of the City's financial activities during the fiscal year that ended on June 30, 2025. Please read it in conjunction with the City's transmittal letter (in the Introductory Section) and the audited financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The following outlines financial highlights for the year:

- The City's total net position increased by about $8.04 million over the course of this year's operations after conducting all City operations and programs. The assets of the City exceeded its liabilities and deferred inflows/outflows of resources by about $213.49 million at the end of the 2025 fiscal year. Of that amount, $84.29 million (the unrestricted net position) may be used to meet the City's ongoing obligations and operating expenses for the next fiscal year.

- Overall City-wide revenues from all governmental and business-type activities increased by about $0.62 million compared to the 2024 fiscal year. The increase in revenues was largely in: other revenues of $1.47 million and property, sales and other taxes of $1.13 million greater than fiscal year 2024, offset by capital grants and contributions of $1.21 million and charges for services of $1.04 million less than the prior fiscal year.

- Transient Occupancy Tax (TOT) revenues increased by $0.10 million, or 0.7%, to $15.18 million in fiscal year 2025. This growth was driven primarily by increased visitor activity in the second half of the fiscal year, following unusually rainy and adverse weather conditions in the prior year, as well as higher average room rates compared to the previous fiscal year.

- The City's total expense of all programs in the 2025 fiscal year decreased by about $0.68 million, or 1.26% compared to the 2024 fiscal year. This decrease is largely attributable to increased spending of $4.11 million across the general government, public safety, community services, public works, water, and other programs, which is offset by a $4.78 million decrease in streets and wastewater compared to the previous fiscal year. The majority of this decrease, or $3.57 million, is related to wastewater, which largely reflects a $2.50 million one-time legal payment made in fiscal year 2024 and not in fiscal year 2025, and the timing of the Central Coast Blue project which included $0.95 million more in expenditures in fiscal year 2024 compared to fiscal year 2025.

- The General Fund reported a fund balance of $41.67 million at the end of the 2025 fiscal year; a 14 percent increase from the end of the 2024 fiscal year. This is a largely the result of net additional revenues over expenditures of $10.10 million offset by $4.96 million of net additional transfers out to other funds in fiscal year 2025 compared to fiscal year 2024, contributing $5.13 million to the fund balance. The General Fund total fund balance at the end of fiscal year 2024 was $36.54 million.

- The City also ended the 2025 fiscal year with $26.02 million reported in the proprietary enterprise funds (the amount of the net position available for use both restricted and unrestricted but excluding the net investment in capital assets).

- The City's other governmental funds ended the 2025 fiscal year with about $37.71 million available for special purposes.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements are comprised of three components: Government-wide Financial Statements, Fund Financial Statements, and Notes to the Financial Statements. This report also contains required supplementary information and a section containing combining statements and schedules for non-major governmental funds and proprietary funds.

Government-wide Financial Statements provide both long-term and short-term information about the City's overall financial status.

Fund Financial Statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

- The *governmental funds* statements tell how *general government* services like public safety, general government, community services, public works, and streets were financed in the *short-term* as well as what remains for future spending.
- *Proprietary fund* statements offer *short* and *long-term* financial information about the activities the government operates *like businesses*, such as the City's water, wastewater, parking, pier and transit systems.

Notes to the Financial Statements explain some of the information in the financial statements and provide more detailed data.

Figure A-1 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-1
Major Features of City of Pismo Beach's Government-Wide and Fund Financial Statements

		Fund Statements	
	Government-Wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government	The activities of the City that are not proprietary or fiduciary, such as police, fire, streets, general government, and community services	Activities the City operates similar to private businesses: the water, wastewater, parking, pier and transit systems
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balance	Statement of net position Statement of revenues expenses, and changes in net position Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies.

The two government-wide statements report the City's net position and how it has changed.

The **Statement of Net Position** presents information on all the City's assets and liabilities. The Net Position – the difference between the City's assets, deferred outflows, liabilities, and deferred inflows – is one way to measure the City's financial health, or position. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The **Statement of Activities** includes all of the current year's revenues and expenses regardless of when cash is received or paid. This shows how the government's net position changed during the most recent fiscal year.

Both government-wide financial statements of the City are reported in two categories:

- *Governmental activities* – All of the City's basic services are included here, such as general government, police, fire, streets, public works, and community services. property taxes, sales taxes, transient occupancy taxes, special and other taxes, user charges and fees and state, local and federal grants help to finance these activities.

- *Business-Type activities* - The City charges fees to customers to help cover the costs of certain services. The City's water, wastewater, parking, pier and transit enterprises are reported here.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law such as the State Gas Tax Fund and Transportation Development Act / Local Transportation and Transit Funds.

- The City Council establishes other funds to control and manage money for particular purposes such as the Capital Project Fund.

- Some funds are maintained to demonstrate that the City is properly using certain specific fees for their intended purpose such as the Impact Fee Funds.

- Other funds are maintained for similar purposes but in addition demonstrate the City's ability to repay its long-term debt obligations such as the revenue bonds.

The City has two kinds of funds:

- *Governmental funds* – The City's basic services are included in governmental funds, which focus on (1) how cash and other financial *assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term view* that helps you in determining whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explains the relationship (or differences) between them.

- *Proprietary funds* - The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions reported as business-type activities in the government-wide financial statements; the City's water, wastewater, parking, pier and transit operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles and its information technology systems. Because these services predominately benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide statements, only in more detail. The proprietary fund statements provide separate information for the City's water, wastewater, and pier operations, all of which are considered to be major funds of the City. The vehicle internal service fund and information technology internal service fund are presented in a separate column alongside the totals for the City's proprietary enterprise funds.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position. The City's *combined* net position increased about $8.04 million between fiscal years 2024 and 2025.

Table A-1

City of Pismo Beach's Net Position

(in millions of dollars)	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2025	2024	2025	2024	2025	2024	2024-2025
Current and other assets	$91.35	$54.86	$28.64	$29.44	$119.98	$84.30	42.33%
Capital assets	118.87	103.44	49.86	48.19	168.73	151.63	11.28%
Other noncurrent assets	6.79	6.61	0.21	0.16	7.00	6.77	3.44%
Total assets	**$217.01**	**$164.92**	**$78.71**	**$77.79**	**$295.72**	**$242.70**	**21.84%**
Deferred Outflows	5.83	8.74	0.90	1.39	6.72	10.13	-33.59%
Long-term debt outstanding	69.67	29.71	4.91	5.92	74.58	35.63	109.30%
Other liabilities	12.00	7.15	0.71	2.64	12.70	9.78	29.85%
Total liabilities	**$81.66**	**$36.86**	**$5.62**	**$8.56**	**$87.28**	**$45.41**	**92.19%**
Deferred Inflows	1.41	1.64	0.26	0.35	1.68	1.98	-15.35%
Net position							
Investment in capital assets	67.99	93.36	47.70	45.18	115.70	138.54	-16.49%
Restricted	12.10	10.21	1.40	1.19	13.50	11.40	18.45%
Unrestricted	59.67	31.59	24.62	23.92	84.29	55.51	51.85%
Total net position	**139.76**	**135.16**	**$73.73**	**$70.29**	**$213.49**	**$205.45**	**3.91%**

Net position of the City's governmental and business-type activities increased 3.91 percent to $213.49 million. About 57.1 percent of the net position of the City are represented by the City's net investment in its capital assets such as buildings, land, equipment, street systems, and facilities less related debt. The remaining 42.9 percent is essentially represented by cash, investments, and receivables. About 85.3 percent of the City's total liabilities are represented by long-term obligations including revenue bonds, state revolving fund loans in the Wastewater Fund, employee compensated absences, and self-insured portions of claims.

Changes in Net Position

Revenues: The City's fiscal year 2025 total revenues of about $62.68 million were about $0.62 million greater than revenues in fiscal year 2024, a 0.99 percent increase. (See Table A-2.) About 51.7 percent of the City's revenue comes from some type of tax revenue including property, sales, transient occupancy taxes (the hotel tax) and other taxes. The rest comes from fees charged for services, state, local and federal aid, and contributions.

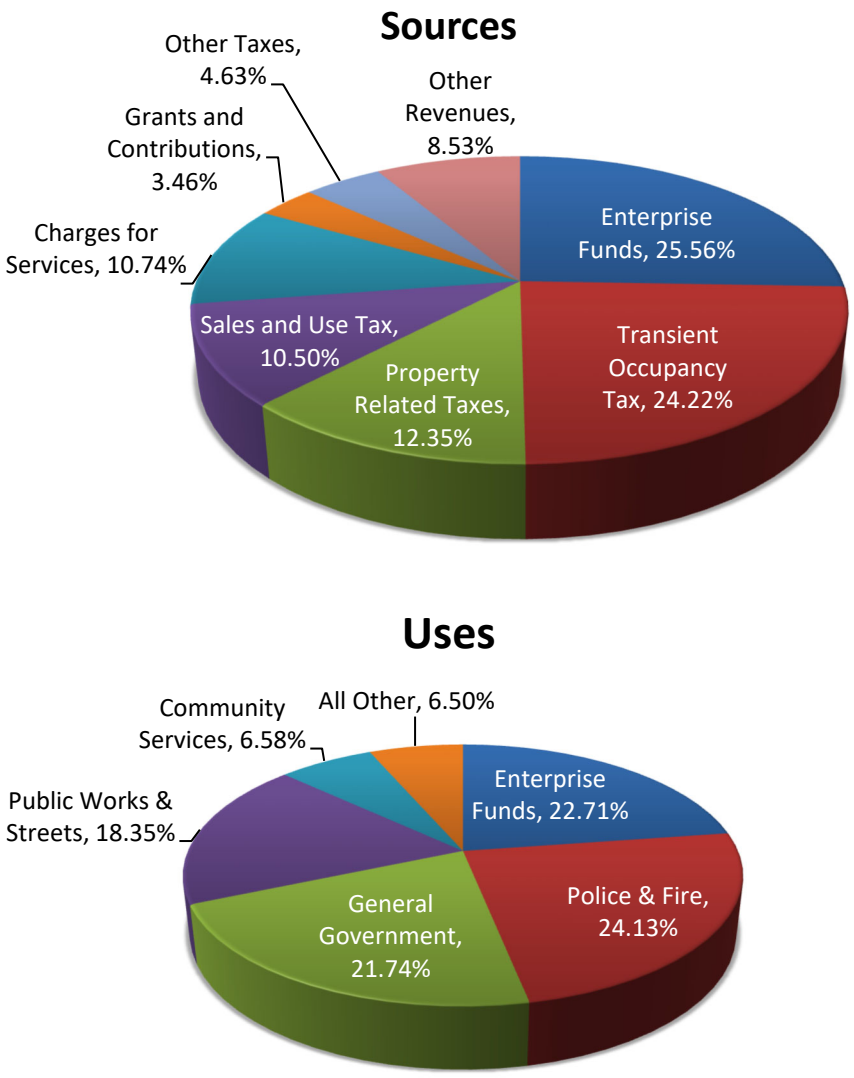
Expenses: The total cost of all programs and services in fiscal year 2025 was about $52.96 million and included a wide range of services such as police and fire protection, streets, public works, general government, community services, water, wastewater, parking, pier, and other services.

Table A-2
Changes in the City of Pismo Beach's Net Position

(in millions of dollars)	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2025	2024	2025	2024	2025	2024	2024-2025
Revenues							
Program revenues							
Charges for services	$6.73	$7.56	$15.87	$16.08	$22.60	$23.64	-4.40%
Operating grants and contributions	1.38	1.22	-	-	1.38	1.22	13.22%
Capital grants and contributions	0.79	0.56	0.15	1.59	0.94	2.15	-56.20%
General revenues							
Transient occupancy taxes	15.18	15.08	-	-	15.18	15.08	0.66%
Property, sales and other taxes	15.63	14.54	1.60	1.55	17.22	16.09	7.05%
Other	3.75	2.47	1.60	1.41	5.35	3.88	37.85%
Total revenues	**$43.46**	**$41.43**	**$19.21**	**$20.63**	**$62.68**	**$62.06**	**0.99%**
Expenses							
General government	11.51	10.54	-	-	11.51	10.54	9.23%
Public safety	12.78	12.41	-	-	12.78	12.41	2.97%
Streets	5.14	6.36	-	-	5.14	6.36	-19.15%
Community services	3.48	3.05	-	-	3.48	3.05	14.18%
Public works	4.58	4.34	-	-	4.58	4.34	5.50%
Water	-	-	6.88	6.65	6.88	6.65	3.49%
Wastewater	-	-	5.14	8.71	5.14	8.71	-40.94%
Other	2.20	0.46	1.25	1.12	3.44	1.58	117.93%
Total expenses	**$39.69**	**$37.16**	**$13.27**	**$16.48**	**$52.96**	**$53.64**	**-1.26%**
Excess (deficiency) before transfers/other	3.77	4.27	5.94	4.15	9.71	8.42	15.36%
Transfers	1.22	5.13	(1.22)	(5.13)	-	-	0.00%
Prior year restatement	(0.39)	0.03	(1.28)	(0.03)	(1.66)	-	100.00%
Increase (decrease) in net position	**4.60**	**9.43**	**3.44**	**(1.01)**	**8.05**	**8.42**	**-4.42%**
Net position, beginning of year	**$135.16**	**$125.73**	**$70.28**	**$70.28**	**$205.44**	**$196.01**	**4.81%**
Net position, end of year	**$139.760**	**$135.16**	**$73.73**	**$69.27**	**$213.49**	**$204.43**	**4.43%**

The sources of the City's major types of revenue and the areas where such resources are used are shown below in summary graphic form (governmental and business type activities):

Figure A-2
City's Major Revenue Sources and Uses



Governmental Activities

Revenues from all governmental activities in the 2025 fiscal year increased by about $2.03 million compared to the 2024 fiscal year. This increase is attributable to a $1.28 million increase in other general revenues, followed by an increase of $1.09 million in property, sales, and other taxes, an increase of $0.23 million in capital grants and contributions, an increase of $0.16 million in operating grants, and an increase of $0.10 million in transient occupancy taxes compared to fiscal year 2024. Offsetting these revenue increases is a decrease in charges for services by $0.83 million compared to fiscal year 2024.

The City's primary source of revenue comes from some kind of tax. About 70.9 percent of all City revenues in Governmental Activities come from taxes such as property, sales, transient occupancy, and other taxes.

Because the City of Pismo Beach is a tourist community, about 34.9 percent of all governmental activities revenues come from transient occupancy tax revenues (the local hotel tax). Local hotel tax revenues came in higher than fiscal year 2024 by 0.7 percent, or $0.10 million. This increase was driven primarily by increased visitor activity in the second half of the fiscal year, following unusually rainy and adverse weather conditions in the prior year, as well as higher average room rates compared to the previous fiscal year. Sales tax revenues, including the Transactions and Use Tax revenues, came in $723,703, or 12.4 percent, greater than fiscal year 2024. Sales and use tax revenues excluding the Transaction Sales Tax revenues, came in $235,077, or 6.1 percent, greater than fiscal year 2024. Transaction Sales Tax revenues came in 24.5 percent greater by $488,626 compared to fiscal year 2024. Sales and use tax revenues increased in 2025 compared to 2024 in fuel & service stations and restaurants & hotels. These increases were offset by declines in sales and use tax receipts from the following industries: autos & transportation, business and industry, food and drugs, building and construction, and general consumer goods compared to the previous fiscal year.

The majority of the City's governmental-activities operating expenses are related to public safety. Police and fire protection services together account for about 32.2 percent of the City's total fiscal year 2025 governmental operating expenses. Streets operations account for 13.0 percent of the City's total fiscal year 2025 governmental operating expenses. This is followed by public works activities, including maintenance of buildings, parks, and other City facilities, that account for about 11.5 percent of the City's fiscal year 2025 governmental operating expenses. Community services account for 8.8 percent of the total governmental activities operating expenses. The remaining 29.0 percent is attributable to general administration and other governmental functions.

When all operations were concluded, the governmental activities function generated a $4.60 million increase in net position for fiscal year 2025 compared to a $9.43 million increase in fiscal year 2024.

Table A-3 represents the cost of each of the City's governmental activities largest programs –public safety, general government, streets, public works, and community services.

Table A-3
Cost of City of Pismo Beach's Programs

(in millions of dollars)	Total Cost of Services		Percentage Change
	2025	2024	2024-2025
Public Safety	$12.78	$12.41	2.97%
General Government	11.51	10.54	9.23%
Streets	5.14	6.36	-19.15%
Public Works	4.58	4.34	5.50%
Community Services	3.48	3.05	14.18%
All Other	2.20	0.46	377.24%
Total	**$39.69**	**$37.16**	**6.81%**

The cost of *all programs* this year was $39.69 million, compared to $37.16 million in fiscal year 2024.

While users and contributors funded about $8.91 million of the costs of the City's governmental activity programs through related program revenues, the City still had to make up the short fall from general revenues such as taxes and this short fall was about $30.78 million. Major sources of program revenues were:

- Other governments and organizations that subsidized certain programs with grants and contributions (about $2.17 million), or
- Those who directly benefited from or used the programs amounted to $6.73 million.

The City paid for the $30.78 million "public benefit" portion out of the $34.56 million in general revenues such as property taxes, transient occupancy taxes, sales taxes, and with other tax revenues and investment earnings.

Overall, fiscal year 2025 total cost of services shows an increase of 6.81 percent compared to fiscal year 2024. Expenses increased in General Government, Public Safety, Community Services, Public Works, and Other areas compared to fiscal year 2024. Expenses decreased in the categories for Streets due to a large street paving project that, although was completed in fiscal year 2025, incurred the majority of cost during fiscal year 2024.

Business-Type Activities

The City's business-type activities (primarily water, wastewater, parking, and pier) were responsible for about a $4.45 million increase in net position for fiscal year ending 2025. Revenues in total decreased in the fiscal year 2025 by $1.42 million. Revenues for basic water services charges increased by $0.30 million, reflecting a 5.3 percent increase, in fiscal year 2025 compared to fiscal year 2024. Revenues for basic wastewater service charges increased by 6.2 percent, or $0.35 million, in fiscal year 2025 compared to fiscal year 2024. Water and wastewater service charges revenues reflect rate changes in year 2 of a 5-year rate increase plan. Parking kiosk and meter revenues increased by 2.3 percent, or $0.06 million, in fiscal year 2025 compared to the previous fiscal year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed the year, its governmental funds reported a combined fund balance of $79.38 million, about $32.83 million greater than the previous fiscal year, largely due to the Series 2024A Lease Revenue Bonds for the Public Safety Facility project bond proceeds that have not all been spent in during fiscal year 2025. Revenues increased compared to the previous fiscal year in subventions by $1.66 million from additional grant revenues, investment earnings by $1.55 million based on the performance of the market and the City's holdings, sales taxes by $0.72 million, and property taxes by $0.32 million. Revenues decreased by $0.72 million in charges for services and $0.18 million in license and permits. Expenditures increased by $9.09 million, or 20.8 percent from the previous year, including $6.30 million in capital outlay, $1.80 million in debt service interest payments for the Public Safety Facility bonds, $0.37 million in public works, and $0.32 million in community services, compared to fiscal year 2024.

The City's General Fund operations generated about $10.10 million more in revenues than was spent on governmental activities. From this excess and using a portion of the fund balance, the City transferred a total of $6.24 million out of the General Fund and into other funds. From the $6.24 million in transfers, about $3.53 million was transferred out to capital projects, $1.93 million was transferred to the Public

Financing Agency Fund (PFA) for debt service, $0.65 million was transferred to the Motor Vehicle Replacement Internal Service Fund and Information Technology Internal Service Fund, $0.08 million was transferred to the Wastewater Enterprise Fund for the IRS subsidy for the Series 2017B Clean Renewable Energy Bonds, and the remaining transfers went to the Pier Operations Fund and other funds. At year end, the City's General Fund had a fund balance of about $41.67 million, an increase of $5.13 million from the prior year of $36.54 million. Of the $41.67 million, about $16.48 million is unassigned, $15.83 million is designated for capital projects, and $9.07 million was designated for unanticipated emergencies.

Included in the City's major governmental funds, the Housing in Lieu Fee Fund surplus fund balance is $5.21 million, which can be used for affordable housing projects. The fund balance slightly decreased by $0.01 million from the prior fiscal year, which reflects receiving $0.01 million fewer in investment earnings than housing expenses. The Lodging Business Improvement District (LBID) Fund surplus fund balance is $3.56 million, which reflects the accumulation of funds for visitor-serving improvement projects planned, but not yet spent.

The Capital Project Fund types have a combined net fund balance of $26.24 million, an increase of $26.43 million over fiscal year 2024, consisting primarily of the Capital Projects Fund, where the City tracks all revenues and expenditures for Governmental Fund capital projects, the Park Development Fund, the Public Facilities Fund, the Circulation Improvement Fund, the Impact Fees Fund, Developer Impact Fees Fund, and Underground Utilities Fund. Expenditures exceeded revenues by $20.13+1 million in the Capital Projects Funds due to largely to the Public Safety Facility project construction compared to the prior fiscal year. This was offset by receiving $41.31 million in bond proceeds for the Public Safety Facility.

In addition, the City's non-major governmental funds ended the 2025 fiscal year with a combined fund balance of $2.70 million. Of this amount, $1.23 million is for non-major Special Revenue Funds which consist of the State Gas Tax Fund, the Local Transportation Street Fund, the Public Education Government (PEG) Fund, the Noncapital Grant Fund, and the Chapman Estate Fund. The non-major Debt Service Funds have a combined fund balance of $0.13 million, consisting of Pismo Beach Public Financing Agency and Authority and Completed Assessment District Funds.

General Fund Budgetary Highlights

Over the course of the year, the City Council revised the City's budget several times. These budget amendments fall into three categories: changes made during the year for unanticipated revenues and costs; increases in appropriations to prevent budget overruns; and carryover budgets for capital projects. Even with these adjustments, actual General Fund expenditures were $4.00 million less than final budget amounts. Budget amendments that occurred in revenues during the year included an increase of $0.17 million in General Fund revenues of various categories. Budgeted amendments that occurred in expenditures during the year include an increase of $1.80 million, which included ongoing cost increases to reflect inflationary pressure on costs and for one-time projects.

The largest components of General Fund revenues that came in higher than original estimates include Interest Earnings by $1.01 million, Sales Taxes by $0.58 million, Miscellaneous revenues by $0.37 million Property Taxes by $0.37 million, and Transient Occupancy Taxes by $0.26 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2025, the City had invested $168.73 million in a broad range of capital assets, including land, vehicles, equipment, the City Pier, water and wastewater system, streets, and other capital assets. (See Table A-4.) This amount represents a net change (including additions and deductions) of about $17.11 million, or a 11.28 percent increase from the previous year.

Table A-4

Pismo Beach's Capital Assets

(net of depreciation, in millions of dollars)	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2025	2024	2025	2024	2025	2024	2024-2025
Land and right of ways	$23.76	$23.76	$7.23	$3.93	$30.98	$27.68	11.92%
Construction in progress	21.39	10.21	3.36	3.08	24.76	13.29	86.22%
Buildings & Improvements	28.83	24.19	2.25	2.49	31.08	26.68	16.48%
Machinery and equipment	14.50	12.91	8.43	8.41	22.93	21.32	7.55%
Water Infrastructure	-	-	17.69	17.69	17.69	17.69	0.00%
Wastewater Infrastructure	-	-	35.77	35.77	35.77	35.77	0.00%
Pier	-	-	8.45	8.45	8.45	8.45	0.02%
Infrastructure-streets	97.36	97.16	-	-	97.36	97.16	0.21%
Accumulated depreciation	(66.97)	(64.79)	(33.32)	(31.63)	(100.28)	(96.42)	4.01%
Total	**$118.87**	**$103.44**	**$49.86**	**$48.19**	**$168.73**	**$151.63**	**11.28%**

This year's major capital asset changes included:

- *Completion Parking Annex Construction $2,460,787.06*
- *Completion Chumash and Sunset Palisades Park Improvements $2,154,705.91*
- *Completion James Way Beautification $2,046,905.30*
- *Completion Wadsworth Storm Drain $130,606.39*
- *Purchase of 2023 Spartan Pumper Fire Engine $842,468.56*
- *Purchase of Dulvo D3 Street Sweeper $245,424.13*
- *Land Purchase 350 Pismo Ave. $3,300,357.10*

Additional information on capital assets of the City can be found in Note 5 to the financial statements.

Long - Term Debt

At the end of fiscal year 2025, the City has the following long-term debt:

- $39.48 million in lease revenue bonds that were issued in 2024 by the Public Financing Agency for the General Fund supported Public Safety Facility project. The obligation bears interest at rates of 4 to 5 percent and is payable in semi-annual installments each June and December through 2054. The 2024A revenue bonds are being retired from the General Fund.
- $6.37 million in lease revenue bonds that were issued in 2017 by the Public Financing Agency for the General Fund supported Pier rehabilitation project. The obligation bears interest at rates of 2 to 5 percent and is payable in semi-annual installments each June and December through 2047. The 2017A revenue bonds are being retired from the General Fund.
- $3.02 million in lease revenue bonds that were issued in 2017 by the City of Pismo Beach's Public Financing Agency for the New Clean Renewable Energy Bonds (CREBs). The obligation bears interest at a net effective rate of 1.73% and is payable in semi-annual installments each June and December through 2037. These bonds were privately placed taxable bonds, where the debt service payments are offset by an Internal Revenue Service Subsidy, resulting in a net effective rate of 1.73% for the CREBs.
- The State Revolving Loans had outstanding balances of $2.16 million, which included $0.60 million for the Wastewater Treatment Loan, $0.16 million for the Pismo Oaks Lift Station Loan, and $1.40 million for the Five Cities Lift Station Loan, after the loan forgiveness of $1.05 million. The loans are being retired from Wastewater Fund revenues. Additional information on the City's long-term debt can be found in Note 6 to the financial statements.

Under previous arrangements, the City was self-insured for the first $200,000 for each worker's compensation claim and $100,000 for each general liability claim, the statement of net position also shows a (asset) or liability of about $0.04 million for estimated claim obligations. The City's General Fund as well as Water and Wastewater Enterprise Funds, pays all insurance-related costs.

Deferred Outflows/Inflows of Resources

A deferred outflow of resources "represent a consumption of net assets that applies to future periods" and a deferred inflow of resources is "represents an acquisition of net assets that applies to future period." It amends the financial statement element classifications of certain items previously reported as assets or liabilities and reclassifies them as deferred outflows and/or inflows of resources.

The City's Deferred Outflows of resources in the Governmental Activities and Business-Type Activities totaled $6.72 million in fiscal year 2025, with $6.55 million being pension related and $0.17 million OPEB related.

The City's Deferred Inflows of resources in the Governmental Activities and Business-Type Activities totaled $1.68 million in fiscal year 2025, with $0.87 million pension related, $0.53 million OPEB related, and $0.27 million leases related.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

For the 2026 fiscal year, the following list of items will affect the General Fund:

- The City Council's goals call for several large capital projects that will draw down the General Fund unrestricted fund balance in fiscal year (FY) 2026. These projects could include the completion of the Paving project, the Public Safety Facility (pay-as-you-go portion only), James Way Beautification, Ventana Sports Courts, Addie Street Parking and Access Improvements, and the Police Department Parking Division Annex.

- Implemented updated City Service Fees, following completion of a comprehensive fee study, public hearing, and City Council approval, effective July 1, 2025.

- Implemented updated City Development Impact Fees, based on a comprehensive fee study, public hearing, and City Council approval, effective July 1, 2025.

- Implementation of a full year of the voter-approved 1.0% Transactions and Use Tax, replacing the prior 0.5% rate, as authorized by Measure F-24 approved by voters in November 2024. The additional 0.5% increase effectively doubles the amount of Transactions and Use Tax revenue deposited into the General Fund.

- Maintain the General Fund Reserve, which is currently funded at 25% of operating budget expenditures.

- Maintain the Risk Management Reserve at $250,000 from the General Fund.

- Maintain $500,000 of reserves for a Facility Reserve from the General Fund.

- The City's CalPERS Retiree Benefit Trust is super funded and the City plans to withdraw surplus balances in the CalPERS Retiree Benefit Trust and is estimated to withdraw about $180,000 during fiscal year 2026.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Administrative Services Department, City of Pismo Beach, 760 Mattie Road, Pismo Beach, California, 93449, 805.773.4655.

BASIC
FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Pismo Beach

Statement of Net Position

June 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	$ 54,340,119	$ 26,048,817	$ 80,388,936
Restricted cash and investments	29,957,328	-	29,957,328
Taxes receivable	5,113,444	-	5,113,444
Accounts receivable, net	1,031,788	2,571,048	3,602,836
Due from other governments	594,198	-	594,198
Accrued interest receivable	120,127	2,009	122,136
Leases receivable	85,990	15,989	101,979
Prepayments	103,263	-	103,263
Total current assets	91,346,257	28,637,863	119,984,120
Noncurrent assets:			
Claims asset	41,217	-	41,217
Leases receivable	185,575	-	185,575
Notes and interest receivable	5,935,922	-	5,935,922
Net OPEB asset	629,372	211,811	841,183
Capital assets:			
Nondepreciable	45,149,865	10,588,908	55,738,773
Depreciable	140,686,543	72,590,237	213,276,780
Less accumulated depreciation	(66,967,004)	(33,316,818)	(100,283,822)
Total capital assets	118,869,404	49,862,327	168,731,731
Total noncurrent assets	125,661,490	50,074,138	175,735,628
Total assets	217,007,747	78,712,001	295,719,748
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pension	5,699,020	851,577	6,550,597
Deferred outflows - OPEB	130,075	43,775	173,850
Total deferred outflows of resources	5,829,095	895,352	6,724,447
LIABILITIES			
Current liabilities:			
Accounts payable	7,811,791	428,451	8,240,242
Accrued liabilities	2,428,746	102,641	2,531,387
Deposits	1,755,319	169,067	1,924,386
Accrued interest payable	-	5,042	5,042
Leases - current	82,277	-	82,277
Compensated absences - current	325,368	35,029	360,397
Bonds and loans - current portion	967,478	682,850	1,650,328
Total current liabilities	13,370,979	1,423,080	14,794,059
Noncurrent liabilities:			
Lease payable	26,837	-	26,837
Compensated absences	976,106	105,087	1,081,193
Net pension liability	17,485,855	2,612,828	20,098,683
Bonds and loans	49,802,387	1,474,632	51,277,019
Total noncurrent liabilities	68,291,185	4,192,547	72,483,732
Total liabilities	81,662,164	5,615,627	87,277,791
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	755,616	112,907	868,523
Deferred inflows of resources - OPEB	400,044	134,633	534,677
Deferred inflows of resources - leases	258,584	16,086	274,670
Total deferred inflows of resources	1,414,244	263,626	1,677,870
NET POSITION			
Net investment in capital assets	67,990,425	47,704,845	115,695,270
Restricted for:			
Debt service	129,642	-	129,642
Capital projects	717,319	1,190,282	1,907,601
OPEB Benefits	629,372	211,811	841,183
Affordable housing	5,211,139	-	5,211,139
Community development	3,861,237	-	3,861,237
Streets	1,550,639	-	1,550,639
Total restricted	12,099,348	1,402,093	13,501,441
Unrestricted	59,670,661	24,621,162	84,291,823
Total net position	$ 139,760,434	$ 73,728,100	$ 213,488,534

See accompanying Notes to Basic Financial Statements.

City of Pismo Beach

Statement of Activities

For the 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	Program Revenues: Total
Governmental activities:					
General government	$ 11,512,897	$ 4,940,688	$ 445,564	$ 281,355	$ 5,667,607
Public safety:					
Police protection	9,696,270	179,609	143,259	-	322,868
Fire protection	3,081,836	40,235	26,639	-	66,874
Streets	5,141,930	-	660,166	440,868	1,101,034
Community services	3,482,621	359,690	105,688	67,462	532,840
Public works	4,578,684	1,123,788	-	-	1,123,788
Redevelopment and housing	81,550	90,352	-	-	90,352
Interest on long-term debt	2,113,747	-	-	-	-
Total governmental activities	39,689,535	6,734,362	1,381,316	789,685	8,905,363
Business-type Activities:					
Water	6,881,847	6,167,066	-	152,016	6,319,082
Wastewater	5,143,754	6,261,851	-	-	6,261,851
Pier	269,815	77,865	-	-	77,865
Parking	978,225	3,359,315	-	-	3,359,315
Total business-type activities	13,273,641	15,866,097	-	152,016	16,018,113
Total primary government	$ 52,963,176	$ 22,600,459	$ 1,381,316	$ 941,701	$ 24,923,476
		General Revenues:			
		Property taxes			
		Sales taxes			
		Special water taxes			
		Transient occupancy taxes			
		Other taxes			
		Franchise taxes			
		Unrestricted investment earnings			
		Other revenue			
		Total general revenues			
		Transfers			
		Total general revenues and transfers			
		Change in net position			
		Net position - beginning of year			
		Restatements			
		Beginning of year, as restated			
		Net position - end of year			

See accompanying Notes to Basic Financial Statements

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (5,845,290)	$ -	$ (5,845,290)
(9,373,402)	-	(9,373,402)
(3,014,962)	-	(3,014,962)
(4,040,896)	-	(4,040,896)
(2,949,781)	-	(2,949,781)
(3,454,896)	-	(3,454,896)
8,802	-	8,802
(2,113,747)	-	(2,113,747)
(30,784,172)	-	(30,784,172)
-	(562,765)	(562,765)
-	1,118,097	1,118,097
-	(191,950)	(191,950)
-	2,381,090	2,381,090
-	2,744,472	2,744,472
(30,784,172)	2,744,472	(28,039,700)
7,740,115	-	7,740,115
6,580,851	-	6,580,851
-	1,595,231	1,595,231
15,179,514	-	15,179,514
446,038	-	446,038
862,560	-	862,560
3,746,331	1,599,906	5,346,237
2,160	-	2,160
34,557,569	3,195,137	37,752,706
1,218,351	(1,218,351)	-
35,775,920	1,976,786	37,752,706
4,991,748	4,721,258	9,713,006
135,156,954	70,283,405	205,440,359
(388,268)	(1,276,563)	(1,664,831)
134,768,686	69,006,842	203,775,528
$ 139,760,434	$ 73,728,100	$ 213,488,534

See accompanying Notes to Basic Financial Statements.

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FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Fund Financial Statements

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MAJOR GOVERNMENTAL FUNDS

General Fund - The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government not accounted and reported in another fund.

Housing In-Lieu - This fund is a special revenue fund used to account for affordable housing. The main revenue source is an in-lieu fee paid by developers at 5% of assessed valuation of building permits.

Lodging Business Improvement - This fund is used to account for monies raised to promote City lodging businesses.

Capital Projects - This fund is used to accumulate resources for use in financing major capital improvement projects.

City of Pismo Beach
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Special Revenue Funds: Housing In-Lieu	Special Revenue Funds: Lodging Business Improvement	Capital Projects
ASSETS				
Cash and investments	$ 41,511,013	$ 624,245	$ 3,355,943	$ 1,493,130
Cash and investments with fiscal agent	-	-	-	29,956,547
Taxes receivable	4,611,028	-	504,415	-
Accounts receivable	1,023,335	-	-	-
Due from other governments	-	-	-	535,315
Accrued interest receivable	1,363	117,701	269	-
Prepayments	101,341	-	-	-
Leases receivable	271,565	-	-	-
Notes and accrued interest receivable	-	5,935,922	-	-
Total assets	$ 47,519,645	$ 6,677,868	$ 3,860,627	$ 31,984,992
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	1,470,645	-	301,955	5,692,773
Accrued liabilities	2,406,828	-	1,910	-
Deposits	1,638,399	-	-	-
Total liabilities	5,515,872	-	303,865	5,692,773
Deferred Inflows of Resources				
Deferred inflows - leases	258,584	-	-	-
Unavailable revenue	75,062	1,466,729	-	53,764
Total deferred inflows of resources	333,646	1,466,729	-	53,764
Fund Balances:				
Nonspendable	286,916	-	-	-
Restricted for:				
Affordable Housing	-	5,211,139	-	-
Capital Projects	-	-	-	-
Community Business Promotion	-	-	3,556,762	-
Community Development	-	-	-	-
Debt Service	-	-	-	-
Park Development	-	-	-	-
Streets and Highways	-	-	-	-
Committed for:				
Capital Projects	15,480,416	-	-	-
City Facility Reserve	500,000	-	-	-
Risk Management Reserve	250,000	-	-	-
Assigned for:				
Capital Projects	351,456	-	-	26,238,455
General Fund Reserve	2,000,000	-	-	-
Unassigned:				
General Fund Reserve	6,322,713	-	-	-
Other	16,478,626	-	-	-
Total fund balances	41,670,127	5,211,139	3,556,762	26,238,455
Total liabilities, deferred inflows of resources and fund balances	$ 47,519,645	$ 6,677,868	$ 3,860,627	$ 31,984,992

See accompanying Notes to Basic Financial Statements.

Nonmajor Governmental Funds	Total Governmental Funds
$ 2,778,266	$ 49,762,597
781	29,957,328
-	5,115,443
8,226	1,031,561
58,883	594,198
526	119,859
-	101,341
-	271,565
-	5,935,922
$ 2,846,682	$ 92,889,814
26,730	7,492,103
-	2,408,738
116,920	1,755,319
143,650	11,656,160
-	258,584
-	1,595,555
-	1,854,139
-	286,916
-	5,211,139
396,968	396,968
	3,556,762
304,475	304,475
129,642	129,642
320,351	320,351
1,550,639	1,550,639
-	15,480,416
-	500,000
-	250,000
957	26,590,868
-	2,000,000
-	6,322,713
-	16,478,626
2,703,032	79,379,515
$ 2,846,682	$ 92,889,814

See accompanying Notes to Basic Financial Statements.

City of Pismo Beach

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position

June 30, 2025

Total Fund Balances - Total Governmental Funds			$ 79,379,515

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

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. Except for the internal service funds reported below, the capital assets were adjusted as follows:

	Government-Wide Statement of Net Position	Internal Service Funds	Total
Nondepreciable	$ 45,149,865	$ -	$ 45,149,865
Depreciable, net	73,719,539	(4,114,428)	69,605,111
Total capital assets	$ 118,869,404	$ (4,114,428)	114,754,976

Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the Internal service funds were included in governmental activities in the Government-Wide Statement of Net Position. 8,316,839

Unavailable revenues recorded in the fund financial statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements. 1,595,555

In the Government-Wide Financial Statements, deferred employer contributions for pension and OPEB, certain differences between actuarial estimates and actual results, and other adjustments resulting from changes in assumptions and benefits are deferred in the current year.

	Government-Wide Statement of Net Position	Internal Service Funds	Total
Deferred outflows of resources related to pensior	5,699,020	-	5,699,020
Deferred outflows of resources related to OPEB	130,075	-	130,075
Deferred inflows of resources related to pensior	(755,616)	-	(755,616)
Deferred inflows of resources related to OPEB	(400,044)	-	(400,044)

Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet.

	Government-Wide Statement of Net Position	Internal Service Funds	Total
Compensated absences - due within one year	$ (325,368)	$ 8,958	$ (316,410)
Long-term debt - due within one year	(1,049,755)	-	(1,049,755)
Compensated absences - due in more than one year	(976,106)	26,875	(949,231)
Claims (liability) asset, net	41,217	-	41,217
Long-term debt - due in more than one year	(49,829,224)	-	(49,829,224)
Net pension liability	(17,485,855)	-	(17,485,855)
Net OPEB asset (liability)	629,372	-	629,372
Total long-term liabilities	$ (68,995,719)	$ 35,833	(68,959,886)
Net Position of Governmental Activities			$ 139,760,434

See accompanying Notes to Basic Financial Statements.

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City of Pismo Beach

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the year ended June 30, 2025

		Special Revenue Funds		
	General Fund	Housing In-Lieu	Lodging Business Improvement	Capital Projects
REVENUES:				
Property taxes	$ 7,740,115	$ -	$ -	$ -
Sales taxes	6,580,812	-	-	-
Transient occupancy taxes	15,179,514	-	-	-
Other taxes	1,273,566	-	-	-
Licenses and permits	1,183,653	-	-	-
Fines and forfeits	65,417	-	-	-
Subventions and grants	643,140	-	-	1,657,023
Investment earnings	1,813,440	8,315	187,514	1,929
Rental income	188,805	-	-	-
Charges for services	369,127	-	-	-
Special assessments	-	-	2,757,171	-
Miscellaneous	2,165,352	-	-	-
Total revenues	37,202,941	8,315	2,944,685	1,658,952
EXPENDITURES:				
Current:				
General government	7,704,280	-	1,585,435	225,549
Public safety	11,940,239	-	-	-
Highways and streets	1,069,154	-	-	7,636
Community services	2,923,468	-	-	-
Public works	3,377,901	-	-	-
Housing	-	21,798	-	-
Capital outlay	41,118	-	-	21,210,925
Debt service:				
Principal	49,555	-	-	48,762
Interest and fiscal charges	930	-	-	291,138
Total expenditures	27,106,645	21,798	1,585,435	21,784,010
REVENUES OVER (UNDER) EXPENDITURES	10,096,296	(13,483)	1,359,250	(20,125,058)
OTHER FINANCING SOURCES (USES):				
Transfers in	1,275,626	-	-	5,271,039
Transfers out	(6,237,422)	-	(418,590)	(17,289)
Issuance of debt	-	-	-	41,305,407
Total other financing sources (uses)	(4,961,796)	-	(418,590)	46,559,157
Net change in fund balances	5,134,500	(13,483)	940,660	26,434,099
FUND BALANCES:				
Beginning of year	36,535,627	5,224,622	2,616,102	(195,644)
End of year	$ 41,670,127	$ 5,211,139	$ 3,556,762	$ 26,238,455

See accompanying Notes to Basic Financial Statements.

Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ 7,740,115
-	6,580,812
-	15,179,514
492,410	1,765,976
-	1,183,653
-	65,417
373,997	2,674,160
1,414,175	3,425,373
-	188,805
78,255	447,382
-	2,757,171
37,486	2,202,838
2,396,323	44,211,216
57,068	9,572,332
912	11,941,151
8,159	1,084,949
6,888	2,930,356
-	3,377,901
59,752	81,550
8,892	21,260,935
340,047	438,364
1,889,052	2,181,120
2,370,770	52,868,658
25,553	(8,657,442)
2,245,487	8,792,152
(1,933,711)	(8,607,012)
-	41,305,407
311,776	41,490,547
337,329	32,833,105
2,365,703	46,546,410
$ 2,703,032	$ 79,379,515

See accompanying Notes to Basic Financial Statements.

City of Pismo Beach

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

For the year ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds	$	32,833,105
Amounts reported for governmental activities in the Government-Wide Statement of Activities were different because:		
Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated lives as depreciation expense. This was the amount of capital assets recorded in the current period, net of the amount related to internal service funds of $950,563.		18,260,600
Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the governmental funds, net of the amount related to internal service funds of $399,524.		(3,584,249)
Losses on disposals of capital assets are not recorded in the governmental funds, but reduce net position on the Government-Wide Statements		(756,264)
Accrued compensated leave payments were reported as expenditures in the governmental funds, however expense is recognized in the Government-Wide Statement of Activities based on earned leave accruals.		(141,211)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of debt was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.		
Long-term debt repayments		438,364
Issuance of long-term debt		(41,305,407)
Amortization of bonds premium (discount), net		67,373
Changes in actuarially determined claim liabilities for uninsured claims do not provide curren financial resources and are not reported in the governmental funds.		(37,760)
Current year employer pension contributions are recorded as expenditures in the governmental funds, however, these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position.		2,401,544
Pension expense is reported in the Government-Wide Statement of Activities does not require the use of current financial resources, and therefore is not reported as expenditures in governmental funds.		(3,558,231)
Current year employer OPEB contributions are recorded as expenditures in the governmental funds, however, these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position.		58,371
OPEB expense is reported in the Government-Wide Statement of Activities does not require the use of current financial resources, and therefore is not reported as expenditures in governmental funds.		(14,287)
Unavailable revenues recorded in the fund financial statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements.		(322,491)
Internal service funds were used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds was reported with governmental activities.		652,291
Change in Net Position of Governmental Activities	$	4,991,748

See accompanying Notes to Basic Financial Statements.

PROPRIETARY FUND FINANCIAL STATEMENTS

Water Fund – This fund accounts for the operations of the City's water treatment and distribution system.

Wastewater Fund – This fund accounts for the operation of the City's wastewater treatment plant and collection facilities.

Pier Fund - This fund is used to account for operations refurbishment and maintenance of the City's pier located on the ocean front in downtown Pismo Beach.

Parking Fund - This fund is used to account for parking revenues, downtown parking pay stations and metering equipment, and related maintenance and operations.

City of Pismo Beach
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities			
	Water	Wastewater	Pier	Parking
ASSETS				
Current Assets:				
Cash and investments	$ 14,931,980	$ 9,157,717	$ 17,801	$ 1,941,319
Taxes receivable	-	-	-	-
Accounts receivable	1,266,060	1,136,459	5,232	163,297
Accrued interest receivable	1,172	717	-	120
Lease receivable	-	-	15,989	-
Prepayments	-	-	-	-
Total current assets	16,199,212	10,294,893	39,022	2,104,736
Noncurrent:				
Net OPEB asset	81,678	110,953	-	19,180
Capital assets:				
Land	1,930,563	214,759	33,425	5,046,893
Construction in progress	328,447	2,964,319	-	70,502
Improvements and buildings	460,697	19,534,151	400,236	1,850,428
Vehicles	-	-	-	-
Infrastructure	17,227,517	16,236,673	-	-
Equipment	4,002,423	3,956,868	-	474,506
Pier	-	-	8,446,738	-
Less accumulated depreciation	(10,758,978)	(20,795,341)	(1,197,270)	(565,229)
Net capital assets	13,190,669	22,111,429	7,683,129	6,877,100
Total noncurrent assets	13,272,347	22,222,382	7,683,129	6,896,280
Total assets	29,471,559	32,517,275	7,722,151	9,001,016
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - pension	327,529	445,441	-	78,607
Deferred outflows - OPEB	16,881	22,931	-	3,963
Total deferred outflows of resources	344,410	468,372	-	82,570
LIABILITIES				
Current liabilities:				
Accounts payable	173,171	198,344	4,244	52,692
Accrued liabilities	39,787	50,513	-	12,341
Deposits	159,467	-	9,600	-
Accrued interest payable	-	5,042	-	-
Compensated absences - current	15,004	15,531	-	4,494
Long-term debt - current portion	-	682,850	-	-
Total current liabilities	387,429	952,280	13,844	69,527
Noncurrent liabilities:				
Compensated absences	43,509	46,795	-	14,783
Net pension liability	1,004,933	1,366,711	-	241,184
Bonds and loans	-	1,474,632	-	-
Total noncurrent liabilities	1,048,442	2,888,138	-	255,967
Total liabilities	1,435,871	3,840,418	13,844	325,494
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension	43,426	59,059	-	10,422
Deferred inflows - OPEB	51,918	70,524	-	12,191
Leases	-	-	16,086	-
Total deferred inflows of resources	95,344	129,583	16,086	22,613
NET POSITION				
Net investment in capital assets	13,190,669	19,953,947	7,683,129	6,877,100
Restricted for capital projects	393,921	796,361	-	-
Restricted for OPEB benefits	81,678	110,953	-	19,180
Unrestricted	14,618,486	8,154,385	9,092	1,839,199
Total net position	$ 28,284,754	$ 29,015,646	$ 7,692,221	$ 8,735,479

See accompanying Notes to Basic Financial Statements.

Business-Type Activities Totals	Governmental Activities - Internal Service Funds
$ 26,048,817	$ 4,577,522
-	(1,999)
2,571,048	227
2,009	268
15,989	-
-	1,922
28,637,863	4,577,940
211,811	-
7,225,640	-
3,363,268	-
22,245,512	-
-	7,182,179
33,464,190	-
8,433,797	1,356,672
8,446,738	-
(33,316,818)	(4,424,423)
49,862,327	4,114,428
50,074,138	4,114,428
78,712,001	8,692,368
851,577	-
43,775	-
895,352	-
428,451	319,688
102,641	20,008
169,067	-
5,042	-
35,029	8,958
682,850	-
1,423,080	348,654
105,087	26,875
2,612,828	-
1,474,632	-
4,192,547	26,875
5,615,627	375,529
112,907	-
134,633	-
16,086	-
263,626	-
47,704,845	4,114,428
1,190,282	-
211,811	-
24,621,162	4,202,411
$ 73,728,100	$ 8,316,839

See accompanying Notes to Basic Financial Statements.

City of Pismo Beach

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

For the year ended June 30, 2025

	Business-Type Activities			
	Water	Wastewater	Pier	Parking
OPERATING REVENUES:				
Sales of water	$ 5,989,899	$ -	$ -	$ -
Service fees	116,360	6,141,799	77,865	3,428,690
Miscellaneous	60,807	120,052	-	(69,375)
Total operating revenues	6,167,066	6,261,851	77,865	3,359,315
OPERATING EXPENSES:				
Salaries and benefits	975,471	1,178,911	-	326,230
Purchased power	225,097	205,649	17,887	3,632
Services and supplies	1,570,380	2,628,424	66,981	465,774
Customer accounting	37,434	33,500	-	3,468
Joint operating expenses	3,640,488	29,377	-	-
Depreciation and amortization	432,977	1,022,083	184,947	176,290
Total operating expenses	6,881,847	5,097,944	269,815	975,394
Operating income (loss)	(714,781)	1,163,907	(191,950)	2,383,921
NONOPERATING REVENUES (EXPENSES):				
Property and special taxes	1,595,231	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-
Investment earnings	768,082	533,240	125	298,459
Interest expense	-	(45,810)	-	(2,831)
Total nonoperating revenues (expenses)	2,363,313	487,430	125	295,628
Income before contributions and transfers	1,648,532	1,651,337	(191,825)	2,679,549
CONTRIBUTIONS AND TRANSFERS:				
Transfers in	-	76,095	30,000	-
Transfers out	(55,202)	(356,615)	-	(912,629)
Capital contributions	152,016	-	-	-
Total contributions and transfers	96,814	(280,520)	30,000	(912,629)
Change in net position	1,745,346	1,370,817	(161,825)	1,766,920
NET POSITION:				
Beginning of year	26,966,386	28,487,537	7,854,046	6,975,436
Restatements	(426,978)	(842,708)	-	(6,877)
Beginning of year, as restated	26,539,408	27,644,829	7,854,046	6,968,559
End of year	$ 28,284,754	$ 29,015,646	$ 7,692,221	8,735,479

See accompanying Notes to Basic Financial Statements.

Business-Type Activities Totals	Governmental Activities - Internal Service Funds
$ 5,989,899	$ -
9,764,714	2,248,112
111,484	-
15,866,097	2,248,112
2,480,612	443,446
452,265	-
4,731,559	1,982,707
74,402	-
3,669,865	-
1,816,297	533,350
13,225,000	2,959,503
2,641,097	(711,391)
1,595,231	-
-	22,533
1,599,906	307,938
(48,641)	-
3,146,496	330,471
5,787,593	(380,920)
106,095	1,033,211
(1,324,446)	-
152,016	-
(1,066,335)	1,033,211
4,721,258	652,291
70,283,405	7,679,039
(1,276,563)	(14,491)
69,006,842	7,664,548
$ 73,728,100	$ 8,316,839

See accompanying Notes to Basic Financial Statements.

City of Pismo Beach

Combining Statement of Cash Flows

Proprietary Funds

For the year ended June 30, 2025

	Business-Type Activities			
	Water	Wastewater	Pier	Parking
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	$ 6,731,199	$ 7,368,444	$ 75,425	$ 3,376,100
Receipts from other funds for services	-	-	-	-
Payments to suppliers for goods and services	(5,336,118)	(4,890,119)	(90,839)	(535,873)
Payments to employees for wages and benefits	(890,369)	(1,073,507)	-	(306,003)
Net cash provided by (used in) operating activities	504,712	1,404,818	(15,414)	2,534,224
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Property and special taxes	1,595,231	-	-	-
Transfers from other funds	-	76,095	30,000	-
Transfers to other funds	(55,202)	(356,615)	-	(912,629)
Net cash provided by (used in) noncapital financing activities	1,540,029	(280,520)	30,000	(912,629)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Payments on long-term debt principal	-	(685,174)	-	(175,063)
Interest paid on long-term debt	-	(49,780)	-	(2,831)
Capital contributions	152,016	-	-	-
Receipts from sales of capital assets	-	-	-	-
Purchase of capital assets	(595,114)	(920,615)	1	(3,239,327)
Net cash provided by (used in) capital and related financing activities	(443,098)	(1,655,569)	1	(3,417,221)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	501,932	262,333	125	141,003
Gain (loss) on investments	279,952	279,648	-	158,989
Net cash provided by (used in) investing activities	781,884	541,981	125	299,992
Net cash flows	2,383,527	10,710	14,712	(1,495,634)
CASH AND INVESTMENTS - Beginning of year	12,548,453	9,147,007	3,089	3,436,953
CASH AND INVESTMENTS - End of year	$ 14,931,980	$ 9,157,717	$ 17,801	$ 1,941,319
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	$ (714,781)	$ 1,163,907	$ (191,950)	$ 2,383,921
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	432,977	1,022,083	184,947	176,290
Accounts receivable	564,991	1,106,593	(3,955)	16,785
Leases receivable	-	-	47,788	-
Prepayments	949	448	-	-
Deferred outflows of resources - pensions	147,559	200,679	-	35,414
Deferred outflows of resources - OPEB	44,036	59,818	-	10,340
Accounts payable	129,426	(503,590)	(5,971)	(64,366)
Accrued liabilities	6,906	(1,490,027)	-	1,367
Deposits	(858)	-	-	-
Compensated absences	24,346	22,769	-	5,616
Net pension liability	(79,880)	(108,636)	-	(19,171)
Net OPEB liability	(37,358)	(50,747)	-	(8,772)
Deferred inflows of resources - pension	(1,203)	(1,636)	-	(289)
Deferred inflows of resources - OPEB	(12,398)	(16,843)	-	(2,911)
Deferred inflows of resources - leases	-	-	(46,273)	-
Net cash provided by (used in) operating activities	$ 504,712	$ 1,404,818	$ (15,414)	$ 2,534,224

See accompanying Notes to Basic Financial Statements.

Business-Type Activities Totals	Governmental Activities - Internal Service Funds
$ 17,551,168	$ -
-	2,410,970
(10,852,949)	(1,878,469)
(2,269,879)	(423,478)
4,428,340	109,023
1,595,231	-
106,095	1,033,211
(1,324,446)	-
376,880	1,033,211
(860,237)	-
(52,611)	-
152,016	-
-	22,533
(4,755,055)	(2,041,606)
(5,515,887)	(2,019,073)
905,393	200,660
718,589	113,399
1,623,982	314,059
913,315	(562,780)
25,135,502	5,140,302
$ 26,048,817	$ 4,577,522
$ 2,641,097	$ (711,391)
1,816,297	533,350
1,684,414	162,858
47,788	-
1,397	-
383,652	-
114,194	-
(444,501)	104,238
(1,481,754)	5,554
(858)	-
52,731	14,414
(207,687)	-
(96,877)	-
(3,128)	-
(32,152)	-
(46,273)	-
$ 4,428,340	$ 109,023

See accompanying Notes to Basic Financial Statements.

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FIDUCIARY FUND FINANCIAL STATEMENTS

Custodial Fund – This fund accounts for collections for the San Luis Obispo County tourism tax of which 98% is remitted to the County and 2% remains with the City and is transferred to the general fund after collection.

City of Pismo Beach

Statement of Fiduciary Net Position

Fiduciary Fund

June 30, 2025

	Custodial Fund San Luis Obispo County Tourism Fund
ASSETS	
Cash and investments	$ 36,799
Accounts receivable	378,009
Total assets	414,808
LIABILITIES	
Accounts payable	414,808
Total liabilities	414,808
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	-
Total Net Position	$ -

See accompanying Notes to Basic Financial Statements.

City of Pismo Beach

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

For the year ended June 30, 2025

	Custodial Fund San Luis Obispo County Tourism Fund
ADDITIONS:	
Assessments collections for other governments	$ 2,068,205
Total additions	2,068,205
DEDUCTIONS:	
Payments of assessments to other governments	2,068,205
Total deductions	2,068,205
Change in net position	-
NET POSITION:	
Beginning of year	-
End of year	$ -

See accompanying Notes to Basic Financial Statements.

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NOTES TO BASIC FINANCIAL STATEMENTS

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1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Pismo Beach (the "City") is a general law city, governed by a City Council/City Manager form of government. The City Council is an elected five-member body comprising four City Council Members, who serve 4-year terms and a Mayor, who serves a 2-year term. Following an election, the Council votes to appoint one of its members to serve as Mayor Pro Tempore for two years. The accompanying financial statements present the City (the Primary government) and its component units, entities for which the government is considered financially accountable.

The City of Pismo Beach Public Financing Authority (the "Authority") and the Pismo Beach Public Financing Agency (the "Agency") are legally separate corporate entities for which the City is financially accountable and they are governed by the elected City Council. The Agency was created by a joint exercise of powers agreement between the City and the Pismo Beach Industrial Development Authority. The Authority and the Agency were formed to provide a method of financing public improvements. The City has identified the Authority and the Agency as blended component units in accordance with standards set by the Governmental Accounting Standards Board (GASB) and they have been included in the accompanying financial statements. The Authority and the Agency do not separately issue financial statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the City and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and wastewater function and other functions of the City. Elimination of these would distort the direct costs and program revenues reported for various functions concerned.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

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

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

GASB defines major funds and requires that the City's major governmental and proprietary funds be identified and presented separately in the fund financial statements. All other funds, called nonmajor funds, are combined and reported in a single column, regardless of their fund type.

Major funds are defined as funds that have assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses equal to ten percent of their fund-type total and at least five percent of the grand total. The General Fund is always a major fund. The City also selects other funds it believes should be presented as major funds.

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, Continued

The City reports the following major governmental funds:

General Fund - the government's primary operating fund. It accounts for all financial resources of the general government not accounted and reported in another fund.

Housing In-Lieu Fee Fund - special revenue fund used to account for affordable housing. The main revenue source is an in-lieu fee paid by developers at 5% of assessed valuation of building permits.

Lodging Business Improvement Fund - used to account for monies raised to promote City lodging businesses.

Capital Projects Fund - used to accumulate resources for use in financing major capital improvement projects.

The City reports the following major proprietary funds:

Water Fund - accounts for the operations of the City's water treatment and distribution system.

Wastewater Fund - accounts for the operation of the City's wastewater treatment plant and collection facilities.

Pier Fund - used to account for operations refurbishment and maintenance of the City's pier located on the oceanfront in downtown Pismo Beach.

Parking Fund - used to account for parking revenues, downtown parking pay stations and metering equipment, and related maintenance and operations.

Additionally, the City has established internal service funds which are used to account for the City's vehicle fleet and technology equipment and services provided to other City departments on a cost reimbursement basis.

The City has established a fiduciary fund to collect and record the San Luis Obispo County tourism tax of which 98% is remitted to the County and 2% remains with the City and is transferred to the general fund after collection.

D. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position or Fund Balance

Cash and Investments

The City's investment policy, consistent with the requirements of California Government Code Sections 53600–53601, authorizes the investment of funds in a broad range of instruments subject to specified credit quality, maturity, issuer, and portfolio allocation limits. Permitted investments include, but are not limited to: the State of California Local Agency Investment Fund (LAIF); U.S. Treasury securities; obligations of U.S. government agencies and government-sponsored enterprises; negotiable certificates of deposit; corporate bonds and medium-term notes; commercial paper; the California Asset Management Program (CAMP); mortgage pass-through and asset-backed securities; money market mutual funds; State of California and other state or local government securities; supranational obligations; banker's acceptances; repurchase agreements; and time deposits, along with the City's checking and savings (demand) deposit accounts.

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position or Fund Balance, Continued

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the City are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement data. The City uses the fair value hierarchy established by generally accepted accounting principles, using valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value.

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - Observable inputs, other than Level 1 prices, for the asset or liability, either directly or indirectly;

Level 3 - Unobservable inputs for the asset or liability.

For fiscal year ended June 30, 2025, the application of valuation techniques applied to the City's financial statements have been consistent.

Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as with "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Inventories and Prepayments

The City has no significant inventories. All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when used or consumed.

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position or Fund Balance, Continued

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepayments in the governmental funds are accounted for using the consumption method.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 ($50,000 for infrastructure type assets and software subscriptions) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement would be reported at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major capital outlay for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Type	Useful Life (years)
Building and Improvements	10 - 50 years
Public Domain Infrastructure	50 years
System Infrastructure	15 - 60 years
Vehicles and Equipment	5 - 10 years

Deferred Outflows of Resources

In addition to assets, the statement of financial position can report a separate section for deferred outflows of resources. This represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred outflows of resources related to unamortized loss on refunding, pension and OPEB related items.

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation benefits. There is a liability for unpaid accumulated vacation since the City does have a policy to pay employees for unused vacation when they separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured and have not been paid when due, for example, as a result of employee resignations and retirements.

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position or Fund Balance, Continued

Compensated absences comprise unused vacation, sick leave, and similar compensatory leave balances. Compensated absences (unpaid vacation, sick leave, and other compensatory leave) are recorded in the statements of net position. Liabilities for leave are assumed to be accrued using the First In, First Out (FIFO) method, meaning the leave that was earned first is used or paid first. The City has recorded a liability only when it is more likely than not the leave will be taken or paid for. All compensated absences and related costs are reported as incurred in the governmental-wide and proprietary fund financial statements, as these amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees. The liability for compensated absences is determined annually.

Long-Term Liabilities

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund statement of net position.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits - OPEB

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis.

For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

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

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position or Fund Balance, Continued

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources which represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue/contra expense) until that time.

The City has deferred inflows of resources in the governmental funds balance sheet that were not collected during the availability period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund Balances - Governmental Funds

Fund balance for governmental funds are reported in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. These classifications include (1) non-spendable, (2) restricted, (3) committed, (4) assigned and (5) unassigned amounts.

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either (a) not spendable in form such as inventories, prepaid items, and certain long-term receivables or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance - Includes amounts where constraints placed on the use of resources are externally imposed by grantors, contributors, other governments or by laws and regulations.

Committed Fund Balance - Includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority which includes City Resolution or legislation. It also includes contractual obligations for which existing amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same action it employed previously to commit those amounts.

Assigned - Amounts are fund balance amounts constrained by the City management's intent to be used for a specific purpose. Per City policy, intent is expressed by the City Manager or Director of Administrative Services to assign amounts to be used.

Unassigned - These are residual amounts reported in the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other government funds it is not appropriate to report a positive unassigned fund balance amount. However, in the government funds other than the general fund, if expenditures incurred for a specific purpose 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.

When expenditures are incurred for which both restricted and unrestricted (committed, assigned or unassigned) amounts are available, the City considered restricted amounts to have been spent first. When expenditures are incurred for which any class of unrestricted fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned, and then unassigned amounts.

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position or Fund Balance, Continued

The City maintains three reserves as part of their committed fund balance. The General Fund Reserve (GFR), City Facility Reserve (CFR) and Risk Management Reserve (RMR) are established by the City as stabilization arrangements. The GFR policy requires that a minimum balance of 25% of the general fund operating expenditure budget be maintained in any given year and is to be used for emergencies, economic downturns, decreased revenues, capital acquisitions, cash flow needs and emergency opportunities as defined by the policy. As of June 30, 2025 the balance in the GFR was $8,322,713. The CFR policy requires that $500,000 be set aside for improvements to city buildings and facilities particularly if funds are not available in a given fiscal year due to emergencies, economic downturn, decreased revenues or cash flow needs as defined by the policy. As of June 30, 2025, the balance in the CFR was $500,000. The RMR policy requires that $50,000 be set aside each year up to $250,000 to fund general liability and worker's compensation costs over 10% of the adopted budget for risk management costs, legal costs, and judgments. As of June 30, 2025, the balance in the RMR was $250,000.

Reconciliation of Government-Wide and Fund Financial Statements

A reconciliation between total fund balance of the governmental funds and total net position of the governmental activities as reported in the government-wide statement of net position is presented as part of the financial statements.

A reconciliation between total net change in fund balance of the governmental funds and total change in net position of governmental activities as reported in the government-wide statement of activities is presented as part of the financial statements.

There are no differences between total net position of the proprietary funds and total net position of the business-type activities as reported in the government-wide statement of net position.

E. Property Taxes

Property taxes are levied as of March 1 on property values assessed as of the same date. State statutes provide that the property tax rate be limited generally to 1% of market value, be levied by only the County, and be shared by applicable jurisdictions. The County of San Luis Obispo collects the taxes and distributes them to taxing jurisdictions on the basis of assessed valuations subject to voter-approved debt. Property taxes are due on November 1, and March 1, and become delinquent on December 10 and April 10. The City receives property taxes pursuant to an arrangement with the County known as the "Teeter Plan". Under the Teeter Plan the County assumes responsibility for the collection of delinquent taxes and pays the full allocation to the City. The City recognizes property tax revenues in the fiscal year in which they are due to the City.

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. New Pronouncements

The City adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements:

The GASB Statement No. 101, Compensated Absences - The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The City restated its beginning compensated absence balances and its current year accounting and disclosures as part of the implementation of this Statement.

The GASB Statement No. 102, Certain Risk Disclosures - The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The City implemented the requirement of this statement during the current fiscal year, which resulted in no disclosure.

2. CASH AND INVESTMENTS

At June 30, 2025, Cash and investments consisted of the following:

Statement of Net Position:		
Cash and Investments	$	80,388,936
Restricted Cash and Investments		29,957,328
Statement of Fiduciary Net Position:		
Cash and Cash Equivalents		36,799
Total Cash and Investments	$	110,383,063

Cash	$	10,265,882
Cash Held by Fiscal Agents		29,957,328
Investments		70,159,853
Total Cash and Investments	$	110,383,063

A. Custodial Credit Risk - Deposits

Custodial credit risk - deposits is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. Deposits with financial institutions, including negotiable CDs, totaled $22,180,811 at June 30, 2025 and were insured or collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

For custodial credit risk associated with deposits, the City's policy is to follow the California Government Code, which requires California financial institutions to secure the City's deposit by pledging government securities as collateral. The fair value of the pledged securities must equal 110% of the City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes equal to 150% of the City's deposits.

B. Investment Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Investments classified in Level 2 of the fair value hierarchy are valued using matrix pricing techniques. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

2. CASH AND INVESTMENTS, Continued

B. Investment Fair Value Measurements, Continued

The following is a summary of the fair value measurements as of June 30, 2025:

	Fair Value	Quoted Prices In Active Market For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Hierarchy:				
Treasury Note	$ 15,058,571	$ -	$ 15,058,571	$ -
US Government Agency Obligations	11,454,180	-	11,454,180	-
Negotiable Certificates of Deposit	11,047,663	-	11,047,663	-
Corporate Bonds	8,853,210	-	8,853,210	-
Mortgage Backed Securities	6,358,747	-	6,358,747	-
Bank Notes	486,545	-	486,545	-
Total Investments by Fair Value Hierarchy	$ 53,258,916	$ -	$ 53,258,916	$ -
Investment Not Subject to Fair Value Hierarchy:				
California Asset Management Program (CAMP)	15,072,142			
Money Market Funds	1,417,479			
State Local Agency Investment Fund (LAIF)	411,316			
Total Investments Not Subject to Fair Value	16,900,937			
Total Investments Measured at Fair Value	$ 70,159,853			

C. Local Agency Investment Fund

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF management calculates the fair value and cost of the entire LAIF pool. The City adjusts its cost basis invested in LAIF to fair value based upon this factor. The City's investments with LAIF at June 30, 2025, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes – are 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 have embedded forwards or options.

Asset-Backed Securities – the bulk of which are mortgage-backed securities, 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 (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2025, the City had $411,316 invested in LAIF, which had invested 3.81% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 3% in the previous year. The LAIF fair value factor of 1.00119831 was used to calculate the fair value of the investments in LAIF.

2. CASH AND INVESTMENTS, Continued

D. Custodial Credit Risk - Investments

Custodial credit risk - investments is the risk that in the event of the failure of a counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. All of the City's investments in securities are insured or registered and held by a counterparty in the City's name in accordance with the City's policies. The City's investment policy specifies that securities are to be held by a third party, other than the counterparty, in the City's name, whenever possible.

E. Interest Rate Risk

Interest rate risk is the risk that the fair value of securities in the portfolio will fall due to changes in general interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to securities having a maturity date of five years or less at the date of purchase.

At June 30, 2025 maturities were as follows for the City's investments:

Liquidity	Amount
0 to 30 days	$ 16,900,937
FY 2026	10,300,595
FY 2027	11,864,379
FY 2028	14,182,293
FY 2029	9,198,433
FY 2030	7,713,216
Total Investments	$ 70,159,853

F. Concentration of Credit Risk

The City's policies in the Investment Management Plan provide guidelines (by type of investment vehicle that limits either the dollar amount, the percent of the portfolio or the maturity term) for diversifying the investment portfolio so that potential losses on individual securities will be minimized. Investment in U.S. Government Agency Obligation represents 16% of the City's investments at June 30, 2025. These U.S. government-sponsored enterprise agency securities are not explicitly guaranteed by the U.S. Government.

G. Credit Risk

Credit risk is the risk of loss due to the failure of the security issuer or backer. The City's policy is to mitigate this risk by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm the investment portfolio.

2. CASH AND INVESTMENTS, Continued

G. Credit Risk, Continued

At June 30, 2025, credit risk ratings were as follows for the City's investments:

	Rating (S&P)	Fair Value
California Asset Management Program (CAMP)	Unrated	$ 15,072,142
Treasury Note	Unrated	15,058,571
Negotiable Certificates of Deposit	Unrated	11,047,663
Mortgage Backed Securities	Unrated	6,358,747
Money Market Funds	Unrated	1,417,479
State Local Agency Investment Fund (LAIF)	Unrated	411,316
Corporate Bonds	Unrated	216,595
Corporate Bonds	AAA	307,062
U.S. Government Agency Obligations	AA+	11,454,180
Corporate Bonds	AA	151,718
Corporate Bonds	AA-	2,834,652
Bank Notes	AA-	486,545
Corporate Bonds	A+	2,195,030
Corporate Bonds	A-	1,475,619
Corporate Bonds	A	1,672,534
Total Investment		$ 70,159,853

3. NOTE RECEIVABLE

In 2012, the City entered into a note receivable agreement for a loan in the amount of $1,657,235 for the development of affordable housing. The loan bears interest at 3% per annum. Principal and interest are due and payable in full in 2066. The loan is secured by a deed of trust and a regulatory agreement. At June 30, 2025, the current principal balance and accrued interest on the note receivable were $1,086,826 and $486,079, respectively.

In 2021, the City entered into a note receivable agreement with Peoples' Self-Help Housing (a non-profit organization) for a loan in the amount of $2,500,000 for the development of affordable housing. The loan bears no interest. Principal is due and payable in full in 2076. Further, the City entered into an agreement to where the Development Impact Fees in the amount of $419,341 would be deferred and become payable in full in 2076. The loans are secured by a deed of trust and a regulatory agreement. At June 30, 2025, the current principal balance on the note receivable was $2,500,000 and $419,341 for deferred fees.

In 2021, the City entered into a note receivable agreement with Housing Authority of SLO (a non-profit organization) for a loan in the amount of $1,000,000 for the development of affordable housing. The loan bears no interest. Principal is due and payable in full in 2076. Further, the City entered into an agreement to where the Development Impact Fees would be deferred and become payable in full in 2076. The loans are secured by a deed of trust and a regulatory agreement. At June 30, 2025, the current principal balance on the note receivable was $1,000,000 and $443,676 for deferred fees.

4. LEASE RECEIVABLE

In implementing GASB Statement 87, the City recognized a lease receivable and deferred inflows of resources for the leasing of various City-owned structures and land. The City recognized revenues of $153,003 from these leases, associated interest, and variable payments.

The following tables are a summary of the various leases that make up the balance of lease receivables:

Governmental Activities:

Description	Payment Terms	Lease End	Interest Rate	Receivable as of June 30, 2025
Charter	$3,461 monthly, increasing 3% every January	11/30/2026	0.19%	$ 66,570
Edward Jones	$2,095 monthly, increasing annually to $2,435 by 2026	10/31/2030	0.46%	130,167
Vertical Bridge	$2,816 monthly in 2025, increasing by 3% every February	8/23/2027	0.19%	74,828
Total				$ 271,565

Business-Type Activities:

Description	Payment Terms	Lease End	Interest Rate	Receivable as of June 30, 2025
Airstreams	$4,215 monthly decreasing to $1,844 in November 2025. Additionally, 2% of gross receipts exceeding monthly base fee.	10/31/2025	0.22%	$ 15,989
Total				$ 15,989

The Pier Fund's primary purpose is to rent out the Pismo Beach Pier to other entities. In the fiscal year ended June 30, 2025, the City recognized $15,916 in additional payments over the base lease payments in the Pier Fund. The following is the payment schedule for the lease of the City's one Airstream:

Year Ending June 30,	Principal	Interest	Total
2026	$ 15,989	$ 11	$ 16,000
Total	$ 15,989	$ 11	$ 16,000

5. CAPITAL ASSETS

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

	Balance June 30, 2024	Additions	Transfers/ Deletions	Balance June 30, 2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 18,688,795	$ -	$ -	$ 18,688,795
Right-of-Way - Street System	5,068,528	-	-	5,068,528
Construction in Progress	10,207,546	16,994,083	(5,809,087)	21,392,542
Total Capital Assets, Not Being Depreciated	33,964,869	16,994,083	(5,809,087)	45,149,865
Capital Assets, Being Depreciated				
Buildings & Improvements	24,192,516	6,766,891	(2,130,675)	28,828,732
Vehicles & Equipment	12,591,544	2,151,100	(569,102)	14,173,542
Right-to-use asset - Equipment	324,664	-	-	324,664
Infrastructure	97,159,666	-	199,939	97,359,605
Total Capital Assets, Being Depreciated	134,268,390	8,917,991	(2,499,838)	140,686,543
Accumulated Depreciation and Amortization:				
Buildings & Improvements	(12,339,774)	(887,120)	1,374,411	(11,852,483)
Vehicles & Equipment	(7,627,786)	(962,723)	568,382	(8,022,127)
Right-to-use asset - Equipment	(121,902)	(96,270)	-	(218,172)
Infrastructure	(44,702,738)	(2,171,484)	-	(46,874,222)
Total Accumulated Depreciation and Amortization	(64,792,200)	(4,117,597)	1,942,793	(66,967,004)
Total Capital Assets, Being Depreciated, Net	69,476,190	4,800,394	(557,045)	73,719,539
Net Capital Assets, Governmental Activities	$ 103,441,059	$ 21,794,477	$ (6,366,132)	$ 118,869,404

5. CAPITAL ASSETS, Continued

	Balance June 30, 2024	Additions	Transfers/ Deletions	Balance June 30, 2025
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 3,925,283	$ 3,300,357	$ -	$ 7,225,640
Construction in Progress	3,084,136	279,132	-	3,363,268
Total Capital, Assets, Not Being Depreciated	7,009,419	3,579,489	-	10,588,908
Capital Assets, Being Depreciated:				
Buildings & Improvements	22,245,513	-	-	22,245,513
Right-to-use - Improvements	241,728	-	(241,728)	-
Vehicles & Equipment	8,413,723	20,073	-	8,433,796
Infrastructure	33,464,190	-	-	33,464,190
Pier	8,446,738	-	-	8,446,738
Total Capital Assets, Being Depreciated	72,811,892	20,073	(241,728)	72,590,237
Accumulated Depreciation				
Buildings & Improvements	(9,816,572)	(775,175)	-	(10,591,747)
Right-to-use - Improvements	(73,861)	-	73,861	-
Vehicles & Equipment	(4,758,202)	(218,201)	-	(4,976,403)
Infrastructure	(16,025,042)	(600,311)	-	(16,625,353)
Pier	(954,378)	(168,937)	-	(1,123,315)
Total Accumulated Depreciation	(31,628,055)	(1,762,624)	73,861	(33,316,818)
Total Capital Assets, Being Depreciated, Net	41,183,837	(1,742,551)	(167,867)	39,273,419
Net Capital Assets, Business-type Activities	$ 48,193,256	1,836,938	$ (167,867)	$ 49,862,327

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	$ 662,434
Public Safety	683,075
Streets	1,056,237
Community Services	539,474
Public Works	1,176,377
Total Depreciation - Governmental Activities	$ 4,117,597

5. CAPITAL ASSETS, Continued

Business-Type Activities:	
Water	$ 432,977
Wastewater	1,022,083
Pier	184,947
Parking	122,617
Total Depreciation - Business-type Activities	$ 1,762,624

6. LONG-TERM DEBT

The City's internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities of the internal service funds are included in governmental activities in the statement of net position. At June 30, 2025, compensated absences of the internal service funds were $35,833.

For the governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund. See Note 11 for further discussion on claims liability.

Long-term activity for the year ended June 30, 2025 was as follows:

	Balance June 30, 2024	Restatement	Additions	Deductions	Balance June 30, 2025	Due Within One Year
Governmental Activities:						
Compensated Absences	$ 757,580	$ 388,268	$ 155,626	$ -	$ 1,301,474	$ 325,368
Leases	207,431	-	-	(98,317)	109,114	82,277
Lease Revenue Bonds	9,725,627	-	39,475,000	(340,047)	48,860,580	967,478
Unamortized Bond Premiums	146,251	-	1,830,407	(67,373)	1,909,285	-
Total Long-term Debt Governmental Activities	$ 10,836,889	$ 388,268	$41,461,033	$ (505,737)	$ 52,180,453	$ 1,375,123
Business-Type Activities:						
Compensated Absences	$ 80,509	$ 57,079	$ 2,528	$ -	$ 140,116	$ 35,029
Leases	175,063	-	-	(175,063)	-	-
State Revolving Loans from Direct Borrowings	2,842,656	-	-	(685,174)	2,157,482	682,850
Total Long-term Debt Business-type Activities	$ 3,098,228	$ 57,079	$ 2,528	$ (860,237)	$ 2,297,598	$ 717,879

6. LONG-TERM DEBT, Continued

A. 2017 Lease Revenue Bonds

In June 2017, the Agency issued lease revenue bonds (2017 bonds) in the amount of $7,685,000 to fund the rehabilitation of the Pismo Beach pier. The debt is reported within the governmental activities and the related debt service payments are reported within the General Fund. The Base Rental Payments from a lease between the City and the Agency have been pledged by the Agency as security for the payment of principal and interest on the 2017 bonds. The City agreed to take such action as is necessary to budget for and to appropriate such amounts. The bonds maturing on or after December 1, 2027 are subject to redemption prior to maturity as specified in the bond resolution. The 2017 bonds bear interest at rates from 2% to 5%. Principal and interest are payable in semi-annual installments each June 1 and December 1 through 2047.

In the Statement of Net Position, the 2017 bonds include the related unamortized premium which is being amortized and charged to expense over the term of the 2017 bonds. At June 30, 2025, the unamortized premium was $139,892.

At June 30, 2025, future minimum principal and interest payments on the 2017 bonds were as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 180,000	$ 221,613	$ 401,613
2027	190,000	213,312	403,312
2028	195,000	205,612	400,612
2029	205,000	197,613	402,613
2030	210,000	189,312	399,312
2031-2035	1,195,000	814,688	2,009,688
2036-2040	1,400,000	602,043	2,002,043
2041-2045	1,655,000	345,463	2,000,463
2046-2048	1,135,000	60,462	1,195,462
Total	$ 6,365,000	$ 2,850,118	$ 9,215,118

B. 2017B Lease Revenue Bonds

In December 2017, the Agency issued lease revenue bonds (2017B Federally taxable New Clean Renewable Energy Bonds) in the amount of $4,061,917 to fund the construction and installation of a fully-integrated solar photovoltaic generation and storage facility at the City's Wastewater Treatment Plant and an integrated solar photovoltaic generation facility at the Police Department. The debt is reported within the governmental activities and the related debt service payments are reported within the Public Financing Agency fund. The Base Rental Payments from a lease between the City and the Agency have been pledged by the Agency as security for the payment of principal and interest on the 2017B bonds. The City agreed to take such action as is necessary to budget for and to appropriate such amounts. The 2017B bonds bear interest at 4.370%. Principal and interest are payable in semi-annual installments each June 1 and December 1 through 2037.

6. LONG-TERM DEBT, Continued

B. 2017B Lease Revenue Bonds, Continued

At June 30, 2025, future minimum principal and interest payments on the 2017B bonds were as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 177,478	$ 128,122	$ 305,600
2027	185,234	120,196	305,430
2028	193,329	111,925	305,254
2029	201,777	103,291	305,068
2030	210,595	94,281	304,876
2031-2035	1,199,332	321,851	1,521,183
2036-2038	852,835	56,966	909,801
Total	$ 3,020,580	$ 936,632	$ 3,957,212

C. 2024A Lease Revenue Bonds

On July 23, 2024, the Agency issued the Pismo Beach Public Financing Agency Series 2024A Lease Revenue Bonds in the amount of $39,475,000 to finance the Public Safety Facility project. The debt is reported within the governmental activities and the related debt service payments are reported within the General Fund. Base Rental Payments pursuant to the Lease Agreement between the City and the Agency have been pledged as security for payment of principal and interest on the 2024A bonds.

The 2024A bonds are payable on a parity basis with the Agency's previously issued lease revenue bonds and with any additional bonds issued under the related indenture. The bonds bear interest at rates ranging from 4% to 5%, and principal and interest are payable semi-annually each June 1 and December 1 through 2054.

At June 30, 2025, future minimum principal and interest payments on the 2024A bonds were as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 610,000	$ 1,764,850	$ 2,374,850
2027	640,000	1,733,600	2,373,600
2028	670,000	1,700,850	2,370,850
2029	705,000	1,666,475	2,371,475
2030	740,000	1,630,350	2,370,350
2031-2035	4,290,000	7,544,250	11,834,250
2036-2040	5,470,000	6,329,750	11,799,750
2041-2045	6,985,000	4,780,125	11,765,125
2046-2050	8,740,000	3,026,000	11,766,000
2051-2054	10,625,000	1,095,900	11,720,900
Total	$ 39,475,000	$ 31,272,150	$ 70,747,150

6. LONG-TERM DEBT, Continued

D. State Revolving Fund Loans from Direct Borrowings

The City entered into an agreement with the State Water Resources Control Board for a $10,154,284 loan with an effective interest rate of approximately 1.8% for the purpose of financing wastewater system improvements.

At June 30, 2025, future minimum principal and imputed interest payments on this loan payable were as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 598,469	$ 10,790	$ 609,259
Total	$ 598,469	$ 10,790	$ 609,259

The City entered into a second agreement with the State Water Resources Control Board for $231,904 loan with an effective interest rate of approximately 1.8% for the purpose of financing the Park Cypress Interceptor. This loan was paid off in its entirety in February 2025.

The City also entered into a third agreement with the State Water Resources Control Board for an additional $838,134 loan with an effective interest rate of approximately 1.8% for the purpose of financing the Pismo Oaks Lift Station.

At June 30, 2025, future minimum principal and imputed interest payments on this loan payable were as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 39,016	$ 2,891	$ 41,907
2027	39,719	2,187	41,906
2028	40,436	1,471	41,907
2029	41,164	742	41,906
Total	$ 160,335	$ 7,291	$ 167,626

The City entered into a fourth agreement with the State Water Resources Control Board for a $2,927,304 loan with an effective interest rate of approximately 1.7% for the purpose of financing the Five Cities Lift Station. As of June 30, 2025, $2,631,833 had been drawn down. In 2020, $1,050,000 was forgiven.

6. LONG-TERM DEBT, Continued

D. State Revolving Fund Loans from Direct Borrowings, Continued

At June 30, 2025, future minimum principal and interest payments on this loan payable were as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 45,365	$ 23,777	$ 69,142
2027	46,136	23,006	69,142
2028	46,921	22,222	69,143
2029	47,718	21,424	69,142
2030	48,529	20,613	69,142
2031-2035	255,306	90,406	345,712
2036-2040	277,758	67,955	345,713
2041-2045	302,184	43,529	345,713
2046-2050	328,758	16,955	345,713
Total	$ 1,398,675	$ 329,887	$ 1,728,562

E. Direct Borrowings

All of the City's State Revolving Loans are from direct borrowings. There are no provisions for the outstanding loans in the event of default and no assets were held as collateral.

The City has pledged future wastewater system revenues, net of specified operating expenses, to repay the State Revolving Fund Loans. Proceeds from the loans were used to complete a major upgrade to the City's wastewater treatment plant and related facilities. The loans are payable solely from wastewater customer net revenues and are payable through 2050. For the year ended June 30, 2025, principal and interest payments made on the loans, and total system net revenues were $734,955 and $2,185,990, respectively. The remaining principal and interest to be paid on the loans is $2,505,447.

F. Leases

At June 30, 2025, the City had long-term leases of office equipment and office space used in the General Fund.

Office Equipment

The City lease of copiers runs through May 2026 at a 0.5773% interest rate. Payments are $1,112 monthly for the life of the lease. At June 30, 2025, the lease liability on the copiers was $13,173. The following is the schedule of annual principal and interest payments on this lease as of June 30, 2025:

Year Ending June 30,	Principal	Interest	Total
2026	$ 13,173	$ 38	$ 13,211
Total	$ 13,173	$ 38	$ 13,211

6. LONG-TERM DEBT, Continued

F. Leases, Continued

The City also leases a postage meter that goes through March 2027 at a 0.7030% interest rate. Quarterly payments are $468 for the life of the lease. At June 30, 2025, the lease liability on the postage meter was $3,256. The following is the schedule of annual principal and interest payments on this lease as of June 30, 2025:

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,856	$ 18	$ 1,874
2027	1,400	5	1,405
Total	$ 3,256	$ 23	$ 3,279

Office Space

In August 2022, the City began a 24-month lease of temporary living quarters for the Fire Department while the City's new Public Safety Facility is constructed. The interest rate on the lease is 2.02%. In February 2024, the City amended the lease to extend the term to December 2025. Payments were monthly in the amount of $2,600, increasing to $2,800 in January 2024. The lease increases January 2025 to $2,900. At June 30, 2025, the lease liability on the office space was $17,290. The following is the schedule of annual principal and interest payments on this lease as of June 30, 2025:

Year Ending June 30,	Principal	Interest	Total
2026	$ 17,290	$ 110	$ 17,400
Total	$ 17,290	$ 110	$ 17,400

Modular Trailers

In October 2023, the City entered into a $148,398 3-year lease for 3 trailers at 330 Main Street for temporary office space for the Police Department while the City's new Public Safety Facility is constructed. Interest on the lease is 2.43%. Monthly payments are fixed at $4,270 and started January 2024, and end in December 2026. At June 30, 2025, the lease liability on the trailers was $75,394. The following is the schedule of annual principal and interest payments on this lease as of June 30, 2025:

Year Ending June 30,	Principal	Interest	Total
2026	$ 49,958	$ 1,276	$ 51,234
2027	25,436	180	25,616
Total	$ 75,394	$ 1,456	$ 76,850

Parking Lot

In August 2023, the City entered into a $271,917 3-year lease for a parking lot. Payments were monthly until July 2026 in an amount of $6,500, increasing $500 annually every August and were paid for by the Parking Fund. The interest rate on the lease was 2.79%. During the year ended June 30, 2025, the City purchased the land, and as such, the lease was cancelled.

7. PUBLIC EMPLOYEES RETIREMENT PLAN

A. General Information

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

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service.

The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

While the City's Safety and Miscellaneous plans are not closed to new entrants, the component option of Safety Fire Tier 1, Safety Police Tier 1, and Miscellaneous Tier 1 are closed to new entrants. Classic members, as defined by CalPERS, entering the City's plans would enter the Tier 2 plans, and New Members, as defined by CalPERS, would enter the PEPRA plans.

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

	Safety - Fire	
	Tier 1	**PEPRA**
Hire Date	Prior to January 1, 2013	On or After January 1, 2013
Benefit Formulas	2.0% at 50	2.7% at 57
Benefit Vesting Schedule	5 years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 55+	50 - 57+
Monthly Benefits, as a % of Eligible Compensation	2.0%	2.0% to 2.7%
Required Employee Contribution Rates	0%	0%
Required Employer Contribution Rates	0.00%	0.00%
Final Average Compensation Period	3-Year Average	3-Year Average
Required Unfunded Accrued Liability Payment (UAL)	$150,403	$981

7. PUBLIC EMPLOYEES RETIREMENT PLAN, Continued

A. General Information, Continued

	Safety - Police		
	Tier 1	**Tier 2**	**PEPRA**
Hire Date	Prior to December 17, 2012	On or After December 17, 2012	On or After January 1, 2013
Benefit Formulas	3% at 50	3.0% at 55	2.7% at 57
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	50 - 55+	50 - 55+	50 - 57+
Monthly Benefits, as a % of Eligible Compensation	3.0%	3.0%	2.0% - 2.7%
Required Employee Contribution Rates	9%	9%	13.75%
Required Employer Contribution Rates	27.32%	23.00%	13.76%
Employer Share Paid by Employee	-3.0%	-3.0%	-0.5%
Final Average Compensation Period	Single Highest Year	3-Year Average	3-Year Average
Required Unfunded Accrued Liability Payment (UAL)	$721,510	$10,685	$23,084

	Miscellaneous		
	Tier 1	**Tier 2**	**PEPRA**
Hire Date	Prior to December 17, 2012	On or After December 17, 2012	On or After January 1, 2013
Benefit Formulas	2.5% at 55	2.0% at 60	2.0% at 62
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	50 - 55+	50 - 63+	52 - 67+
Monthly Benefits, as a % of Eligible Compensation	2.0% - 2.7%	1.0% - 2.0%	1.0% - 2.5%
Required Employee Contribution Rates	8%	7%	7.75%
Required Employer Contribution Rates	14.13%	10.15%	7.87%
Excludes Employer Share Paid by Employee	0.00%	-1.00%	-1.75%
Final Average Compensation Period	Single Highest Year	3-Year Average	3-Year Average
Required Unfunded Accrued Liability Payment (UAL)	$904,510	$15,569	$26,031

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. 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 City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The City's contributions to the Plan for the measurement period ended June 30, 2024 were as follows:

	Miscellaneous	Safety	Total
Contributions - Employer	$ 1,794,979	$ 1,687,589	$ 3,482,568

7. PUBLIC EMPLOYEES RETIREMENT PLAN, Continued

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

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

	Miscellaneous	Safety	Total
Plan's Proportionate Share of the Net Pension Liability	$ 10,424,652	$ 9,674,031	$ 20,098,683

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability of the Plan. The net pension liability of the Plan is measured as of June 30, 2024, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuations 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 the City's plan liability and asset-related information where available, and proportional allocations of individual plan amounts as of the valuation date where not available.

The City's proportionate share of the net pension liability for the Plan as of the measurement dates June 30, 2023 and 2024 were as follows:

	Miscellaneous	Safety	Total
Proportion - June 30, 2023	0.22317%	0.14096%	0.17391%
Proportion - June 30, 2024	0.21554%	0.13269%	0.16573%
Change - Increase/(Decrease)	-0.00763%	-0.00827%	-0.00818%

For the year ended June 30, 2025, the City recognized pension expense of $4,089,921. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Made Subsequent to Measurement Date	$ 1,459,113	$ -
Changes in Assumptions	267,935	-
Differences Between Expected and Actual Experience	901,307	(35,167)
Differences Between Projected and Actual Investment Earnings	600,135	-
Difference Between Employer's Contributions and Proportionate Share of Contributions	259,656	(60,632)
Change in Employer's Proportion	-	(384,513)
Total	$ 3,488,146	$ (480,312)

7. PUBLIC EMPLOYEES RETIREMENT PLAN, Continued

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

	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Made Subsequent to Measurement Date	$ 1,301,283	$ -
Changes in Assumptions	238,348	-
Differences Between Expected and Actual Experience	789,487	(25,670)
Differences Between Projected and Actual Investment Earnings	467,599	-
Difference Between Employer's Contributions and Proportionate Share of Contributions	265,734	(151,837)
Change in Employer's Proportion	102,961	(313,665)
Total	$ 3,165,412	$ (491,172)

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Made Subsequent to Measurement Date	$ 2,760,396	$ -
Changes in Assumptions	506,283	-
Differences Between Expected and Actual Experience	1,690,794	(60,837)
Differences Between Projected and Actual Investment Earnings	1,067,734	-
Difference Between Employer's Contributions and Proportionate Share of Contributions	525,390	(212,469)
Change in Employer's Proportion *	-	(595,217)
Total	$ 6,550,597	$ (868,523)

* Totals do not match individual pools due to the netting of pool deferrals each measurement period.

$2,760,396 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2026	$ 962,755
2027	2,324,134
2028	437
2029	(365,649)

7. PUBLIC EMPLOYEES RETIREMENT PLAN, Continued

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

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

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increase	Varies by Entry Age and Service
Post Retirement Benefit Increase(1)	See note
Mortality Rate Table(2)	Derived using CalPERS' membership data for all funds

(1) Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

(2) the mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability as of the measurement date of June 30, 2024 for the Plan 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. A detailed report testing these projections can be obtained from the CalPERS website.

Long-term Expected Rate of Return - In determining the long-term expected rate of return, CalPERS took into account both long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

7. PUBLIC EMPLOYEES RETIREMENT PLAN, Continued

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

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

Asset Class	Assumed Asset Allocation	Real Return(1,2)
Global Equity - cap-weighted	30.0%	4.54%
Global Equity - non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100%	

(1) An expected inflation of 2.3% used for this period.
(2) Figures are based on the 2021-22 Asset Liability Management study.

Sensitivity 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 the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	Miscellaneous	Safety	Total
1% Decrease	5.90%	5.90%	5.90%
Net Pension Liability	$ 16,931,259	$ 15,903,274	$ 32,834,533
Current Discount Rate	6.90%	6.90%	6.90%
Net Pension Liability	$ 10,424,653	$ 9,674,031	$ 20,098,684
1% Increase	7.90%	7.90%	7.90%
Net Pension Liability	$ 5,068,759	$ 4,579,387	$ 9,648,146

Pension Plan Fiduciary Net Position - Detailed information about the pension Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Payable to the Pension Plan

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

7. PUBLIC EMPLOYEES RETIREMENT PLAN, Continued

D. Defined Contribution Pension Plan

The City contributes to one of two different defined contribution pension plans for its full-time employees in the various bargaining units. Employees may elect to enroll in either Mission Square or CalPERS 457 Deferred Compensation Plan ("457 Plan"). Both plans are administered by the respective contracting plan agencies. Benefit terms, including contribution requirements, for the 457 Plan are established and may be amended by the City Council. The City is required to contribute a flat amount, to individual employee accounts for each participating employee. Contribution levels are as follows by employee bargaining unit:

Bargaining Unit	City Annual Contribution
SEIU	$1,500
POA	$1,500
Supervisory/Technical and Mid-Management	$7,000
Management Employees	$14,000
City Manager	$14,000
Council Members	$12

Employees are permitted to make contributions up to applicable Internal Revenue Code limits. For the year ended June 30, 2025, employee contributions totaled $337,608, and the City recognized pension expense of $328,163.

Employees are immediately vested in their own, and City, contributions and earnings on those contributions.

The City had no liability to the 457 Plan as of June 30, 2025.

8. OTHER POST EMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The City administers the City's Retired Employees Healthcare Plan (the Plan), a single employer defined benefit healthcare plan. The Plan provides medical insurance benefits to eligible retirees and their spouses. City resolutions and agreements assign the authority to establish and amend benefit provisions to the City. The City entered into an agreement with the CalPERS California Employers' Retiree Benefit Trust (CERBT), an agent-multiple defined Healthcare Plan, to pre-fund the City's OPEB liability. CERBT issues a publicly available financial report in aggregate with other CERBT participating employers. That report may be obtained by contacting PERS, 400 Q Street, Sacramento, CA 95811.

B. Funding Policy

The contribution requirements of plan members and the City are established by and may be amended by the City. Plan members receiving benefits contributed to amounts of the total premiums.

8. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

C. Employees Covered

As of the June 30, 2024 measurement date, the following current and former employees were covered by the benefit terms under the Plan:

Active employees	97
Inactive employees entitled to, but not yet receiving benefits	44
Inactive employees or beneficiaries currently receiving benefits	41
Total	182

D. Contributions

The annual contribution is based on the actuarially determined contribution. For the measurement period ended June 30, 2024, the City made contributions of $0 to the trust, $78,015 cash benefit payments outside the trust, $77,000 in implicit subsidy benefit payments and $1,585 in administrative expenses.

E. Net OPEB Liability/(Asset)

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

Actuarial Assumptions	
Discount Rate	6.25%
Inflation	2.50%
Salary Increases	2.75%
Investment Rate of Return	6.25%
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Mortality, Retirement, Disability, Termination	CalPERS 2000-2019 Experience Study
Healthcare Trend Rate	Non-Medicare: 8.5% for 2025, decreasing to 3.45% in 2076 Medicare (Non-Kaiser) - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
PEMHCA Minimum Increases	PEMHCA: 3.5% annually

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

8. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

E. Net OPEB Liability/(Asset), Continued

Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	49.0%	4.56%
Fixed Income	23.0%	1.56%
TIPS	5.0%	-0.08%
REITS	20.0%	4.06%
Commodities	3.0%	1.22%
Total	100.0%	

F. Discount Rate

The discount rate used to measure the total OPEB liability was 6.25 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projects benefit payments to determine the total OPEB liability.

The changes in the Net OPEB Liability/(Asset) for the Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2024 (Measurement Date June 30, 2023)	$ 4,372,732	$ 4,829,176	$ (456,444)
Changes Recognized for the Measurement Period:			
Service Cost	151,138	-	151,138
Interest	273,676	-	273,676
Actual vs. Expected Experience	-	-	-
Changes in Assumptions	-	-	-
Contributions - Employer	-	277,634	(277,634)
Net Investment Income	-	535,095	(535,095)
Benefit Payments	(290,108)	(290,108)	-
Administration Expense	-	(3,176)	3,176
Net Changes	134,706	519,445	(384,739)
Balance at June 30, 2025 (Measurement Date June 30, 2024)	$ 4,507,438	$ 5,348,621	$ (841,183)

8. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

G. Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate

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

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Net OPEB Liablity/(Asset)	$ (342,048)	$ (841,183)	$ (1,262,297)

H. Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Health Care Cost Trend Rates

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

	1% Decrease	Current Trend	1% Increase
Net OPEB Liability/(Asset)	$ (1,099,835)	$ (841,183)	$ (479,629)

I. OPEB Plan Fiduciary Net Position

CERBT issues a publicly available financial report that may be obtained from the California Public Employees Retirement System Executive Office, 400 Q Street, Sacramento, CA 95811.

J. Recognition of Deferred Outflows and Deferred Inflows of Resources

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

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

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

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	Expected average remaining service lifetime (EARSL) (EARSL of 8.7 years used for the measurement date June 30, 2024)

8. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

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

For the fiscal year ended June 30, 2025, the City recognized OPEB expense of $19,095. As of the fiscal year ended June 30, 2025, the City reported deferred outflows and inflows of resources related to OPEB from the following services:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (492,264)
Changes in assumptions	52,595	(42,413)
Net differences between projected and actual earnings on OPEB plan investments	43,240	-
OPEB Contributions subsequent to measurement date	78,015	-
Total	$ 173,850	$ (534,677)

The $78,015 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2024 measurement date will be recognized as a reduction in the Net OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as expense (income) as follows:

Year Ended June 30,	Deferred Outflow/(Inflows) of Resources
2026	$ (124,369)
2027	36,680
2028	(97,721)
2029	(95,930)
2030	(56,586)
Thereafter	(100,915)

9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund transfers for the year ended June 30, 2025 were as follows:

	Transfers In						
Transfers Out	General Fund	Capital Projects	Non-Major Governmental Funds	Wastewater	Pier	Internal Service Funds	Total
Major Funds:							
General Fund	$ -	$ 3,529,472	$ 1,953,877	$ 76,095	$ 30,000	$ 647,978	$ 6,237,422
Lodging Business Improvement	170,000	3,165		-	-	245,425	418,590
Capital Projects	-	-	17,289	-	-	-	17,289
Non-Major Governmental Funds	390,626	1,543,085	-	-	-	-	1,933,711
Major Enterprise Funds:							
Water	-	-	-	-	-	55,202	55,202
Wastewater	-	-	274,321	-	-	82,294	356,615
Parking	715,000	195,317	-	-	-	2,312	912,629
Total	$ 1,275,626	$ 5,271,039	$ 2,245,487	$ 76,095	$ 30,000	$ 1,033,211	$ 9,931,458

9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS, Continued

The primary purpose of interfund transfers is to move fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations and restrictions, including capital outlay expenditures. Interfund transfers were made from the General and Wastewater funds to the City of Pismo Beach Public Financing Agency Fund as debt service principal and interest payments become due. Interfund transfers were made from various funds to the Internal Service Fund for vehicle replacement contributions.

10. JOINTLY GOVERNED ORGANIZATIONS AND OPERATING AGREEMENTS

Jointly governed organizations are legal entities or other organizations that result from a contractual arrangement and that are owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain an ongoing financial interest or ongoing financial responsibility.

The City is a participant in the following organizations:

A. South County Area Transit and San Luis Obispo Regional Transit Authority

The City is a member of South County Area Transit and San Luis Obispo Regional Transit Authority, which were formed to provide fixed route and regional transit services within the member cities and the County. The City's obligation to these entities is limited to the assignment of a portion of its Local Transportation Fund allocations to the joint power agencies.

B. San Luis Obispo Council of Governments

The San Luis Obispo Council of Governments (SLOCOG) was formed in 1968 through a joint power agreement among the incorporated cities and the County of San Luis Obispo. It acts as the regional transportation planning agency for the county and is the metropolitan planning organization and the congestion management agency for the region. The City's obligation to this entity is limited to the assignment of a portion of its Local Transportation Fund allocations to the agency. In the fiscal year ended June 30, 2025, SLOCOG provided the City with $179,334 in transportation-related funding.

C. Water Treatment and Facilities Agreement

The City has an agreement with the San Luis Obispo County Flood Control and Water Conservation District (the "District") wherein the District and the Central Coast Water Authority (the "Water Authority") constructed and operate a joint water treatment facility and water conveyance system. The Water Authority financed the facility and system by selling revenue bonds, and in 1997, issued $198 million in refunding revenue bonds. In 2006, the Water Authority issued refunding bonds to take advantage of lower market interest rates. The agreement is a take-or-pay obligation, and the City is obligated to pay amounts specified in the agreement whether or not water is treated or delivered. The amounts paid by the City are pledged by the Water Authority for repayment of the Water Authority's debt obligations. The City recorded this payment as operating expenses of $284,733 and $1,652,302 to the District and Water Authority, respectively, in its Water Fund for the fiscal year ended June 30, 2025.

10. JOINTLY GOVERNED ORGANIZATIONS AND OPERATING AGREEMENTS, Continued

D. Water Supply Agreement

The City has entered into a water supply agreement with the District for the purpose of obtaining additional water for municipal purposes. The City is obligated to make payments even if the City fails or refuses to accept water deliveries. The District's source for such additional water supplies is the California State Water Project (SWP). The SWP has constructed facilities to extend the California Aqueduct to the Central Coast and to the facilities owned by the Water Authority. The City has recorded as long-term prepayments in its Water Fund payments made under this agreement while the SWP expansion was under construction and prior to its ability to convey water under the arrangement. These prepayments are being amortized to expense as operating expenses over the term of the agreement.

E. Lopez Dam Agreement

The City has entered into a Lopez Dam agreement with the District related to the Lopez Dam storage reservoir, water treatment plant, main conduits, and related facilities built for the primary purpose of providing a municipal water supply to cities in the County. This agreement is also a take-or-pay arrangement and the City is obligated to make payments regardless of water deliveries. In 2000, voters in Zone 3 of the District authorized the District to issue $13.2 million in general obligation bonds to provide funds to construct seismic improvements to the Lopez Dam and facilities. The District is to receive such tax revenues under the voter approved arrangement and is to also receive payments from the City and other participating governments in amounts sufficient to pay debt service on the bonds and related operating and capital costs. The City recorded payments of $1,690,849 as expenses in its Water Fund in the fiscal year ended June 30, 2025.

F. Central Coast Blue Regional Recycled Water Authority

The Central Coast Blue Regional Recycled Water Authority (Central Coast Blue JPA) was formed in September 2022 under a Joint Exercise of Powers Agreement between the City of Pismo Beach, the City of Grover Beach, and the City of Arroyo Grande. This agreement was formed to secure a sustainable, drought-resilient source of water to ensure reliable water supplies for the three cities. The purpose of the Central Coast Blue JPA is to construct a regional recycled water project that will enhance supply reliability by injecting advanced purified water into the Santa Maria Groundwater Basin to protect local groundwater from seawater intrusion. In May 2024, the Cities of Grover Beach and Arroyo Grande elected to divest from the Central Coast Blue JPA due to rising project cost estimates and loss of $12 million in state grant funding. As of July 1, 2025, the City of Pismo Beach has continued as a member of the Central Coast Blue JPA and added the Pismo Beach Financing Agency to the JPA. The project has been scaled down to benefit the City of Pismo Beach and its residents, visitors, and business community, while still providing a sustainable, drought-resilient source of water, and preventing seawater intrusion for the local groundwater basin. The Central Coast Blue project is projected to be financed with a Clean Water State Revolving Fund loan as well as state and federal grants. The City of Pismo Beach created a Water Central Coast Blue JPA fund to support 33% of the project and a Wastewater Central Coast Blue JPA fund to support 67% of the project.

11. RISK MANAGEMENT

A. Self-Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries insurance. The City, due to the costs of available coverage, participated as a member in the Central Coast Cities Self-Insurance Fund (CCCSIF) through June 30, 2003 for general liability insurance and through June 30, 2004 for workers' compensation insurance. Thereafter, the City joined the California Joint Powers Insurance Authority (California JPIA). The California JPIA provides general liability insurance to the City with a $50 million per occurrence and $50 million per year aggregate limit and workers compensation insurance with statutory benefits and $10 million employer's liability coverage. The risk of loss is transferred to the California JPIA. The City is subject to retrospective premium adjustments under the arrangement. Claims liabilities in the governmental funds are generally liquidated by the General Fund.

The City is responsible for payment of its respective claims that were outstanding with the CCCSIF at the time the City elected to insure with the California JPIA. The uninsured risk for these claims, referred to as tail-end claims, retained by the City was $200,000 per incident for workers' compensation claims, $100,000 per incident for general liability claims, and $10,000 per property damage claim. The CCCSIF periodically obtains actuarial studies and valuations of the tail-end claim liabilities, and the City reports such estimated amounts payable as claim liabilities in the statement of net position.

Liabilities of the City are reported in the statement of net position for the governmental activities when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlements trends (including frequency and amount of pay-outs), and other economic and social factors.

The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claim's liability estimate. Settlements have not exceeded coverage for each of the past three fiscal years.

Self-insurance activity as of and for the year ended June 30, 2025 is summarized as follows:

Estimated liability for reported claims and settlement expenses	$	(29,601)
Assets on Deposit		70,818
Claims Asset (Liability) at June 30, 2025	$	41,217

11. RISK MANAGEMENT, Continued

A. Self-Insurance, Continued

Changes in the balances of claims assets (liabilities) during the past two fiscal years were as follows:

Claims Asset (Liability) at June 30, 2023	$	59,054
Claim payments and related expenditures		(16,023)
Change in estimated claims liability for year ended June 30, 2024		30,684
Interest Earnings and change in fair market value		5,262
Claims Asset (Liability) at June 30, 2024		78,977
Claim payments and related expenditures		(23,143)
Change in estimated claims liability for year ended June 30, 2025		(18,716)
Interest Earnings and change in fair market value		4,099
Claims Asset (Liability) at June 30, 2025	$	41,217

12. COMMITMENTS AND CONTINGENCIES

A. Litigations

The City is involved in litigation incurred in the normal course of conducting City business. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

B. Grants and Allocations

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

C. Construction and Other Significant Commitments

Construction and other significant commitments as of June 30, 2025, including encumbrances outstanding at year-end, were as follows:

General Fund	$	636,935
Special Revenue Fund		-
Capital Project Fund		26,305,901
Enterprise Funds		2,375,223
Internal Service Fund		1,186,028
Total	$	30,504,087

Long-term construction contracts are billed and paid on a percentage of completion, basis by construction phase.

13. RESTATEMENTS

In the fiscal year ended June 30, 2025, the City recorded restatements as a result of implementing GASB 101 and to correct errors in the capital assets.

	Fund Financials				Government-Wide Financials	
	Water	Wastewater	Parking	Internal Service	Business-Type	Governmental
June 30, 2024, as previously reported	$ 26,966,386	$ 28,487,537	$ 6,975,436	$ 7,679,039	$ 70,283,405	$ 135,156,954
Capital assets	(402,430)	(817,055)	-	-	(1,219,485)	-
GASB 101 Implementation	(24,548)	(25,653)	(6,877)	(14,491)	(57,078)	(388,268)
June 30, 2025, as restated	$ 26,539,408	$ 27,644,829	$ 6,968,559	$ 7,664,548	$ 69,006,842	$ 134,768,686

Required Supplementary Information Section

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City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

General Fund

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Property Taxes	$ 7,149,180	$ 7,374,663	$ 7,740,115	$ 365,452
Sales Taxes	5,845,880	6,001,250	6,580,812	579,562
Transient Occupancy Taxes	15,815,000	14,919,034	15,179,514	260,480
Other Taxes	1,096,602	1,096,602	1,273,566	176,964
Licenses and Permits	1,065,618	1,284,950	1,183,653	(101,297)
Fines and Forfeits	46,400	46,400	65,417	19,017
Subventions and Grants	99,185	889,959	643,140	(246,819)
Investment Earnings	473,006	800,206	1,813,440	1,013,234
Rental Income	155,382	155,382	188,805	33,423
Charges for Services	917,822	270,219	369,127	98,908
Miscellaneous	1,796,922	1,796,922	2,165,352	368,430
Total revenues	34,460,997	34,635,587	37,202,941	2,567,354
EXPENDITURES:				
Current:				
General government:				
City Council	263,317	300,570	249,703	50,867
Administration	523,635	725,079	644,924	80,155
City Clerk	468,688	480,553	431,924	48,629
Human Resources	692,264	735,983	766,328	(30,345)
Legal	493,920	481,920	283,796	198,124
Conference and visitors bureau	899,064	961,223	872,034	89,189
Finance	1,355,943	1,499,755	1,364,126	135,629
Nondepartmental - other	3,091,000	1,709,406	1,527,973	181,433
Nondepartmental - retiree medical	445,067	265,067	182,233	82,834
Facilities maintenance	722,577	1,746,839	1,381,239	365,600
Public safety:				
Police	9,077,708	9,105,816	8,366,567	739,249
Fire	3,596,403	3,079,061	3,048,255	30,806
Weed abatement	31,500	31,500	33,581	(2,081)
Lifeguards	370,247	435,314	491,836	(56,522)
Public Works:				
Park Maintenance	909,639	1,186,427	936,558	249,869
Engineering	1,166,822	1,333,909	1,159,402	174,507
Planning	1,144,831	1,701,706	1,281,941	419,765
Community services:				
Buildings	1,818,290	1,911,050	1,912,949	(1,899)
Recreation	1,030,895	1,740,984	1,010,519	730,465
Highways and Streets:				
Maintenance and Construction	1,173,593	1,616,388	1,069,154	547,234
Capital Outlay	17,500	49,319	41,118	8,201
Debt service:				
Principal	-	-	49,555	(49,555)
Interest and fiscal charges	-	-	930	(930)
Total expenditures	29,292,903	31,097,869	27,106,645	3,991,224
REVENUES OVER (UNDER) EXPENDITURES	5,168,094	3,537,718	10,096,296	6,558,578
OTHER FINANCING SOURCES (USES):				
Transfers in	290,000	1,393,626	1,275,626	(118,000)
Transfers out	(3,593,058)	(20,956,882)	(6,237,422)	14,719,460
Total other financing sources (uses)	(3,303,058)	(19,563,256)	(4,961,796)	14,601,460
Net change in fund balances	$ 1,865,036	$ (16,025,538)	5,134,500	$ 21,160,038
FUND BALANCES:				
Beginning of year			36,535,627	
End of year			$ 41,670,127	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Housing In-Lieu

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ 41,162	$ 41,162	$ 8,315	$ (32,847)
Charges for services	50,000	50,000	-	(50,000)
Total revenues	91,162	91,162	8,315	(82,847)
EXPENDITURES:				
Current:				
Housing	1,368	49,368	21,798	27,570
Total expenditures	1,368	49,368	21,798	27,570
REVENUES OVER (UNDER) EXPENDITURES	89,794	41,794	(13,483)	(55,277)
Net change in fund balances	$ 89,794	$ 41,794	(13,483)	$ (55,277)
FUND BALANCES:				
Beginning of year			5,224,622	
End of year			$ 5,211,139	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Lodging Business Improvement

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ 16,991	$ 16,991	$ 187,514	$ 170,523
Special assessments	2,875,400	2,712,552	2,757,171	44,619
Total revenues	2,892,391	2,729,543	2,944,685	215,142
EXPENDITURES:				
Current:				
General government	1,630,703	1,777,803	1,585,435	192,368
Total expenditures	1,630,703	1,777,803	1,585,435	192,368
REVENUES OVER (UNDER) EXPENDITURES	1,261,688	951,740	1,359,250	407,510
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(1,784,219)	(418,590)	1,365,629
Total other financing sources (uses)	-	(1,784,219)	(418,590)	1,365,629
Net change in fund balances	$ 1,261,688	$ (832,479)	940,660	$ 1,773,139
FUND BALANCES:				
Beginning of year			2,616,102	
End of year			$ 3,556,762	

City of Pismo Beach
Required Supplementary Information
For the year ended June 30, 2025

Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date CalPERS Pension Plan Last Ten Years

Miscellaneous

Fiscal Year	Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	6/30/2024	0.216%	$ 10,424,652	$ 6,616,799	157.55%	78.38%
2024	6/30/2023	0.223%	$ 11,159,335	$ 6,152,736	181.37%	77.97%
2023	6/30/2022	0.224%	$ 10,468,516	$ 6,174,597	169.54%	78.19%
2022	6/30/2021	0.260%	$ 4,937,155	$ 5,236,312	94.29%	90.49%
2021	6/30/2020	0.218%	$ 9,216,340	$ 4,950,991	186.15%	76.30%
2020	6/30/2019	0.211%	$ 8,455,726	$ 4,810,354	175.78%	77.34%
2019	6/30/2018	0.210%	$ 7,895,686	$ 4,745,829	166.37%	77.50%
2018	6/30/2017	0.236%	$ 9,318,824	$ 4,527,631	205.82%	71.82%
2017	6/30/2016	0.237%	$ 8,245,195	$ 4,440,847	185.67%	75.87%
2016	6/30/2015	0.097%	$ 6,684,633	$ 4,536,614	147.35%	79.89%

Safety

Fiscal Year	Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	6/30/2024	0.133%	$ 9,674,031	$ 2,790,348	346.70%	78.78%
2024	6/30/2023	0.141%	$ 10,536,931	$ 2,780,076	379.02%	74.87%
2023	6/30/2022	0.143%	$ 9,804,230	$ 2,801,236	350.00%	75.53%
2022	6/30/2021	0.126%	$ 4,419,313	$ 2,203,446	200.56%	86.61%
2021	6/30/2020	0.129%	$ 8,639,190	$ 2,045,603	422.33%	76.89%
2020	6/30/2019	0.133%	$ 8,301,603	$ 2,216,283	374.57%	77.24%
2019	6/30/2018	0.136%	$ 7,991,824	$ 2,183,418	366.02%	76.76%
2018	6/30/2017	0.158%	$ 9,431,482	$ 1,950,209	483.61%	70.85%
2017	6/30/2016	0.167%	$ 8,633,480	$ 1,994,072	432.96%	72.69%
2016	6/30/2015	0.107%	$ 7,337,921	$ 2,137,977	343.22%	77.27%

City of Pismo Beach
Required Supplementary Information
For the year ended June 30, 2025

Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date CalPERS Pension Plan Last Ten Years (continued)

		Total Plan				
Fiscal Year	Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	6/30/2024	0.166%	$ 20,098,683	$ 9,407,147	213.65%	78.08%
2024	6/30/2023	0.174%	$ 21,696,266	$ 8,932,812	242.88%	76.21%
2023	6/30/2022	0.176%	$ 20,272,746	$ 8,975,833	225.86%	76.68%
2022	6/30/2021	0.173%	$ 9,356,468	$ 7,439,758	125.76%	88.29%
2021	6/30/2020	0.164%	$ 17,855,530	$ 6,996,594	255.20%	75.10%
2020	6/30/2019	0.164%	$ 16,757,329	$ 7,026,637	238.48%	75.26%
2019	6/30/2018	0.165%	$ 15,887,510	$ 6,929,247	229.28%	75.26%
2018	6/30/2017	0.189%	$ 18,750,306	$ 6,477,840	289.45%	73.31%
2017	6/30/2016	0.195%	$ 16,878,675	$ 6,434,919	262.30%	74.06%
2016	6/30/2015	0.204%	$ 14,022,554	$ 6,674,591	210.09%	78.40%

City of Pismo Beach
Required Supplementary Information
For the year ended June 30, 2025

Schedule of Plan Contributions CalPERS Pension Plan Last Ten Years

Miscellaneous

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 1,459,113	$ (1,459,113)	$ -	$ 6,673,754	21.86%
2024	$ 1,294,979	$ (1,794,979)	$ (500,000)	$ 6,616,799	27.13%
2023	$ 1,307,761	$ (1,307,761)	$ -	$ 6,152,736	21.25%
2022	$ 1,213,157	$ (1,713,157)	$ (500,000)	$ 6,174,597	27.75%
2021	$ 1,123,204	$ (1,123,204)	$ -	$ 5,236,312	21.45%
2020	$ 978,405	$ (978,405)	$ -	$ 4,950,991	19.76%
2019	$ 840,508	$ (840,508)	$ -	$ 4,810,354	17.47%
2018	$ 973,474	$ (1,973,474)	$ (1,000,000)	$ 4,745,829	41.58%
2017	$ 898,126	$ (898,126)	$ -	$ 4,527,631	19.84%
2016	$ 811,650	$ (811,650)	$ -	$ 4,440,847	18.28%

Safety

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 1,301,283	$ (1,301,283)	$ -	$ 2,523,277	51.57%
2024	$ 1,187,589	$ (1,687,589)	$ (500,000)	$ 2,790,348	60.48%
2023	$ 1,210,647	$ (1,210,647)	$ -	$ 2,780,076	43.55%
2022	$ 1,106,985	$ (1,606,985)	$ (500,000)	$ 2,801,236	57.37%
2021	$ 983,542	$ (983,542)	$ -	$ 2,203,446	44.64%
2020	$ 835,728	$ (835,728)	$ -	$ 2,045,603	40.85%
2019	$ 1,246,304	$ (1,246,304)	$ -	$ 2,216,283	56.23%
2018	$ 1,193,008	$ (2,193,008)	$ (1,000,000)	$ 2,183,418	100.44%
2017	$ 1,070,233	$ (1,070,233)	$ -	$ 1,950,209	54.88%
2016	$ 976,050	$ (976,050)	$ -	$ 1,994,072	48.95%

Schedule of Plan Contributions CalPERS Pension Plan Last Ten Years (continued)

	Total Plan				
Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 2,760,396	$ (2,760,396)	$ -	$ 9,197,031	30.01%
2024	$ 2,482,568	$ (3,482,568)	$ (1,000,000)	$ 9,407,147	37.02%
2023	$ 2,518,408	$ (2,518,408)	$ -	$ 8,932,812	28.19%
2022	$ 2,320,142	$ (3,320,142)	$ (1,000,000)	$ 8,975,833	36.99%
2021	$ 2,106,746	$ (2,106,746)	$ -	$ 7,439,758	28.32%
2020	$ 1,814,133	$ (1,814,133)	$ -	$ 6,996,594	25.93%
2019	$ 2,086,812	$ (2,086,812)	$ -	$ 7,026,637	29.70%
2018	$ 2,166,482	$ (4,166,482)	$ (2,000,000)	$ 6,929,247	60.13%
2017	$ 1,968,359	$ (1,968,359)	$ -	$ 6,477,840	30.39%
2016	$ 1,787,700	$ (1,787,700)	$ -	$ 6,434,919	27.78%

City of Pismo Beach
Required Supplementary Information
For the year ended June 30, 2025

*Schedule of Changes in OPEB Liability and Related Ratios - Last 10 Years**

Measurement Period	2024	2023	2022	2021	2020
Total OPEB Liability					
Service cost	$ 151,138	$ 156,658	$ 153,244	$ 136,768	$ 133,409
Interest on the total OPEB liability	273,676	296,248	286,743	293,572	283,458
Changes in assumptions	-	(50,117)	-	101,519	-
Actual and expected experience difference		(466,353)	-	(24,620)	-
Benefit payments	(290,108)	(294,031)	(288,606)	(281,480)	(259,311)
Net change in the total OPEB liability	134,706	(357,595)	151,381	225,759	157,556
Total OPEB liability - beginning	4,372,732	4,730,327	4,578,946	4,353,187	4,195,631
Total OPEB liabilty - ending (a)	4,507,438	4,372,732	4,730,327	4,578,946	4,353,187
Plan Fiduciary Net Position					
Contribution - employer	277,634	529,521	523,761	282,491	586,236
Net investment income	535,095	282,056	(665,758)	1,023,906	115,313
Benefit payments	(290,108)	(294,031)	(288,606)	(281,480)	(259,311)
Administrative expense	(3,176)	(2,759)	(2,371)	(2,420)	(2,535)
Net change in plan fiduciary net position	519,445	514,787	(432,974)	1,022,497	439,703
Plan fiduciary net position - beginning	4,829,176	4,314,389	4,747,363	3,724,866	3,285,163
Plan fiduciary net position - ending (b)	5,348,621	4,829,176	4,314,389	4,747,363	3,724,866
Net OPEB Liability(Asset) - ending (a) - (b)	$ (841,183)	$ (456,444)	$ 415,938	$ (168,417)	$ 628,321
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	118.66%	110.44%	91.21%	103.68%	85.57%
Covered-employee payroll	$ 10,281,101	$ 9,487,449	$ 8,975,833	$ 8,235,721	$ 7,380,250
Net OPEB liability(asset) as a percentage of covered-employee payroll	(8.18%)	(4.81%)	4.63%	(2.04%)	8.51%

Notes to Schedule:

* Historical information is required only for measurement periods for which GASB 68 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

2019	2018	2017
$ 161,389	$ 157,747	$ 153,152
306,101	292,369	279,739
(15,884)	-	-
(500,462)	-	-
(257,880)	(242,785)	(257,965)
(306,736)	207,331	174,926
4,502,367	4,295,036	4,120,110
4,195,631	4,502,367	4,295,036
565,740	534,785	537,965
181,663	183,879	200,453
(257,880)	(242,785)	(257,965)
(1,467)	(4,328)	(1,012)
488,056	471,551	479,441
2,797,107	2,325,556	1,846,115
3,285,163	2,797,107	2,325,556
$ 910,468	$ 1,705,260	$ 1,969,480
78.30%	62.13%	54.15%
$ 7,274,214	$ 7,181,151	$ 6,688,838
12.52%	23.75%	29.44%

City of Pismo Beach
Required Supplementary Information
For the year ended June 30, 2025

*Schedule of OPEB Contributions - Last 10 Years**

	2025	2024	2023	2022	2021
Actuarially determined contribution	$ 124,000	$ 178,000	$ 184,000	$ 227,000	$ 222,000
Contribution in relation to the actuarially determined contribution	(78,015)	(277,634)	(529,521)	(523,761)	(282,491)
Contribution deficiency (excess)	45,985	(99,634)	(345,521)	(296,761)	(60,491)
Covered-employee payroll	$ 10,969,259	$ 10,281,101	$ 9,487,449	$ 8,975,833	$ 8,235,721
Contributions as a percentage of covered-employee payroll	0.71%	2.70%	5.58%	5.84%	3.43%

* Fiscal year 2018 was the 1st year of implementation.

Notes to Schedule:
Actuarial methods and assumptions used to set the actuarially determined contribution for fiscal year 2025 were from the June 30, 2023 actuarial valuation.

Methods and assumptions used to determine contributions:

Actuarial cost method	Entry Age Normal
Amortization valuation method/period	Level percent of payroll; 20-year fixed period
Inflation	2.5% per annum
Discount rate	6.25%
Medical trend	Non-Medicare - 8.5% for 2025, decreasing to an ultimate rate of 3.45% in 2076
	Medicare (Non-Kaiser) - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076
	Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
Mortality	CalPERS 2000-2019 Experience Study
Mortality improvement	Post-retirement mortality projected fully generational with Scale MP-2021

2020	2019	2018
$ 216,000	$ 307,000	$ 290,000
(586,236)	(565,740)	(534,785)
(370,236)	(258,740)	(244,785)
$ 7,380,250	$ 7,274,214	$ 7,181,151
7.94%	7.78%	7.45%

City of Pismo Beach
Required Supplementary Information
For the year ended June 30, 2025

NOTE 1: BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, function and department. The City Manager may make transfers of appropriations within a department. Transfers between departments and other changes require City Council approval. The legal level of control is the department level. The Council made supplemental appropriations during the fiscal year. Encumbrance accounting is employed in governmental funds. Budgets can be found on the City's website.

NOTE 2: EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Expenditures did not exceed appropriations in the General Fund, Housing in Lieu Fund and Lodging Business Improvement Fund.

NOTE 3: NET PENSION LIABILITY

Change in Benefit Terms. There were no changes to benefit terms.

Change in Assumptions. For fiscal year 2015, the discount rate changed from 7.5% (net of administrative expense) to 7.65% and for fiscal year 2017, the discount rate was changed from 7.65% (net of administrative expense) to 7.15%. In fiscal year 2022, the discount rate decreased to 6.9%.

Supplementary Information Section

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NONMAJOR GOVERNMENTAL FUNDS

The City maintains the following nonmajor governmental funds:

Special Revenue Funds:

State Gas Tax Fund is used to account for revenues allocated by the State of California and restricted as to use for only street and highway purposes.

Local Transportation Streets Fund is used to account for revenues allocated under the Transportation Development Act and restricted in use for street related purposes.

Public Education Grant (PEG) Fund is used to account for fees collected from cable television operators in the City limits that are set aside for Government cable access.

Noncapital Grants Fund is used to account for specific grant revenues allocated to the City for operational programs and activities.

Chapman House Estate Fund is used to account for the fees collected and maintenance costs for the Chapman Estate.

Capital Project Funds:

Public Facilities Fund is used to account for resources restricted for the financing of improvements to public facilities.

Park Development Fund is used to account for the financing of major improvements to City parks and related facilities.

Circulation Improvement Fund is used to account for impact fees to be used for major improvements to the City's street and highway infrastructures.

Impact Fees Fund is used to account for impact fees restricted for use in making major capital improvements to different types of City facilities.

Developer Impact Fees Fund is used to account for impact fees to be used for specific development related capital projects.

Underground Utilities Fund is used to account for fees collected from developers for the purpose of converting overhead utilities to underground utilities.

Debt Service Funds:

City of Pismo Beach Public Financing Agency is used to account for the accumulation of monies for payment of principal and interest on the 2017 Lease Revenue Bonds and 2024 Public Safety Facility Bonds.

Indio/El Portal Assessment District, Visalia Assessment District, and Reassessment Districts Funds are used to account for special assessments levied and collected for payment of principal and interest on assessment bonds.

City of Pismo Beach
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	State Gas Tax	Local Transportation Streets	Public Education Grant	Noncapital Grants
ASSETS				
Cash and investments	$ 318,568	$ 551,259	$ 136,974	$ 159,696
Cash and investments with fiscal agent	-	-	-	-
Accounts receivable	-	-	8,226	-
Due from other governments	58,883	-	-	-
Accrued interest receivable	97	102	27	31
Total assets	$ 377,548	$ 551,361	$ 145,227	$ 159,727
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	-	-	-	-
Deposits	-	-	-	-
Total liabilities	-	-	-	-
Fund Balances:				
Restricted	377,548	551,361	145,227	159,727
Assigned	-	-	-	-
Total fund balances	377,548	551,361	145,227	159,727
Total liabilities, deferred inflows of resources and fund balances	$ 377,548	$ 551,361	$ 145,227	$ 159,727

Special Revenue Funds	Capital Project Funds				
Chapman House Estate	Public Facilities	Park Development	Circulation Improvement	Impact Fees	Developer Impact Fees
$ 281	$ 956	$ 320,285	$ 621,610	$ 339,721	$ 182,064
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1	66	120	34	35
$ 281	$ 957	$ 320,351	$ 621,730	$ 339,755	$ 182,099
760	-	-	-	25,970	-
-	-	-	-	-	116,920
760	-	-	-	25,970	116,920
(479)	-	320,351	621,730	313,785	65,179
-	957	-	-	-	-
(479)	957	320,351	621,730	313,785	65,179
$ 281	$ 957	$ 320,351	$ 621,730	$ 339,755	$ 182,099

City of Pismo Beach
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Capital Project Funds	Debt Service Funds		
	Underground Utilities	City of Pismo Beach Public Financing Agency	Indio / El Portal Assessment District	Visalia Assessment District
ASSETS				
Cash and investments	$ 17,999	$ -	$ 805	$ 113,351
Cash and investments with fiscal agent	-	781	-	-
Accounts receivable	-	-	-	-
Due from other governments	-	-	-	-
Accrued interest receivable	5	1	1	3
Total assets	$ 18,004	$ 782	$ 806	$ 113,354
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	-	-	-	-
Deposits	-	-	-	-
Total liabilities	-	-	-	-
Fund Balances:				
Restricted	18,004	782	806	113,354
Assigned	-	-	-	-
Total fund balances	18,004	782	806	113,354
Total liabilities, deferred inflows of resources and fund balances	$ 18,004	$ 782	$ 806	$ 113,354

Debt Service Funds	
Reassessment District	Total Nonmajor Governmental Funds
$ 14,697	$ 2,778,266
-	781
-	8,226
-	58,883
3	526
$ 14,700	$ 2,846,682
-	26,730
-	116,920
-	143,650
14,700	2,702,075
-	957
14,700	2,703,032
$ 14,700	$ 2,846,682

City of Pismo Beach

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended June 30, 2025

	Special Revenue Funds			
	State Gas Tax	Local Transportation Streets	Public Education Grant	Noncapital Grants
REVENUES:				
Other taxes	$ 457,378	$ -	$ 35,032	$ -
Subventions and grants	-	179,334	-	194,663
Investment earnings	25,831	28,188	7,602	8,998
Charges for services	-	-	-	-
Miscellaneous	-	2,500	-	-
Total revenues	483,209	210,022	42,634	203,661
EXPENDITURES:				
Current:				
General government	-	-	4,008	-
Public safety	-	-	-	912
Highways and streets	2,292	5,831	-	-
Community services	-	-	-	-
Housing	-	-	-	-
Capital outlay	-	-	6,056	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	2,292	5,831	10,064	912
REVENUES OVER (UNDER) EXPENDITURES	480,917	204,191	32,570	202,749
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(340,000)	-	-	(150,000)
Total other financing sources (uses)	(340,000)	-	-	(150,000)
Net change in fund balances	140,917	204,191	32,570	52,749
FUND BALANCES:				
Beginning of year	236,631	347,170	112,657	106,978
End of year	$ 377,548	$ 551,361	$ 145,227	$ 159,727

Special Revenue Funds	Capital Project Funds				
Chapman House Estate	Public Facilities	Park Development	Circulation Improvement	Impact Fees	Developer Impact Fees
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
1,765	60	24,049	38,760	28,791	6,527
-	-	36,826	-	41,429	-
8,167	-	-	26,819	-	-
9,932	60	60,875	65,579	70,220	6,527
7,400	-	-	-	45,660	-
-	-	-	-	-	-
-	-	-	36	-	-
-	-	5,976	-	912	-
59,752	-	-	-	-	-
-	-	2,836	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
67,152	-	8,812	36	46,572	-
(57,220)	60	52,063	65,543	23,648	6,527
20,198	-	-	-	-	-
-	-	(103,025)	(9,869)	(100,626)	-
20,198	-	(103,025)	(9,869)	(100,626)	-
(37,022)	60	(50,962)	55,674	(76,978)	6,527
36,543	897	371,313	566,056	390,763	58,652
$ (479)	$ 957	$ 320,351	$ 621,730	$ 313,785	$ 65,179

City of Pismo Beach

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended June 30, 2025

	Capital Project Funds	Debt Service Funds		
	Underground Utilities	City of Pismo Beach Public Financing Agency	Indio / El Portal Assessment District	Visalia Assessment District
REVENUES:				
Other taxes	$ -	$ -	$ -	$ -
Subventions and grants	-	-	-	-
Investment earnings	1,134	1,234,199	51	7,294
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	1,134	1,234,199	51	7,294
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Community services	-	-	-	-
Housing	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	340,047	-	-
Interest and fiscal charges	-	1,889,052	-	-
Total expenditures	-	2,229,099	-	-
REVENUES OVER (UNDER) EXPENDITURES	1,134	(994,900)	51	7,294
OTHER FINANCING SOURCES (USES):				
Transfers in	-	2,225,289	-	-
Transfers out	-	(1,230,191)	-	-
Total other financing sources (uses)	-	995,098	-	-
Net change in fund balances	1,134	198	51	7,294
FUND BALANCES:				
Beginning of year	16,870	584	755	106,060
End of year	$ 18,004	$ 782	$ 806	$ 113,354

Debt Service Funds	
Reassessment District	Total Nonmajor Governmental Funds
$ -	$ 492,410
-	373,997
926	1,414,175
-	78,255
-	37,486
926	2,396,323
-	57,068
-	912
-	8,159
-	6,888
-	59,752
-	8,892
-	340,047
-	1,889,052
-	2,370,770
926	25,553
-	2,245,487
-	(1,933,711)
-	311,776
926	337,329
13,774	2,365,703
$ 14,700	$ 2,703,032

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Capital Projects

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Subventions and grants	$ -	$ 3,046,422	$ 1,657,023	$ (1,389,399)
Investment earnings	-	-	1,929	1,929
Total revenues	-	3,046,422	1,658,952	(1,387,470)
EXPENDITURES:				
Current:				
General government	-	1,008,000	225,549	782,451
Highways and streets	-	56,469	7,636	48,833
Capital outlay	3,250,000	61,777,288	21,210,925	40,566,363
Debt service:				
Principal	-	-	48,762	(48,762)
Interest and fiscal charges	-	288,666	291,138	(2,472)
Total expenditures	3,250,000	63,130,423	21,784,010	41,346,413
REVENUES OVER (UNDER) EXPENDITURES	(3,250,000)	(60,084,001)	(20,125,058)	39,958,943
OTHER FINANCING SOURCES (USES):				
Transfers in	3,250,000	21,255,022	5,271,039	(15,983,983)
Transfers out	-	(17,289)	(17,289)	-
Proceeds from long-term debt	-	41,117,775	41,305,407	187,632
Total other financing sources (uses)	3,250,000	62,355,508	46,559,157	(15,796,351)
Net change in fund balances	$ -	$ 2,271,507	26,434,099	$ 24,162,592
FUND BALANCES:				
Beginning of year			(195,644)	
End of year			$ 26,238,455	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

State Gas Tax

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Other taxes	$ 438,558	$ 438,558	$ 457,378	$ 18,820
Investment earnings	1,271	1,271	25,831	24,560
Total revenues	439,829	439,829	483,209	43,380
EXPENDITURES:				
Current:				
Highways and streets	2,289	2,289	2,292	(3)
Total expenditures	2,289	2,289	2,292	(3)
REVENUES OVER (UNDER) EXPENDITURES	437,540	437,540	480,917	43,377
OTHER FINANCING SOURCES (USES):				
Transfers out	(140,000)	(490,000)	(340,000)	150,000
Total other financing sources (uses)	(140,000)	(490,000)	(340,000)	150,000
Net change in fund balances	$ 297,540	$ (52,460)	140,917	$ 193,377
FUND BALANCES:				
Beginning of year			236,631	
End of year			$ 377,548	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Local Transportation Streets

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Subventions and grants	$ 273,181	$ 273,181	$ 179,334	$ (93,847)
Investment earnings	2,559	2,559	28,188	25,629
Miscellaneous	2,500	2,500	2,500	-
Total revenues	278,240	278,240	210,022	(68,218)
EXPENDITURES:				
Current:				
Highways and streets	5,609	5,829	5,831	(2)
Total expenditures	5,609	5,829	5,831	(2)
REVENUES OVER (UNDER) EXPENDITURES	272,631	272,411	204,191	(68,220)
Net change in fund balances	$ 272,631	$ 272,411	204,191	$ (68,220)
FUND BALANCES:				
Beginning of year			347,170	
End of year			$ 551,361	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Public Education Grant

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Other taxes	$ 39,000	$ (39,000)	$ 35,032	$ 74,032
Investment earnings	1,187	(1,187)	7,602	8,789
Total revenues	40,187	(40,187)	42,634	82,821
EXPENDITURES:				
Current:				
General government	14,003	14,003	4,008	9,995
Capital outlay	-	27,846	6,056	21,790
Total expenditures	14,003	41,849	10,064	31,785
REVENUES OVER (UNDER) EXPENDITURES	26,184	(82,036)	32,570	114,606
Net change in fund balances	$ 26,184	$ (82,036)	32,570	$ 114,606
FUND BALANCES:				
Beginning of year			112,657	
End of year			$ 145,227	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Noncapital Grants

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Subventions and grants	$ 150,000	$ (150,000)	$ 194,663	$ 344,663
Investment earnings	1,911	(1,911)	8,998	10,909
Total revenues	151,911	(151,911)	203,661	355,572
EXPENDITURES:				
Current:				
Public safety	916	916	912	4
Total expenditures	916	916	912	4
REVENUES OVER (UNDER) EXPENDITURES	150,995	(152,827)	202,749	355,576
OTHER FINANCING SOURCES (USES):				
Transfers out	(150,000)	(150,000)	(150,000)	-
Total other financing sources (uses)	(150,000)	(150,000)	(150,000)	-
Net change in fund balances	$ 995	$ (302,827)	52,749	$ 355,576
FUND BALANCES:				
Beginning of year			106,978	
End of year			$ 159,727	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Chapman House Estate

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ 139	$ 139	$ 1,765	$ 1,626
Miscellaneous	48,700	48,700	8,167	(40,533)
Total revenues	48,839	48,839	9,932	(38,907)
EXPENDITURES:				
Current:				
General government	2,000	9,400	7,400	2,000
Housing	133,707	156,747	59,752	96,995
Total expenditures	135,707	166,147	67,152	98,995
REVENUES OVER (UNDER) EXPENDITURES	(86,868)	(117,308)	(57,220)	60,088
OTHER FINANCING SOURCES (USES):				
Transfers in	100,000	92,600	20,198	(72,402)
Total other financing sources (uses)	100,000	92,600	20,198	(72,402)
Net change in fund balances	$ 13,132	$ (24,708)	(37,022)	$ (12,314)
FUND BALANCES:				
Beginning of year			36,543	
End of year			$ (479)	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Public Facilities

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 60	$ 60
Total revenues	-	-	60	60
Net change in fund balances	$ -	$ -	60	$ 60
FUND BALANCES:				
Beginning of year			897	
End of year			$ 957	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Park Development

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ 2,270	$ 2,270	$ 24,049	$ 21,779
Charges for services	30,000	30,000	36,826	6,826
Total revenues	32,270	32,270	60,875	28,605
EXPENDITURES:				
Current:				
Community services	5,981	5,981	5,976	5
Capital outlay	(60,000)	85,029	2,836	82,193
Total expenditures	(54,019)	91,010	8,812	82,198
REVENUES OVER (UNDER) EXPENDITURES	86,289	(58,740)	52,063	110,803
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(130,000)	(103,025)	(26,975)
Total other financing sources (uses)	-	(130,000)	(103,025)	(26,975)
Net change in fund balances	$ 86,289	$ (188,740)	(50,962)	$ 83,828
FUND BALANCES:				
Beginning of year			371,313	
End of year			$ 320,351	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Circulation Improvement

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ 4,440	$ 4,440	$ 38,760	$ 34,320
Miscellaneous	-	-	26,819	26,819
Total revenues	4,440	4,440	65,579	61,139
EXPENDITURES:				
Current:				
Highways and streets	41	41	36	5
Total expenditures	41	41	36	5
REVENUES OVER (UNDER) EXPENDITURES	4,399	4,399	65,543	61,144
OTHER FINANCING SOURCES (USES):				
Transfers out	(150,000)	(166,030)	(9,869)	(156,161)
Total other financing sources (uses)	(150,000)	(166,030)	(9,869)	(156,161)
Net change in fund balances	$ (145,601)	$ (161,631)	55,674	$ (95,017)
FUND BALANCES:				
Beginning of year			566,056	
End of year			$ 621,730	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Impact Fees

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ 12,345	$ 12,345	$ 28,791	$ 16,446
Charges for services	-	-	41,429	41,429
Total revenues	12,345	12,345	70,220	57,875
EXPENDITURES:				
Current:				
General government	-	46,000	45,660	340
Community services	914	914	912	2
Total expenditures	914	46,914	46,572	342
REVENUES OVER (UNDER) EXPENDITURES	11,431	(34,569)	23,648	58,217
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(100,626)	(100,626)	-
Total other financing sources (uses)	-	(100,626)	(100,626)	-
Net change in fund balances	$ 11,431	$ (135,195)	(76,978)	$ 58,217
FUND BALANCES:				
Beginning of year			390,763	
End of year			$ 313,785	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Developer Impact Fees

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 6,527	$ 6,527
Total revenues	-	-	6,527	6,527
Net change in fund balances	$ -	$ -	6,527	$ 6,527
FUND BALANCES:				
Beginning of year			58,652	
End of year			$ 65,179	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Underground Utilities

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 1,134	$ 1,134
Total revenues	-	-	1,134	1,134
Net change in fund balances	$ -	$ -	1,134	$ 1,134
FUND BALANCES:				
Beginning of year			16,870	
End of year			$ 18,004	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

City of Pismo Beach Public Financing Agency

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ 1,076,414	$ 1,234,199	$ 157,785
Total revenues	-	1,076,414	1,234,199	157,785
EXPENDITURES:				
Current:				
Debt service:				
Principal	340,047	340,047	340,047	-
Interest and fiscal charges	366,077	2,779,103	1,889,052	890,051
Total expenditures	706,124	3,119,150	2,229,099	890,051
REVENUES OVER (UNDER) EXPENDITURES	(706,124)	(2,042,736)	(994,900)	1,047,836
OTHER FINANCING SOURCES (USES):				
Transfers in	706,125	2,246,469	2,225,289	(21,180)
Transfers out	-	(1,076,414)	(1,230,191)	(153,777)
Total other financing sources (uses)	706,125	1,170,055	995,098	(174,957)
Net change in fund balances	$ 1	$ (872,681)	198	$ 872,879
FUND BALANCES:				
Beginning of year			584	
End of year			$ 782	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Indio / El Portal Assessment District

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 51	$ 51
Total revenues	-	-	51	51
Net change in fund balances	$ -	$ -	51	$ 51
FUND BALANCES:				
Beginning of year			755	
End of year			$ 806	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Visalia Assessment District

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 7,294	$ 7,294
Total revenues	-	-	7,294	7,294
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(85,000)	-	85,000
Total other financing sources (uses)	-	(85,000)	-	85,000
Net change in fund balances	$ -	$ (85,000)	7,294	$ 92,294
FUND BALANCES:				
Beginning of year			106,060	
End of year			$ 113,354	

City of Pismo Beach

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Reassessment District

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Investment earnings	$ -	$ -	$ 926	$ 926
Total revenues	-	-	926	926
Net change in fund balances	$ -	$ -	926	$ 926
FUND BALANCES:				
Beginning of year			13,774	
End of year			$ 14,700	

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INTERNAL SERVICE FUNDS

The City maintains the following Internal Service Funds:

Technology Service Fund accounts for the City's information technology including hardware, software and related infrastructure within the City.

Motor Vehicle Fund accounts for the maintenance of the vehicular fleet and equipment utilized by all departments within the City.

City of Pismo Beach

Combining Statement of Net Position

Internal Service Funds

June 30, 2025

	Technology Service Fund	Motor Vehicle Fund	Totals
ASSETS			
Current Assets:			
Cash and investments	$ 50,717	$ 4,526,805	$ 4,577,522
Taxes receivable	(1,999)	-	(1,999)
Accounts receivable	-	227	227
Accrued interest receivable	7	261	268
Prepayments	1,922	-	1,922
Total current assets	50,647	4,527,293	4,577,940
Noncurrent:			
Vehicles	-	7,182,179	7,182,179
Equipment	290,361	1,066,311	1,356,672
Less accumulated depreciation	(216,048)	(4,208,375)	(4,424,423)
Net capital assets	74,313	4,040,115	4,114,428
Total noncurrent assets	74,313	4,040,115	4,114,428
Total assets	124,960	8,567,408	8,692,368
LIABILITIES			
Current liabilities:			
Accounts payable	79,423	240,265	319,688
Accrued liabilities	12,006	8,002	20,008
Compensated absences - current	5,417	3,541	8,958
Total current liabilities	96,846	251,808	348,654
Noncurrent liabilities:			
Compensated absences	16,252	10,623	26,875
Total noncurrent liabilities	16,252	10,623	26,875
Total liabilities	113,098	262,431	375,529
NET POSITION			
Net investment in capital assets	74,313	4,040,115	4,114,428
Unrestricted	(62,451)	4,264,862	4,202,411
Total net position	$ 11,862	$ 8,304,977	$ 8,316,839

City of Pismo Beach

Combining Statement of Revenues, Expenses and Changes in Net Position

Internal Service Funds

For the year ended June 30, 2025

	Technology Service Fund	Motor Vehicle Fund	Totals
OPERATING REVENUES:			
Service fees	$ 1,592,780	$ 655,332	$ 2,248,112
Total operating revenues	1,592,780	655,332	2,248,112
OPERATING EXPENSES:			
Salaries and benefits	286,495	156,951	443,446
Services and supplies	1,372,522	610,185	1,982,707
Depreciation and amortization	15,425	517,925	533,350
Total operating expenses	1,674,442	1,285,061	2,959,503
Operating income (loss)	(81,662)	(629,729)	(711,391)
NONOPERATING REVENUES (EXPENSES):			
Gain (loss) on disposal of capital assets	-	22,533	22,533
Investment earnings	5,144	302,794	307,938
Total nonoperating revenues (expenses)	5,144	325,327	330,471
Income before contributions and transfers	(76,518)	(304,402)	(380,920)
CONTRIBUTIONS AND TRANSFERS:			
Transfers in	36,142	997,069	1,033,211
Total contributions and transfers	36,142	997,069	1,033,211
Change in net position	(40,376)	692,667	652,291
NET POSITION:			
Beginning of year	66,501	7,612,538	7,679,039
Restatements	(14,263)	(228)	(14,491)
Beginning of year, as restated	52,238	7,612,310	7,664,548
End of year	$ 11,862	$ 8,304,977	$ 8,316,839

City of Pismo Beach

Combining Statement of Cash Flows

Internal Service Funds

For the year ended June 30, 2025

	Technology Service Fund	Motor Vehicle Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from other funds for services	$ 1,594,779	$ 816,191	$ 2,410,970
Payments to suppliers for goods and services	(1,378,068)	(500,401)	(1,878,469)
Payments to employees for wages and benefits	(282,850)	(140,628)	(423,478)
Net cash provided by (used in) operating activities	(66,139)	175,162	109,023
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from other funds	36,142	997,069	1,033,211
Net cash provided by (used in) noncapital financing activities	36,142	997,069	1,033,211
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Receipts from sales of capital assets	-	22,533	22,533
Purchase of capital assets	(45,501)	(1,996,105)	(2,041,606)
Net cash provided by (used in) capital and related financing activities	(45,501)	(1,973,572)	(2,019,073)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on investments	3,199	197,461	200,660
Gain (loss) on investments	2,224	111,175	113,399
Net cash provided by (used in) investing activities	5,423	308,636	314,059
Net cash flows	(70,075)	(492,705)	(562,780)
CASH AND INVESTMENTS - Beginning of year	120,792	5,019,510	5,140,302
CASH AND INVESTMENTS - End of year	$ 50,717	$ 4,526,805	$ 4,577,522
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	$ (81,662)	$ (629,729)	$ (711,391)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	15,425	517,925	533,350
Accounts receivable	1,999	160,859	162,858
Accounts payable	(5,546)	109,784	104,238
Accrued liabilities	1,532	4,022	5,554
Compensated absences	2,113	12,301	14,414
Net cash provided by (used in) operating activities	$ (66,139)	$ 175,162	$ 109,023

Statistical Section

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Schedule 1
City of Pismo Beach
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
For Fiscal Ended June 30

	2016	2017	2018	2019
Governmental activities:				
Net investment in capital assets	$ 40,900,410	$ 42,378,253	$ 37,034,179	$ 43,356,000
Restricted	6,702,558	8,284,649	7,953,098	5,980,066
Unrestricted	14,455,616	10,904,295	19,502,567	20,263,916
Total governmental activities net position	$ 62,058,584	$ 61,567,197	$ 64,489,844	$ 69,599,982
Business-type activities:				
Net investment in capital assets	$ 20,011,697	$ 22,281,718	$ 29,967,919	$ 35,565,718
Restricted	1,989,793	763,188	7,396,315	3,485,309
Unrestricted	14,105,083	23,790,177	12,917,394	16,783,439
Total business-type activities net position	$ 36,106,573	$ 46,835,083	$ 50,281,628	$ 55,834,466
Primary government (City wide totals):				
Net investment in capital assets	$ 60,912,107	$ 64,659,971	$ 67,002,098	$ 78,921,718
Restricted	8,692,351	9,047,837	15,349,413	9,465,375
Unrestricted	28,560,699	34,694,472	32,419,961	37,047,355
Total primary government net position	$ 98,165,157	$ 108,402,280	$ 114,771,472	$ 125,434,448

2020	2021	2022	2023	2024	2025
$ 68,744,732	$ 72,426,707	$ 81,863,421	$ 86,032,296	$ 93,361,750	$ 67,990,425
5,367,307	6,338,982	7,633,122	8,814,290	10,205,530	11,469,976
12,400,117	22,029,274	32,965,542	30,885,096	31,589,674	60,300,033
$ 86,512,156	$ 100,794,963	$ 122,462,085	$ 125,731,682	$ 135,156,954	$ 139,760,434
$ 41,209,062	$ 41,630,914	$ 42,633,527	$ 41,742,945	$ 45,175,537	$ 47,704,845
2,291,691	2,291,691	28,188	809,559	1,190,282	1,190,282
15,707,406	19,162,503	23,513,905	28,737,348	25,107,868	24,832,973
$ 59,208,159	$ 63,085,108	$ 66,175,620	$ 71,289,852	$ 71,473,687	$ 73,728,100
$ 109,953,794	$ 114,057,621	$ 124,496,948	$ 127,775,241	$ 138,537,287	$ 115,695,270
7,658,998	8,630,673	7,661,310	9,623,849	10,205,530	12,660,258
28,107,523	41,191,777	56,479,447	59,622,444	56,697,542	85,133,006
$ 145,720,315	$ 163,880,071	$ 188,637,705	$ 197,021,534	$ 205,440,359	$ 213,488,534

Schedule 2
City of Pismo Beach
Changes in Net Position, Last Ten Fiscal Years
(Accrual Basis of Accounting)
For Fiscal Year Ended June 30

	2016	2017	2018	2019
Expenses:				
Governmental activities:				
General government	$ 6,478,517	$ 6,138,982	$ 8,682,523	$ 7,386,249
Police	4,415,960	5,057,206	5,524,313	6,886,401
Fire	2,300,397	2,404,407	2,273,823	2,464,794
Public works	2,191,332	2,165,762	3,538,379	4,139,918
Streets	1,894,967	2,807,486	758,733	766,752
Community Services	1,730,536	1,575,249	2,184,612	1,750,512
Redevelopment and Housing	5,172	9,779	141,952	148,525
Interest on long-term debt	129,590	149,699	424,283	437,597
Total governmental activities expenses	19,146,471	20,308,570	23,528,618	23,980,748
Business-type activities:				
Water	5,411,932	5,130,481	5,627,557	5,612,129
Wastewater	3,218,792	3,543,794	2,988,446	3,490,726
Pier	74,525	106,954	94,835	178,397
Parking	584,809	412,831	522,958	682,449
Transit	8,915	10,321	7,740	2,460
Total business-type activities expenses	9,298,973	9,204,381	9,241,536	9,966,161
Total City government expenses	$ 28,445,444	$ 29,512,951	$ 32,770,154	$ 33,946,909
Program Revenues:				
Governmental activities:				
Charges for services:				
General government	$ 1,996,898	$ 2,082,125	$ 2,141,024	$ 2,537,482
Police protection	99,422	123,365	147,488	222,270
Fire protection	110,111	73,061	42,794	97,210
Public works	1,924,604	2,397,389	851,257	1,008,830
Streets	232,322	163,015	7,663	57,936
Community Services	808,849	438,089	309,107	446,437
Redevelopment and Housing	1,366,649	543,889	92,635	60,724
Operating grants and contributions	720,505	494,291	436,647	2,005,434
Capital grants and contributions	179,020	803,852	4,079,117	2,514,943
Total governmental activities program revenues	7,438,380	7,119,076	8,107,732	8,951,266

2020	2021	2022	2023	2024	2025
$ 8,839,242	$ 7,758,082	$ 7,281,988	$ 8,890,073	$ 10,541,125	$ 11,512,897
7,320,891	6,996,279	6,125,852	8,771,472	8,930,314	9,696,270
2,904,909	2,473,929	2,685,033	3,151,328	3,484,034	3,081,836
4,975,583	4,428,749	4,905,144	3,963,536	4,336,307	4,578,684
1,039,932	1,045,069	1,031,050	10,410,327	6,363,987	5,141,930
2,204,009	2,271,402	2,646,685	2,728,428	3,052,097	3,482,621
66,287	63,831	75,418	201,207	75,809	81,550
427,879	416,148	410,003	396,449	376,620	2,113,747
27,778,732	25,453,489	25,161,173	38,512,820	37,160,293	39,689,535
6,184,516	5,550,098	5,818,024	7,821,865	6,653,158	6,757,878
3,673,374	4,282,686	4,439,748	7,217,969	8,705,988	5,143,754
307,658	238,868	252,623	270,979	311,840	269,815
509,680	712,764	703,778	765,387	807,765	978,225
1,714	1,871	857	900	-	-
10,676,942	10,786,287	11,215,030	16,077,100	16,478,751	13,149,672
$ 38,455,674	$ 36,239,776	$ 36,376,203	$ 54,589,920	$ 53,639,044	$ 52,839,207
$ 3,180,616	$ 4,140,043	$ 4,652,534	$ 4,193,603	$ 4,900,523	$ 4,940,688
134,092	237,362	453,558	678,792	781,890	179,609
40,223	80,291	112,328	113,223	53,899	40,235
831,871	1,134,589	1,303,349	1,308,992	1,319,301	1,123,788
13,254	2,500	-		-	
382,976	439,627	841,044	455,925	420,092	359,690
277,095	270,998	519,708	261,478	83,685	90,352
2,628,176	1,997,917	2,306,843	1,127,490	1,219,081	1,381,316
15,278,174	3,594,786	4,711,140	2,509,781	555,802	789,685
22,766,477	11,898,113	14,900,504	10,649,284	9,334,273	8,905,363

Schedule 2
City of Pismo Beach
Changes in Net Position, Last Ten Fiscal Years - Continued
(Accrual Basis of Accounting)
For Fiscal Year Ended June 30

	2016	2017	2018	2019
Business-type activities:				
Charges for services:				
Water	$ 4,709,473	$ 5,448,798	$ 4,849,034	$ 4,382,106
Wastewater	4,633,274	4,765,561	5,047,984	5,121,062
Pier	15,904	37,071	24,045	12,938
Parking	644,922	816,689	763,416	1,142,142
Transit	10,539	15,002	10,000	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	31,850	-	-	432,811
Total business-type activities programs revenues	10,045,962	11,083,121	10,694,479	11,091,059
Total City government program revenues	$ 17,484,342	$ 18,202,197	$ 18,802,211	$ 20,042,325
Net Revenues (Expenses):				
Governmental activities	$ (11,708,091)	$ (13,189,494)	$ (15,420,886)	$ (15,029,482)
Business-type activities	746,989	1,878,740	1,452,943	1,124,898
Total City government	$ (10,961,102)	$ (11,310,754)	$ (13,967,943)	$ (13,904,584)
General Revenues and Other Changes in Net Position:				
Governmental activities:				
Taxes:				
Property taxes	$ 4,662,304	$ 5,054,866	$ 5,334,500	$ 5,619,427
Incremental property taxes	-	-		
Sales taxes	4,485,779	4,433,756	4,689,005	4,815,640
Transient occupancy taxes	9,199,947	9,330,651	10,039,921	10,498,160
Other taxes	915,610	1,045,733	976,359	1,000,717
Investment earnings	397,199	168,833	306,056	994,991
Miscellaneous	74,243	227,618	37,638	113,048
Transfers	(71,219)	(7,563,349)	(601,476)	(2,902,363)
Extraordinary item - RDA	-	-	-	-
Total governmental activities	19,663,863	12,698,108	20,782,003	20,139,620
Business-type activities				
Special Water Taxes	1,266,322	1,286,422	1,320,604	1,362,579
Investment Earnings	-	-	(26,137)	815,787
Gain (Loss) on Sale of Asset	-	-	240,120	(652,789)
Other Revenue	-	-	46,948	
Transfers	71,219	7,563,349	601,476	2,902,363
Total business-type activities	1,337,541	8,849,771	2,183,011	4,427,940
Total City government	$ 21,001,404	$ 21,547,879	$ 22,965,014	$ 24,567,560
Change in net position:				
Governmental activities	$ 7,955,772	$ (491,386)	$ 5,361,117	$ 5,110,138
Business-type activities	2,084,530	10,728,511	3,635,954	5,552,838
Total City government	$ 10,040,302	$ 10,237,125	$ 8,997,071	$ 10,662,976

2020	2021	2022	2023	2024	2025
$ 4,729,724	$ 5,360,590	$ 5,962,637	$ 6,960,891	$ 6,216,560	$ 6,167,066
5,020,653	5,478,360	6,070,939	8,640,226	6,455,986	6,261,851
3,300	44,469	82,842	76,983	77,348	77,865
968,246	2,655,833	2,804,978	2,516,492	3,325,494	3,359,315
-	10,000	-		-	-
-		-		-	-
-		49,058	104,152	1,591,587	28,047
10,721,923	13,549,252	14,970,454	18,298,744	17,666,975	15,894,144
$ 33,488,400	$ 25,447,365	$ 29,870,958	$ 28,948,028	$ 27,001,248	$ 24,799,507
$ (5,012,255)	$ (13,555,376)	$ (10,260,669)	$ (27,863,536)	$ (27,826,020)	$ (30,784,172)
44,981	2,762,965	3,755,424	2,221,644	1,188,224	2,744,472
$ (4,967,274)	$ (10,792,411)	$ (6,505,245)	$ (25,641,892)	$ (26,637,796)	$ (28,039,700)
$ 5,935,388	$ 6,220,595	$ 6,479,633	$ 7,046,442	$ 7,424,287	$ 7,740,115
-					
4,537,068	5,408,109	6,127,110	6,074,484	5,857,109	6,580,851
9,395,523	14,209,579	17,010,748	15,481,136	15,083,303	15,179,514
1,041,314	1,157,391	1,187,324	1,300,907	1,262,558	1,308,598
1,091,391	242,216	(728,740)	564,058	2,163,356	3,746,331
50,731	373,222	582,137	169,082	304,372	2,160
(126,986)	227,071	1,269,579	497,024	5,129,149	1,218,351
-	-	-	-	-	-
21,924,429	27,838,183	31,927,791	31,133,133	37,224,134	35,775,920
1,398,622	1,425,781	1,482,864	1,503,806	1,548,362	1,595,231
753,104	(84,726)	(878,197)	(66,209)	1,413,274	1,599,906
1,050,000					
126,986	(227,071)	(1,269,579)	(497,024)	(5,129,149)	(1,218,351)
3,328,712	1,113,984	(664,912)	940,573	(2,167,513)	1,976,786
$ 25,253,141	$ 28,952,167	$ 31,262,879	$ 32,073,706	$ 35,056,621	$ 37,752,706
$ 16,912,174	$ 14,282,807	$ 21,667,122	$ 3,269,597	$ 9,398,114	$ 4,991,748
3,373,693	3,876,949	3,090,512	3,162,217	(979,289)	4,721,258
$ 20,285,867	$ 18,159,756	$ 24,757,634	$ 6,431,814	$ 8,418,825	$ 9,713,006

Schedule 3
City of Pismo Beach
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2016	2017	2018	2019
General fund:				
Reserved	$ -	$ -	$ -	$ -
Unreserved	-	-	-	-
Nonspendable	37,292	43,026	41,262	1,155,945
Restricted	-	-	-	-
Committed	13,676,510	13,651,916	14,835,873	14,332,834
Assigned	-		403,227	1,114,527
Unassigned	5,398,701	7,787,769	7,170,465	7,763,396
Total general fund	19,112,503	21,482,711	22,450,827	24,366,702
All other governmental funds:				
Reserved	-	-	-	-
Unreserved reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Nonspendable	1,086,826	-	-	-
Restricted	6,702,558	5,766,454	7,953,098	5,980,066
Committed	41,923	2,344,205	2,065,945	1,059,306
Assigned	622,145	255,176	1,435,396	1,235,290
Unassigned	-	-	-	-
Total all other governmental funds	8,453,452	8,365,835	11,454,439	8,274,662
Total all governmental funds	$ 27,565,955	$ 29,848,546	$ 33,905,266	$ 32,641,364

2020	2021	2022	2023	2024	2025
$ -					
-					
11,021	44,906	50,324	68,932	343,462	286,916
			-		
6,816,529	6,684,881	20,470,928	957,733	16,028,485	16,230,416
6,209,614	6,687,765	7,834,385	9,462,980	2,375,968	2,351,456
8,405,679	17,110,145	9,256,820	25,714,448	17,787,712	22,801,339
21,442,843	30,527,697	37,612,457	36,204,093	36,535,627	41,670,127
-	-	-	-		
-	-	-	-		
-	-	-	-		
-	-	-	-		
-	-	-	-		
5,367,307	6,338,982	7,518,863	8,814,290	10,205,530	11,469,976
1,233,770	809,178	609,328	-	-	
1,044,500	947,438	849	57,213	897	957
(2,935,590)	(1,349,310)	(462,718)		(195,644)	26,238,455
4,709,987	6,746,288	7,666,322	8,871,503	10,010,783	37,709,388
$ 26,152,830	$ 37,273,985	$ 45,278,779	$ 45,075,596	$ 46,546,410	$ 79,379,515

Schedule 4
City of Pismo Beach
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(In Rounded Thousands of Dollars)
(Modified accrual basis of accounting)
For Fiscal Year Ended June 30

	2016	2017	2018	2019
Revenues:				
Taxes	$ 19,261	$ 19,763	$ 21,016	$ 21,897
Licenses and permits	1,918	2,423	895	1,042
Fines and forfeits	56	43	55	68
Charges for services	2,588	1,318	435	638
Special assessments	920	933	1,002	1,516
Intergovernmental	940	1,402	787	2,470
Investment earnings & rent	420	333	474	1,151
Other revenues	959	1,101	1,102	1,671
Total revenues	27,062	27,316	25,766	30,453
Expenditures:				
General government	6,197	6,026	8,445	6,912
Public safety	7,278	7,942	8,564	9,038
Planning and Public Works	4,468	4,746	4,812	4,691
Recreation				
Capital outlay	2,320	2,570	2,013	6,997
Debt service:				
Costs of issuance	-		86	
Principal	310	3,040	270	257
Interest	131	160	344	444
Total expenditures	20,704	24,484	24,534	28,339
Excess of revenues over (under) expenditures	6,358	2,832	1,232	2,114
Other Financing Sources (Uses)				
Proceeds from borrowing	-	7,876	4,062	
Payments to escrow agent	-	-	-	
Proceeds from Sale of Assets	-	-	-	3
Transfers in	2,240	5,498	2,984	5,659
Transfers out	(2,842)	(13,923)	(4,222)	(9,040)
Total other financing sources (uses)	(602)	(549)	2,824	(3,378)
Net change in fund balance	$ 5,756	$ 2,283	$ 4,056	$ (1,264)
Debt service as a percentage of noncapital expenditures	2.40%	14.60%	2.74%	3.28%

2020	2021	2022	2023	2024	2025
$ 20,871	$ 26,958	$ 31,171	$ 30,318	$ 30,045	$ 31,266
839	1,137	1,356	1,336	1,362	1,184
49	47	49	41	76	65
630	969	1,083	1,177	1,171	447
1,878	2,704	3,091	2,814	2,741	2,757
3,448	5,063	5,254	4,044	1,016	2,674
1,244	373	(491)	804	2,064	3,614
2,911	1,839	2,338	1,597	2,217	2,203
31,870	39,090	43,851	42,131	40,692	44,211
7,490	6,445	8,604	8,765	9,527	9,572
8,972	8,734	9,901	10,936	11,870	11,941
5,294	5,236	6,134	6,341	6,685	7,475
15,027	6,174	12,113	15,442	14,965	21,261
-					
272	288	300	311	347	438
434	422	410	396	383	2,181
37,489	27,299	37,462	42,190	43,777	52,869
(5,619)	11,791	6,389	(59)	(3,085)	(8,657)
-					
-					
-					
12,215	3,801	8,034	13,450	14,931	11,277
(13,084)	(4,471)	(7,505)	(13,593)	(10,400)	30,214
(869)	(670)	529	(144)	4,531	41,491
$ (6,488)	$ 11,121	$ 6,918	$ (203)	$ 1,446	$ 32,833
3.14%	3.36%	2.80%	2.65%	2.53%	8.29%

Schedule 5
City of Pismo Beach
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(In thousands of dollars)

Fiscal Year	Assessed Taxable Values			Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Real Property	Personal Property	Totals			
2015-2016	2,729,930	38,748	2,768,678	1.00%	6,880,179	40.24%
2016-2017	2,938,649	39,575	2,978,224	1.00%	7,403,158	40.23%
2017-2018	3,127,849	43,541	3,171,390	1.00%	7,881,824	40.24%
2018-2019	3,304,131	43,860	3,347,991	1.00%	8,322,985	40.23%
2019-2020	3,521,604	48,633	3,570,237	1.00%	8,873,486	40.23%
2020-2021	3,721,349	51,815	3,773,164	1.00%	9,377,394	40.24%
2021-2022	3,849,959	49,279	3,899,238	1.00%	9,695,296	40.22%
2022-2023	4,157,554	56,228	4,213,782	1.00%	10,474,211	40.23%
2023-2024	4,395,605	60,936	4,456,541	1.00%	11,076,064	40.24%
2024-2025	4,595,410	63,907	4,659,486	1.00%	11,579,820	40.24%

Schedule 6
City of Pismo Beach
Direct and Overlapping Property Tax Rates
For The Last Ten Fiscal Years
(Rates per $100 of assessed value)

	Direct Rate			Overlapping Rates		
Fiscal Year	Basic Rate	General Obligation Debt Rate	Total	School Districts	Special Districts	Total
2015-2016	1.00%	0.00%	1.00%	0.1092%	0.0136%	1.1228%
2016-2017	1.00%	0.00%	1.00%	0.1082%	0.0128%	1.1210%
2017-2018	1.00%	0.00%	1.00%	0.1502%	0.0113%	1.1615%
2018-2019	1.00%	0.00%	1.00%	0.1492%	0.0089%	1.1581%
2019-2020	1.00%	0.00%	1.00%	0.1406%	0.0089%	1.1495%
2020-2021	1.00%	0.00%	1.00%	0.1157%	0.0100%	1.1257%
2021-2022	1.00%	0.00%	1.00%	0.1170%	0.0100%	1.1270%
2022-2023	1.00%	0.00%	1.00%	0.0938%	0.0100%	1.1038%
2023-2024	1.00%	0.00%	1.00%	0.1383%	0.0096%	1.1479%
2024-2025	1.00%	0.00%	1.00%	0.1295%	0.0097%	1.1392%

Note:
The direct property tax rates can only be changed with specific voter approval.

Source: HDL Reports.

Schedule 7
City of Pismo Beach
Principal Property Tax Payers - Top Ten Payers
Last Ten Fiscal Years
(Dollar Amounts in Thousands)

2025

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Vespera Pismo Beach Holdings	$ 82,968	1	1.81%
Pismo Beach Mobile Park	61,818	2	1.35%
Core Pismo LLC	46,869	3	1.02%
Prime Outlets	34,835	4	0.76%
WM Pismo Beach Holdings LLC	29,844	5	0.65%
Studio Inn and Suites LLC	28,010	6	0.61%
SCM Pismo Beach Hotel LLC	26,536	7	0.58%
Pismo Coast Plaza LLC	17,942	8	0.39%
Cliffs Resort LLC	17,839	9	0.39%
CCC PSC Owner LLC	17,446	10	0.38%
Total	$ 364,107		7.92%

2024

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Vespera Pismo Beach Holdings	$ 81,449	1	1.85%
Pismo Beach Mobile Park	55,156	2	1.25%
Core Pismo LLC	45,982	3	1.05%
Prime Outlets	34,155	4	0.78%
WM Pismo Beach Holdings LLC	29,263	5	0.67%
Studio Inn and Suites LLC	27,500	6	0.63%
SCM Pismo Beach Hotel LLC	26,015	7	0.59%
Spalding G Wathen Inc	19,236	8	0.44%
Pismo Coast Plaza LLC	17,590	9	0.40%
Cliffs Resort LLC	17,509	10	0.40%
Total	$ 353,855		8.05%

2023

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Vespera Pismo Beach Holdings	$ 79,960	1	1.92%
Pismo Beach Mobile Park	50,455	2	1.21%
Prime Outlets	33,488	3	0.81%
Pismo Creek RV Resort Inc	28,693	4	0.69%
Core Pismo LLC	27,412	5	0.66%
SCM Pismo Beach Hotel LLC	25,505	6	0.61%
Studio Inn and Suites LLC	21,788	7	0.52%
Spalding G Wathen Inc	18,859	8	0.45%
Core Cove LLC	17,701	9	0.43%
Pismo Coast Plaza LLC	17,245	10	0.41%
Total	$ 321,106		7.72%

2022

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Pismo Beach Mobile Home Park	$ 47,622	1	1.26%
Vespera Pismo Beach Holdings LLC	46,603	2	1.24%
Core Pismo, LLC	44,341	3	1.18%
Prime Outlets at Pismo Beach	32,844	4	0.87%
WM Pismo Beach Holdings LLC	28,142	5	0.75%
SCM Pismo Beach Hotel LLC	26,005	6	0.69%
Studio Inn and Suites	21,379	7	0.57%
Spalding G Wathen Inc	20,005	8	0.53%
Pismo Coast Plaza LLC	16,907	9	0.45%
Cliffs Resort LLC	16,868	10	0.45%
Total	$ 300,716		7.97%

2021

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Vespera Pismo Beach Holdings LLC	$ 45,522	1	1.21%
Core Pismo, LLC	43,252	2	1.15%
Pismo Beach Mobile Home Park	42,154	3	1.12%
Susan Darosa	38,704	4	1.03%
Prime Outlets at Pismo Beach	32,515	5	0.86%
SCM Pismo Beach Hotel LLC	25,749	6	0.68%
Spalding G Wathen Inc	21,862	7	0.58%
Castleblack Pismo Beach Owner LLC	21,169	8	0.56%
Pismo Coast Plaza LLC	16,734	9	0.44%
Cliffs Resort LLC	16,705	10	0.44%
Total	$ 304,366		8.07%

2020

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Pismo Beach Mobile Home Park	$ 38,221	1	1.07%
WM Pismo Beach Holdings LLC	37,917	2	1.06%
Core Pismo, LLC	36,293	3	1.02%
Prime Outlets at Pismo Beach	31,882	4	0.89%
SCM Pismo Beach Hotel LLC	25,264	5	0.71%
Pismo Beach Hotel Investments LLC	22,995	6	0.64%
Spalding G Wathen Inc	21,433	7	0.60%
Castleblack Pismo Beach Owner LLC	17,923	8	0.50%
Cliffs Resort LLC	16,919	9	0.47%
Pismo Coast Plaza LLC	16,405	10	0.46%
Total	$ 265,252		7.43%

2019				2018			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Katelynn Nicole Sawyer	$ 34,822	1	1.04%	Pismo Beach Mobile Home Park	$ 33,168	1	1.05%
Prime Outlets of Pismo Beach	31,236	2	0.93%	Prime Outlets of Pismo Beach	30,624	2	0.97%
Core Pismo, LLC	25,627	3	0.77%	Core Pismo, LLC	25,142	3	0.79%
Spalding G. Wathen, Inc.	21,013	4	0.63%	Spalding G. Wathen, Inc.	20,601	4	0.65%
Castleblack Pismo Beach	17,589	5	0.53%	Castleblack Pismo Beach	17,262	5	0.54%
Cliffs Resort, LLC	16,095	6	0.48%	Cliffs Resort, LLC	16,321	6	0.51%
Pismo Coast Plaza, LLC	16,084	7	0.48%	Heron Crest Development	15,950	7	0.50%
Pismo Shore Cliff, Inc.	15,691	8	0.47%	Pismo Coast Plaza, LLC	15,769	8	0.50%
Heron Crest Development	15,601	9	0.47%	Pismo Shore Cliff, Inc.	15,393	9	0.49%
Henry F. Myers Trust	14,230	10	0.43%	Henry F. Myers Trust	13,951	10	0.44%
Total	$ 207,988		6.21%	Total	$ 204,181		6.44%

2017				2016			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Pismo Beach Mobile Home Park	$ 30,394	1	1.02%	Martin Resorts, Inc.	$ 34,772	1	1.26%
Prime Outlets of Pismo Beach	30,032	2	1.01%	Prime Outlets of Pismo Beach	29,576	2	1.07%
Core Pismo, LLC	24,667	3	0.83%	Pismo Beach Mobile Home Park	27,500	3	0.99%
Spalding G. Wathen, Inc.	20,197	4	0.68%	Core Pismo, LLC	24,238	4	0.88%
Castleblack Pismo Beach	16,941	5	0.57%	Spalding G. Wathen, Inc.	19,893	5	0.72%
Heron Crest Development	16,278	6	0.55%	Castleblack Pismo Beach	17,300	6	0.62%
Cliffs Resort, LLC	16,031	7	0.54%	Heron Crest Development	16,033	7	0.58%
Pismo Coast Plaza, LLC	15,459	8	0.52%	Cliffs Resort, LLC	15,291	8	0.55%
Pismo Shore Cliff, Inc.	15,101	9	0.51%	Pismo Coast Plaza, LLC	15,227	9	0.55%
Henry F. Myers Trust	13,678	10	0.46%	Henry F. Myers Trust	13,679	10	0.49%
Total	$ 198,778		6.67%	Total	$ 213,509		7.71%

Schedule 8
City of Pismo Beach
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year of The Levy	
		Amount	Percentage of Levy
2015-2016	4,662,304	4,662,304	100.00%
2016-2017	5,054,866	5,054,866	100.00%
2017-2018	5,334,500	5,334,500	100.00%
2018-2019	5,619,427	5,619,427	100.00%
2019-2020	5,935,388	5,935,388	100.00%
2020-2021	6,220,595	6,220,595	100.00%
2021-2022	6,391,011	6,391,011	100.00%
2022-2023	6,932,999	6,932,999	100.00%
2023-2024	7,272,460	7,272,460	100.00%
2024-2025	7,595,521	7,595,521	100.00%

Note:
Property taxes are levied and collected pursuant to an arrangement commonly referred to as the Teeter Plan. Under the Teeter Plan, the County allocates and remits to the City the full amount of each years tax levy, and the County then retains any delinquencies as collected by the County.

Source: City of Pismo Beach Tax Collection records and San Luis Obispo County Assessor records.

Schedule 8 - A
City of Pismo Beach
Sales Tax Revenue Base Data
Last Ten Fiscal Years

Fiscal Year	Revenue Base City-Wide Retail Sales Subject to Tax	Total Retail Sales Tax Rate	City Direct Tax Rate	City Transaction Tax Rate	Revenue Recognized By the City
2015-2016	284,997,500	8.00%	1.00%	0.50%	4,485,779
2016-2017	288,353,100	7.75%	1.00%	0.50%	4,433,756
2017-2018	286,522,200	7.75%	1.00%	0.50%	4,689,005
2018-2019	319,725,600	7.75%	1.00%	0.50%	4,815,640
2019-2020	269,174,200	7.75%	1.00%	0.50%	4,537,068
2020-2021	358,766,100	7.75%	1.00%	0.50%	5,408,109
2021-2022	399,349,300	7.75%	1.00%	0.50%	6,127,110
2022-2023	394,220,500	7.75%	1.00%	0.50%	6,074,484
2023-2024	376,633,300	7.75%	1.00%	0.50%	5,857,109
2024-2025	384,363,700	8.25%	1.00%	1.00%	6,580,812

Note:
The City's direct retail sales tax rate is established pursuant to the City's Municipal Code. Any increase in the City's direct tax rate requires voter approval. Transaction Tax approved by voters in June 2008, effective October 1, 2008.

Source: Revenue Base Information provided by HDL Sales Tax Allocation Summary report. Revenue information provided by City of Pismo Beach records. Total rate updated back to 2009 in fiscal year 2016-17.

Schedule 8 - B
City of Pismo Beach
Principal Sales Tax Generators By Industry - Revenue Base Concentration Data
Last Ten Calendar Years
(Dollar Amounts in Thousands)

2025

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 115,799	1	30.53%
All Other Outlets	90,561	2	23.88%
Apparel Stores	70,597	3	18.61%
Other Retail Stores	67,647	4	17.84%
Service Stations	34,670	5	9.14%
Total	$ 379,274		100.00%

2024

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 116,659	1	30.58%
All Other Outlets	93,977	2	24.63%
Other Retail Stores	73,216	3	19.19%
Apparel Stores	69,398	4	18.19%
Service Stations	28,288	5	7.41%
Total	$ 381,538		100.00%

2023

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 118,387	1	29.60%
All Other Outlets	90,547	2	22.64%
Other Retail Stores	86,189	3	21.55%
Apparel Stores	70,076	4	17.52%
Service Stations	34,731	5	8.68%
Total	$ 399,930		100.00%

2022

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 109,474	1	33.42%
Other Retail Stores	91,274	2	27.86%
Apparel Stores	72,478	3	22.12%
Service Stations	29,401	4	8.97%
All Other Outlets	24,981	5	7.63%
Total	$ 327,608		100.00%

2021

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 76,392	1	33.32%
Other Retail Stores	67,395	2	29.40%
Apparel Stores	51,817	3	22.60%
Service Stations	21,141	4	9.22%
All Other Outlets	12,502	5	5.45%
Total	$ 229,247		100.00%

2020

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 92,751	1	35.38%
Apparel Stores	69,334	2	26.45%
Other Retail Stores	54,509	3	20.79%
Service Stations	27,966	4	10.67%
All Other Outlets	17,600	5	6.71%
Total	$ 262,160		100.00%

2019

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 89,597	1	33.17%
Apparel Stores	69,444	2	25.71%
Other Retail Stores	61,919	3	22.93%
Service Stations	28,478	4	10.54%
All Other Outlets	20,642	5	7.64%
Total	$ 270,080		100.00%

2018

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 80,674	1	31.74%
Apparel Stores	70,017	2	27.55%
Other Retail Stores	61,610	3	24.24%
Service Stations	27,015	4	10.63%
All Other Outlets	14,871	5	5.85%
Total	$ 254,187		100.00%

2017

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 78,894	1	30.82%
Apparel Stores	73,107	2	28.56%
Other Retail Stores	63,081	3	24.64%
Service Stations	26,149	4	10.22%
All Other Outlets	14,734	5	5.76%
Total	$ 255,965		100.00%

2016

Industry	Retail Sales Generated	Rank	Percentage of Total City Retail Sales Dollars
Restaurants	$ 76,693	1	30.34%
Apparel Stores	72,000	2	28.49%
Other Retail Stores	59,456	3	23.52%
Service Stations	30,285	4	11.98%
All Other Outlets	14,320	5	5.67%
Total	$ 252,754		100.00%

Source: HDL Reports.
Figures are based on Calendar year.
Changed Industry reporting categories in FY2016 to reflect fewer differentiated categories; Food Stores grouped into Other Retail Stores.

Schedule 8 B-1
City of Pismo Beach
Principal Sales Tax Payers - Top 25
Last Ten Fiscal Years
(In Alphabetical Order)

Fiscal Year Ended June 30			
2025	**2024**	**2023**	**2022**
Arco AM PM	Arco AM PM	7 Eleven	7 Eleven
Brads Restaurant	Brads Restaurant	Arco	Arco
California Fresh Market	California Fresh Market	Brads Restaurant	Brads Restaurant
Chevron	Chevron	California Fresh	California Fresh
Cliffs at Shell Beach	Cliffs at Shell Beach	Chevron	Chevron
Coach	Coach	Cliffs at Shell Beach	Cliffs at Shell Beach
Cool Cat Cafe	Cool Cat Café	Coach	Coach
CVS Pharmacy	CVS Pharmacy	Cool Cat Café	Cool Cat Café
Giuseppes Cucina	Giuseppes Cucina	Cracked Crab	Cracked Crab
Levis Outlet	Levis Outlet	CVS Pharmacy	CVS Pharmacy
Lido at Dolphin Bay	Lido at Dolphin Bay	Dolphin Bay Lido Restaurant	Dolphin Bay Lido Restaurant
McDonald's	Me N Eds Pizzeria and Craft Hou	Giuseppes Cucina	Giuseppes Cucina
Nike	Nike	Levis Outlet	Levis Outlet
Pismo 76	Pismo 76	McDonalds	McDonalds
Pismo Supply Co	Pismo Supply Co	Me N Eds Pizzeria and Craft Hous	Millers 76
Poppy Pismo Beach	REC Solar	Nike	Nike
Ross	Ross	Panchos Surf Shop	Panchos Surf Shop
Sky River RV	Sky River RV	REC Solar	REC Solar
Splash Cafe	Splash Café	Ross	Ross
Teenie Wahine	Spyglass Shell	Sky River RV	Sky River RV
Vans	Teenie Wahine	Splash Café	Splash Café
Ventana Grill	Vans	Spyglass Shell	Spyglass Shell
Vespera On Ocean	Ventana Grill	Ventana Grill	Vans
Vista Steak & Seafood	Vista Steak & Seafood	Vista Steak & Seafood	Ventana Grill
Wooly's Oyster Loft	Wooly's Oyster Loft	Wooly's Oyster Loft	Wooly's Oyster Loft

Fiscal Year Ended June 30			
2021	**2020**	**2019**	**2018**
Arco	Arco	7 Eleven	Arco
Brads Restaurant	Brads Restaurant	Arco	Brads Restaurant
California Fresh	California Fresh	California Fresh	California Fresh
Calvin Klein	Calvin Klein	Calvin Klein	Calvin Klein
Carters	Carters	Chevron	Chevron
Chevron	Chevron	Cliffs at Shell Beach	Cliffs at Shell Beach
Cliffs at Shell Beach	Cliffs at Shell Beach	Coach	Coach
Coach	Coach	Cracked Crab	Cracked Crab
Cool Cat Café	CVS Pharmacy	Dolphin Bay Lido Restaurant	CVS Pharmacy
Cracked Crab	Giuseppes Cucina	F Mclintocks Saloon	F Mclintocks Saloon
CVS	Levis Outlet	General Electric	Levis Outlet
Giuseppes Cucina	McDonalds	Giuseppes Cucina	Miller 76
Hoagies	Miller 76	Miller 76	Nike
McDonalds	Nike	Nike	Orchard Supply Hardware
Millers 76	Panchos Surf Shop	Norman Wright Duckworth	Oshkosh B Gosh
Nike	Ralph Lauren	Orchard Supply Hardware	Panchos Surf Shop
Panchos Surf Shop	Rite Aid	Pacific Coast RV	Ralph Lauren
Ross	Ross	Panchos Surf Shop	Ross
Sky River RV	Sky River RV	Ross	Sea Venture Resort
Splash Café	Sky River RV	Shell	Sky River RV
Spyglass Shell	Splash Café	Sky River RV	Splash Café
Teenie Wahine	Spyglass Shell	Splash Café	Spyglass Shell
Vans	Vans	Spyglass Shell	Vans
Ventana Grill	Ventana Grill	Ventana Grill	Ventana Grill
Wooly's Oyster Loft	Wooly's Oyster Loft	Wooly's Oyster Loft	Wooly's Oyster Loft

Fiscal Year Ended June 30	
2017	**2016**
Arco	Arco
Brads Restaurant	Brads Restaurant
California Fresh	California Fresh
Calvin Klein	Calvin Klein
Chevron	Cliffs at Shell Beach
Cliffs at Shell Beach	Coach
Coach	Cool Cat Café
Cracked Crab	Cracked Crab
CVS Pharmacy	CVS Pharmacy
Dolphin Bay Lido Restaurant	Dolphin Bay Hotel & Lido Rest.
F Mclintocks Saloon	F Mclintocks Saloon
Levis Outlet	Five Cities Chevron
Miller 76	Giuseppes Cucina
Nike	Miller 76
Orchard Supply Hardware	Nike Retail
Oshkosh B Gosh	Orchard Supply Hardware
Ralph Lauren	Oshkosh B Gosh
Rite Aid	Ralph Lauren
Rosas Ristorante Italiano	Rite Aid
Ross	Ross
Sky River RV	Shell
Splash Café	Sky River RV
Spyglass Shell	Splash Café
Ventana Grill	Spyglass Shell
Wooly's Oyster Loft	Ventana Grill

Note: Principal Sales Tax payers provided by HDL.

Schedule 8 - C
City of Pismo Beach
Transient Occupancy Tax Revenue Base Data
Last Ten Fiscal Years

Fiscal Year	Revenue Base: Room Revenues Subject to Tax	City Direct Tax Rate	Revenue Recognized By the City
2015-2016	$ 91,999,470	10.00%	$ 9,199,947
2016-2017	93,306,470	10.00%	9,330,647
2017-2018	100,399,210	10.00%	10,039,921
2018-2019	104,981,600	10.00%	10,498,160
2019-2020	93,955,230	10.00%	9,395,523
7/2020-12/2020	66,970,700	10.00%	6,697,070
1/2021-6/2021	68,295,532	11.00%	7,512,509
2020-2021	135,266,232	Total	14,209,579
2021-2022	154,643,162	11.00%	17,010,748
2022-2023	140,737,598	11.00%	15,481,136
2023-2024	137,120,936	11.00%	15,083,303
2024-2025	137,995,582	11.00%	15,179,514

Note:
The transient occupancy tax can only be changed by approval of the voters, and the rate was increased in 1992.
TOT was increased to 11% effective 1/1/2021
Source: Revenue information provided by City of Pismo Beach records.

Schedule 8 - D
City of Pismo Beach
Transient Occupancy Tax - Principal Payers and Other Data
Last Ten Fiscal Years

Fiscal Year	Transient Occupancy Tax Revenues In Dollars Concentration By Hotel Size Based on Number of Rooms Number Hotels 50 or More Rooms	Number Hotels Under 50 Rooms
2015-2016	$ 7,711,023 17	$ 591,172 13
2016-2017	$ 7,742,190 17	$ 683,153 15
2017-2018	$ 8,376,655 18	$ 662,911 14
2018-2019	$ 8,756,469 18	$ 662,357 14
2019-2020	$ 7,864,308 19	$ 566,758 14
2020-2021	$ 11,511,733 19	$ 935,793 14
2021-2022	$ 14,036,040 20	$ 923,088 14
2022-2023	$ 11,854,164 19	$ 1,751,482 18
2023-2024	$ 11,394,274 19	$ 1,858,508 16
2024-2025	$ 11,213,874 17	$ 1,980,292 14

	Transient Occupancy Tax Revenues In Dollars Concentration By Size RV Park/Vacation Rentals Based on Number of Units Number Units 50 or More	Number Units Under 50
2015-2016	$ 511,432 4	$ 386,320 22
2016-2017	$ 626,374 4	$ 278,934 25
2017-2018	$ 797,455 5	$ 202,901 32
2018-2019	$ 810,687 5	$ 268,647 53
2019-2020	$ 671,690 5	$ 269,855 69
2020-2021	$ 1,171,851 5	$ 557,280 74
2021-2022	$ 1,360,976 5	$ 690,644 80
2022-2023	$ 1,152,246 5	$ 723,747 132
2023-2024	$ 964,987 4	$ 866,072 153
2024-2025	$ 914,479 4	$ 1,070,870 177

Note:

Occupancy Rate and Average Daily Room Rates are combined for hotels, RV Park, and Vacation Rentals.
Occupancy Data updated in FY 2017.

Schedule 8 D-1
City of Pismo Beach
Principal Transient Occupancy Tax Payers - Top Ten
Last Ten Fiscal Years
(In Alphabetical Order)

Fiscal Year Ended June 30			
2025	**2024**	**2023**	**2022**
Cliffs of Shell Beach	Cliffs of Shell Beach	Cliffs of Shell Beach	Cliffs of Shell Beach
Dolphin Bay	Dolphin Bay	Dolphin Bay	Dolphin Bay
Inn at the Pier	Inn at the Pier	Inn at the Pier	Inn at the Pier
Kon Tiki Motel	Kon Tiki Motel	Kon Tiki Motel	Pismo Coast Village
Pismo Coast Village	Pismo Coast Village	Oxford Suites	Pismo Lighthouse Suites
Pismo Lighthouse Suites	Pismo Lighthouse Suites	Pismo Coast Village	Pismo Shore Cliff
Sandcastle Inn	Sandcastle Inn	Pismo Shore Cliff	Sandcastle Inn
Seacrest Oceanfront Hotel	Seacrest Oceanfront Hotel	Sandcastle Inn	Seacrest Oceanfront Hotel
Shore Cliff Hotel	Shore Cliff Hotel	Seacrest Oceanfront Hotel	Spyglass Inn
Vespera on Ocean	Vespera on Ocean	Vespera on Ocean	Vespera on Ocean

Fiscal Year Ended June 30			
2021	**2020**	**2019**	**2018**
Cliffs of Shell Beach	Cliffs of Shell Beach	Cliffs of Shell Beach	Cliffs of Shell Beach
Cottage Inn	Cottage Inn	Cottage Inn	Cottage Inn
Dolphin Bay	Dolphin Bay Hotel	Dolphin Bay Hotel	Dolphin Bay Hotel
Inn at the Pier	Inn at the Pier	Inn at the Pier	Island Hospitality
Pismo Coast Village	Island Hospitality	Island Hospitality	Kon Tiki Motel
Pismo Lighthouse Suites	Pismo Coast Village	Oxford Suites	Oxford Suites
Pismo Shore Cliff	Pismo Lighthouse Suites	Pismo Coast Village	Pismo Coast Village
Sandcastle Inn	Pismo Shore Cliff	Pismo Lighthouse Suites	Pismo Lighthouse Suites
Seacrest Oceanfront Hotel	Sandcastle Inn	Pismo Shore Cliff	Seacrest Motel
Vespera on Ocean	Seacrest Oceanfront Hotel	Seacrest Oceanfront Hotel	Shorecliff Inn

Fiscal Year Ended June 30	
2017	**2016**
Cliffs of Shell Beach	Cliffs of Shell Beach
Cottage Inn	Cottage Inn
Dolphin Bay Hotel	Dolphin Bay Hotel
Island Hospitality	Island Hospitality
Kon Tiki Motel	Kon Tiki Motel
Oxford Suites	Pismo Coast Village
Pismo Coast Village	Pismo Lighthouse Suites
Pismo Lighthouse Suites	Sandcastle Inn
Seacrest Motel	Seacrest Motel
Shorecliff Inn	Shorecliff Inn

Source: Principal Transient Occupancy Tax Payers provided by City of Pismo Beach records

Schedule 8 - E
City of Pismo Beach
Water and Sewer Rates for Single Family Residents
Last Ten Fiscal Years

Fiscal Year	Water		Sewer	
	Monthly Base Rate	Rate Per 100 Cubic Feet	Monthly Base Rate	Rate Per 100 Cubic Feet*
2015-2016	$ 13.29	$ 2.72	$ 41.07	$ -
2016-2017	14.51	2.97	45.72	-
2017-2018	14.51	2.97	45.72	-
2018-2019	14.51	2.97	45.72	-
2019-2020	13.64	3.97	47.88	-
2020-2021	15.27	4.45	49.41	-
2021-2022	17.09	4.98	50.99	-
2022-2023	19.12	5.58	52.62	-
2023-2024	19.69	6.02	54.78	-
2024-2025	20.30	6.21	58.12	-

Source: City of Pismo Beach Financial System Rate Records
*Sewer rate is based on Fixed Rate only.

Schedule 8 - F
City of Pismo Beach
Principal Water and Wastewater Payers - Revenue Base Concentration Data
Last Ten Fiscal Years

Water Revenue Concentration Data

Fiscal Year	Class of Customer: Single Family	Non-Residential	Construction	City	Irrigation	Totals
	Revenue in Dollars and Number of Customers					
2015-2016	$ 938,624	$ 864,692	$ 19,798	$ 81,589	$ 212,697	$ 2,117,400
	3,900	640	35	80	132	4,787
2016-2017*	$ 978,318	$ 903,725	$ 7,170	$ 92,226	$ 251,496	$ 2,232,935
	3,742	601	16	53	109	4,521
2017-2018	$ 1,163,469	$ 947,496	$ 20,164	$ 121,983	$ 310,987	$ 2,564,099
	3,767	604	27	60	117	4,575
2018-2019	$ 1,061,675	$ 969,313	$ 10,658	$ 105,528	$ 255,409	$ 2,402,583
	3,749	608	16	57	115	4,545
2019-2020	$ 2,163,575	$ 1,320,589	$ 59,370	$ 37,138	$ 121,051	$ 3,701,724
	4,441	699	44	40	48	5,272
2020-2021	$ 2,559,068	$ 1,735,895	$ 74,170	$ 55,222	$ 150,437	$ 4,574,792
	4,519	700	52	42	52	5,365
2021-2022	$ 2,717,342	$ 1,958,544	$ 95,484	$ 56,364	$ 178,524	$ 5,006,258
	4,430	709	110	39	56	5,344
2022-2023	$ 2,615,213	$ 1,957,295	$ 120,199	$ 61,253	$ 146,378	$ 4,900,338
	4,407	697	91	39	55	5,289
2023-2024	$ 2,862,541	$ 2,110,742	$ 148,384	$ 63,918	$ 569,283	$ 5,754,868
	4,471	713	119	38	188	5,529
2024-2025	$ 3,100,300	$ 2,069,539	$ 167,271	$ 65,053	$ 666,401	$ 6,068,564
	4,407	688	125	39	189	5,448

Wastewater Revenue Concentration Data

Fiscal Year	Class of Customer: Residential	Other Residential	Hotel/Motel	Commercial	Other	Totals
	Revenue in Dollars and Number of Customers					
2015-2016	$ 1,327,511	$ 311,572	$ 524,691	$ 596,869	$ 184,362	$ 2,945,005
	3,895	324	37	270	36	4,562
2016-2017*	$ 1,400,310	$ 328,951	$ 586,847	$ 616,278	$ 145,341	$ 3,077,727
	3,903	323	38	241	31	4,536
2017-2018	$ 1,498,537	$ 331,540	$ 595,020	$ 683,766	$ 171,631	$ 3,280,494
	3,918	322	37	248	34	4,559
2018-2019	$ 1,512,645	$ 345,066	$ 662,422	$ 678,071	$ 196,601	$ 3,394,805
	3,954	323	37	244	34	4,592
2019-2020	$ 2,491,246	$ 429,295	$ 741,467	$ 772,205	$ 250,591	$ 4,684,804
	4,378	361	42	278	64	5,123
2020-2021	$ 2,591,860	$ 442,983	$ 853,209	$ 765,588	$ 293,554	$ 4,947,194
	4,458	360	39	285	73	5,215
2021-2022	$ 2,616,646	$ 445,355	$ 863,280	$ 873,839	$ 297,279	$ 5,096,399
	4,388	364	44	282	109	5,187
2022-2023	$ 2,758,361	$ 467,049	$ 788,430	$ 871,219	$ 335,919	$ 5,220,978
	4,335	360	40	281	103	5,119
2023-2024	$ 2,872,956	$ 484,760	$ 872,136	$ 943,371	$ 369,273	$ 5,542,496
	4,414	370	40	290	118	5,232
2024-2025	$ 3,013,741	$ 509,336	$ 943,710	$ 986,418	$ 437,539	$ 5,890,745
	4,367	349	39	288	131	5,174

*Amount updated in FY 2017-18 to correct Water and Wastewater SFR amounts for FY 16-17.

Schedule 8 F-1
City of Pismo Beach
Principal Water Sale Purchasers - Top Ten
Last Ten Fiscal Years
(In Alphabetical Order)

Fiscal Years Ended June 30

2025	2024	2023	2022
Cliffs Shell Beach	Cliffs Shell Beach	Cliffs Shell Beach	Cliffs Shell Beach
Dolphin Bay Hotel Inc	Dolphin Bay Hotel Inc	Dolphin Bay Hotel Inc	Dolphin Bay Hotel Inc
Oxford Suites Resort	Pismo Beach Mobile Park Inc	Oxford Suites Resort	Inn at the Pier
Pismo Beach Mobile Park Inc	Pismo Coast Village Inc	Pismo Beach Mobile Park Inc	Oxford Suites Resort
Pismo Coast Village Inc	Pismo Dunes Resort Mtr #1	Pismo Coast Village Inc	Pismo Beach Mobile Park Inc
Pismo Dunes Resort Mtr #1	Pismo Dunes Resort Mtr #2	Pismo Lighthouse Suites	Pismo Coast Village Inc
Pismo Dunes Resort Mtr #2	Pismo Lighthouse Suites	SCM Pismo Pier Partners, LLC	Pismo Dunes Resort Mtr #1
Pismo Lighthouse Suites	SCM Pismo Pier Partners, LLC	Seacrest Resort	Pismo Lighthouse Suites
Seacrest Resort	Seacrest Resort	Shorecliff Lodge	Seacrest Resort
VPB Operating CO., LLC	VPB Operating CO., LLC	VPB Operating CO., LLC	Vespera Resort

Fiscal Years Ended June 30

2021	2020	2019	2018
Cliffs Shell Beach	Cliffs Shell Beach	Cliffs Shell Beach	Cliffs Shell Beach
Dolphin Bay Hotel Inc	Dolphin Bay Hotel Inc	Dolphin Bay Hotel Inc	Dolphin Bay Hotel Inc
Oxford Suites Resort	Oxford Suites Resort	Motel 6	Kon Tiki
Pismo Beach Mobile Park Inc	Pismo Beach Mobile Park Inc	Oxford Suites Resort	Motel 6
Pismo Coast Village Inc	Pismo Coast Village Inc	Pismo Beach Mobile Park Inc	Oxford Suites Resort
Pismo Dunes Resort Mtr #1	Pismo Dunes Resort Mtr #1	Pismo Coast Village Inc	Pismo Beach Mobile Park Inc
Pismo Dunes Resort Mtr #2	Pismo Dunes Resort Mtr #2	Pismo Dunes Resort Mtr #1	Pismo Coast Village Inc
Pismo Lighthouse Suites	Pismo Lighthouse Suites	Pismo Dunes Resort Mtr #2	Pismo Lighthouse Suites
Seacrest Resort	SCM Pismo Pier Partners, LLC.	Pismo Lighthouse Suites	Seacrest Resort
Shorecliff Lodge	Shorecliff Lodge	Seacrest Resort	Shorecliff Lodge

Fiscal Years Ended June 30

2017	2016
Cliffs Shell Beach	Cliffs Shell Beach
Dolphin Bay Hotel Inc	Dolphin Bay Hotel, Inc.
Kon Tiki	Motel 6 Inc.
Oxford Suites Resort	Oxford Suites Resort
Pismo Beach Mobile Park Inc	Pismo Coast Village, Inc.
Pismo Coast Village Inc	Pismo Lighthouse Suites
Pismo Dunes Travel	Pismo Mobile Hm Pk
Pismo Lighthouse Suites	Quality Inn
Seacrest Resort	Seacrest Resort
Shorecliff Lodge	Shorecliff Lodge

Schedule 9
City of Pismo Beach
Ratios of Outstanding Debt By Type
Last Ten Fiscal Years
(Dollars in Thousands except for Per Capita)

	Governmental Activities			Business-Type Activities			
Fiscal Year	Lease Revenue Bonds	Lease Liability	Unamortized Bond Premium	Lease Liability	Lease Revenue Bonds	Unamortized Bond Premium	State of California and Other Loans
2015-2016	$ 3,040	$ -	$ -	$ -	$ 4,960	$ 344	$ 6,132
2016-2017	7,685	-	191	-	4,755	324	5,576
2017-2018	11,477	-	185	-	4,540	304	5,011
2018-2019	11,220	-	178	-	4,320	284	5,420
2019-2020	10,947	-	172	-	4,085	263	5,410
2020-2021	10,659	-	166	-	3,845	243	4,351
2021-2022	10,360	60	159	65	3,590	223	3,933
2022-2023	10,049	79	153	-	3,320	203	3,278
2023-2024	9,726	207	146	175	-	-	2,843
2024-2025	48,861	109	1,909	-	-	-	2,157

Note: Total City Debt as Percentage of Personal Income for FY 16-17, and FY 17-18 updated in FY 18.19

Total City Debt	Total City Debt as Percentage of Personal Income	Total City Debt Per Capita	From Financial Statements	
			Population	Per Capita Personal Income
$ 14,476	4.94%	$ 1,769	$ 8,181	$ 35,852
18,531	5.59%	2,247	8,247	40,204
21,517	5.70%	2,614	8,233	45,820
21,422	5.24%	2,600	8,239	49,658
20,877	4.28%	2,565	8,139	59,977
19,265	3.87%	2,376	8,108	61,452
18,390	3.71%	2,304	7,981	62,144
17,081	3.09%	2,172	7,865	70,377
13,097	2.27%	1,669	7,846	73,617
53,036	8.93%	6,796	7,804	76,122

Schedule 10
City of Pismo Beach
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds	Lease Revenue Bonds	Unamortized Bond Premium	Total General Bonded Debt	Less: Amount Available in Debt Service Funds	Net General Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Per Capita
2015-2016	$ -	$ 3,040,000	$ -	$ 3,040,000	$ 199,571	$ 2,840,429	0.10%	$ 371.59
2016-2017	-	7,685,000	190,763	7,875,763	107,797	7,767,966	0.26%	954.99
2017-2018	-	11,475,917	184,609	11,660,526	3,311,265	8,349,261	0.26%	1,416.32
2018-2019	-	11,219,843	178,455	11,398,298	496,569	10,901,729	0.33%	1,383.46
2019-2020	-	10,947,536	172,301	11,119,837	116,047	11,003,790	0.31%	1,366.24
2020-2021	-	10,659,229	166,147	10,825,377	114,906	10,710,471	0.28%	1,335.15
2021-2022	-	10,359,660	158,969	10,518,629	225,765	10,292,864	0.26%	1,317.96
2022-2023	-	10,048,554	152,610	10,201,164	113,339	10,087,825	0.24%	1,297.03
2023-2024	-	9,725,627	146,251	9,871,878	121,173	9,750,705	0.22%	1,258.21
2024-2025		48,860,580	1,909,285	50,769,865	129,642	50,640,223	1.09%	6,505.62

Note:
Debt service on the lease revenue bonds and tax allocation bonds is financed by the use of general governmental financial resources available in the general fund and special revenue funds of the City.
Assessed Taxable Value of Real Property provided by Cal Muni and HDL.

Schedule 11
City of Pismo Beach
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable		Estimated Share of Overlapping Debt
OVERLAPPING DEBT REPAID WITH PROPERTY TAXES:				
San Luis Obispo County General Fund Obligations	$ 77,618,932	6.233%		$ 4,837,988
San Luis Obispo County Pension Obligations	19,244,051	6.233%		1,199,482
Lucia Mar Unified School District Certificates of Participation	12,960,000	18.790%		2,435,184
TOTAL OVERLAPPING DEBT REPAID WITH PROPERTY TAXES				$ 8,472,654
OVERLAPPING TAX AND ASSESSMENT DEBT:				
San Luis Obispo County Flood Control and Water Conservation District, Zone No. 3	4,330,000	33.532%		1,451,936
San Luis Obispo Community College District	192,585,000	6.209%		11,957,603
San Luis Coastal Unified School District	310,676,000	3.558%		11,053,852
Lucia Mar Unified School District	144,254,802	18.790%		27,105,477
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT				$ 51,568,868
CITY DIRECT DEBT - GOVERNMENTAL ONLY:				
City of Pismo Beach General Fund Obligations	49,064,628	99.79%	(2)	$ 50,769,865
Leases	109,114	0.21%		$ 109,114
TOTAL DIRECT DEBT				**$ 50,878,979**
TOTAL OVERLAPPING DEBT				**$ 60,041,522**
TOTAL DIRECT AND OVERLAPPING DEBT			(3)	**$ 110,920,501**

Ratios to Adjusted Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.11%
Total Direct Debt (City of Pismo Beach)	**1.08%**
Combined Total Debt	2.38%

Note:

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the City of Pismo Beach divided by the district's total taxable assessed value.

(2) Includes share of San Luis Obispo County Financing Authority lease revenue bonds ($204,048).

(3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue, and non-bonded capital lease obligations.

Schedule 12
City of Pismo Beach
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	Debt Limit	Total Debt Applicable To Limit	Total Debt Applicable To Limit as Percentage of Debt Limit
2015-2016	103,825,445	-	0%
2016-2017	111,682,818	-	0%
2017-2018	118,925,270	-	0%
2018-2019	125,549,073	-	0%
2019-2020	133,883,312	-	0%
2020-2021	141,493,057	-	0%
2021-2022	146,220,824	-	0%
2022-2023	158,024,686	-	0%
2023-2024	167,129,972	-	0%
2024-2025	174,730,722		0%

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed value	$	4,659,485,931
Conversion Percentage (25%)		25%
Adjusted Assessed Valuation		1,164,871,483
Debt Limit Percentage (15%)		15%
Debt Limit		174,730,722
Less debt applicable to limit:		
General obligation bonds		-
Total debt applicable to limit		-
Legal debt margin	$	174,730,722
Total debt applicable to the limit as a percentage of debt limit		0%

Note:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 15% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel.) The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State. Debt Limit Calculation determined by Property Assessed Value multiplied by 25%, which is the conversion percentage dating back to the time that the legal debt margin was enacted by the State of California. The adjusted value is then multiplied by 15% which is the Legal Debt Limit of Gross Valuation provided by the State of California.

Source: California Municipal Statistics

Schedule 13
City of Pismo Beach
Pledged Revenue Coverage
Last Ten Fiscal Years

State of California Wastewater Construction Loan-WWTP

	Wastewater Service Revenues	Capital Impact Fees	Less Operating Expenses	Net Available Revenue	Debt Service		
					Principal	Interest	Coverage
2015-2016	4,591,505	-	2,255,771	2,335,734	500,537	108,723	3.83
2016-2017	4,671,934	-	2,630,203	2,041,731	509,561	99,698	3.35
2017-2018	5,047,984	-	2,158,108	2,889,876	518,749	90,511	4.74
2018-2019	5,121,062	-	3,229,206	1,891,856	528,102	81,158	3.11
2019-2020	5,020,653	-	3,414,907	1,605,746	537,623	71,636	2.64
2020-2021	5,478,360	-	4,044,704	1,433,656	547,317	61,943	2.35
2021-2022	6,070,939	-	4,235,201	1,835,738	557,185	52,075	3.01
2022-2023	8,640,226	-	7,217,969	1,422,257	567,231	42,029	2.33
2023-2024	6,455,986	-	8,705,988	(2,250,002)	577,458	31,801	(3.69)
2024-2025	6,261,851		5,143,754	1,118,097	587,870	21,390	1.84

State of California Wastewater Construction Loan-Park/Cypress Project

	Wastewater Service Revenues	Capital Impact Fees	Less Operating Expenses	Net Available Revenue	Debt Service		
					Principal	Interest	Coverage
2015-2016	4,591,505	-	2,255,771	2,335,734	12,141	2,505	159.48
2016-2017	4,671,934	-	2,630,203	2,041,731	12,371	2,275	139.40
2017-2018	5,047,984	-	2,158,108	2,889,876	12,605	2,041	197.32
2018-2019	5,121,062	-	3,229,206	1,891,856	12,844	1,802	129.17
2019-2020	5,020,653	-	3,414,907	1,605,746	13,087	1,559	109.64
2020-2021	5,478,360	-	4,044,704	1,433,656	13,335	1,311	97.88
2021-2022	6,070,939	-	4,235,201	1,835,738	13,588	1,059	125.34
2022-2023	8,640,226	-	7,217,969	1,422,257	13,845	802	97.10
2023-2024	6,455,986	-	8,705,988	(2,250,002)	14,107	539	(153.62)
2024-2025	6,261,851		5,143,754	1,118,097	14,374	272	76.34

State of California Wastewater Construction Loan-Pismo Oaks Lift Station Project

	Wastewater Service Revenues	Capital Impact Fees	Less Operating Expenses	Net Available Revenue	Debt Service		
					Principal	Interest	Coverage
2015-2016	4,591,505	-	2,255,771	2,335,734	32,631	9,275	55.74
2016-2017	4,671,934	-	2,630,203	2,041,731	33,220	8,687	48.72
2017-2018	5,047,984	-	2,158,108	2,889,876	33,819	8,088	68.96
2018-2019	5,121,062	-	3,229,206	1,891,856	34,428	7,478	45.15
2019-2020	5,020,653	-	3,414,907	1,605,746	35,049	6,857	38.32
2020-2021	5,478,360	-	4,044,704	1,433,656	35,681	6,226	34.21
2021-2022	6,070,939	-	4,235,201	1,835,738	36,324	5,582	43.81
2022-2023	8,640,226	-	7,217,969	1,422,257	36,979	4,927	33.94
2023-2024	6,455,986	-	8,705,988	(2,250,002)	37,646	4,261	(53.69)
2024-2025	6,261,851		5,143,754	1,118,097	38,325	3,582	26.68

State of California Wastewater Construction Loan-Five Cities Lift Station Project

	Wastewater Service Revenues	Capital Impact Fees	Less Operating Expenses	Net Available Revenue	Debt Service		
					Principal	Interest	Coverage
2020-2021	5,478,360	-	4,044,704	1,433,656	29,302	18,949	29.71
2021-2022	6,070,939	-	4,235,201	1,835,738	37,299	20,826	31.58
2022-2023	8,640,226	-	7,217,969	1,422,257	36,256	21,870	24.47
2023-2024	6,455,986	-	8,705,988	(2,250,002)	46,419	22,724	(32.54)
2024-2025	6,261,851		5,143,754	1,118,097	44,607	24,536	16.17

Note:
For all State of CA SRF Loans, Wastewater revenues include service fees only.
Operating expenses exclude depreciation and amortization.

Schedule 14
City of Pismo Beach
Demographic and Economic Statistics
For the Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2015-2016	8,181	$ 293,305,212	$ 35,852	3.70%
2016-2017	8,247	331,562,388	40,204	3.40%
2017-2018	8,233	377,236,060	45,820	2.90%
2018-2019	8,239	409,132,262	49,658	2.40%
2019-2020	8,139	488,152,803	59,977	1.60%
2020-2021	8,108	498,252,816	61,452	5.20%
2021-2022	7,981	495,971,264	62,144	3.10%
2022-2023	7,865	553,515,105	70,377	1.40%
2023-2024	7,846	577,598,982	73,617	1.60%
2024-2025	7,804	594,056,088	76,122	3.50%

Source:
California Labor Market Info. Data Library as of November of each year.
Per Capita Personal Income based on Census Data.

Source: HDL Reports - California Labor Market and US Census Bureau.

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Schedule 15
City of Pismo Beach
Principal Employers (Ten Largest)
Last Ten Years

Fiscal Year Ended June 30, 2025

Employer	Number Employees	Rank	Percentage of Total City Employment
Martin Resorts	147	1	3.87%
The Cliffs on Shell Beach	139	2	3.66%
Keller Williams	119	3	3.13%
City of Pismo Beach	111	4	2.92%
Dolphin Bay Resort	109	5	2.87%
California Fresh Market	99	6	2.61%
Custom House Restaurant	98	7	2.58%
US Postal Service	89	8	2.34%
Pacifica Hotels	70	9	1.84%
Sea Venture	69	10	1.82%
Total	1050		27.63%

Fiscal Year Ended June 30, 2024

Employer	Number Employees	Rank	Percentage of Total City Employment
Martin Resorts	163	1	4.29%
The Cliffs of Shell Beach	128	2	3.37%
Keller-Williams	107	3	2.82%
City of Pismo Beach	102	4	2.68%
Dolphin Bay Resort	100	5	2.63%
Brad's Restaurant	90	6	2.37%
US Postal Service	89	7	2.34%
Pacifica Hotels	85	8	2.24%
Sea Venture	80	9	2.11%
California Fresh Market	70	10	1.84%
Total	1014		26.68%

Fiscal Year Ended June 30, 2023

Employer	Number Employees	Rank	Percentage of Total City Employment
Keller-Williams	107	1	2.82%
City of Pismo Beach	105	2	2.76%
California Fresh Market	100	3	2.63%
Dolphin Bay Resort	100	4	2.63%
US Postal Service	91	5	2.39%
Brad's Restaurant	90	6	2.37%
Sea Venture	80	7	2.11%
Pelican Point Bar & Rest.	75	8	1.97%
Pismo Coast Village	71	9	1.87%
New Life Church	67	10	1.76%
Total	886		23.32%

Fiscal Year Ended June 30, 2022

Employer	Number Employees	Rank	Percentage of Total City Employment
The Cliffs of Shell Beach	267	1	7.03%
Keller-Williams	231	2	6.08%
Custom House Restaurant	195	3	5.13%
Dolphin Bay Resort	165	4	4.34%
California Fresh Market	130	5	3.42%
City of Pismo Beach	126	6	3.32%
Sea Venture	121	7	3.18%
Central Coast CA Hospitality	100	8	2.63%
US Postal Service	90	9	2.37%
Martin Resorts	82	10	2.16%
Total	1,507		39.66%

Fiscal Year Ended June 30, 2021

Employer	Number Employees	Rank	Percentage of Total City Employment
The Cliffs of Shell Beach	240	1	6.32%
Pacifica Hotels	235	2	6.18%
Keller-Williams	194	3	5.11%
Custom House Restaurant	155	4	4.08%
Dolphin Bay Resort	150	5	3.95%
California Fresh Market	130	6	3.42%
City of Pismo Beach	113	7	2.97%
Central Coast CA Hospitality	90	8	2.37%
Vespera	90	9	2.37%
US Postal Service	85	10	2.24%
Total	1,482		39.00%

Fiscal Year Ended June 30, 2020

Employer	Number Employees	Rank	Percentage of Total City Employment
The Cliffs of Shell Beach	230	1	5.48%
Keller-Williams	179	2	4.26%
Dolphin Bay Resort	124	3	2.95%
City of Pismo Beach	120	4	2.86%
Martin Resorts	100	5	2.38%
U.S. Postal Service	85	6	2.02%
Sea Venture	74	7	1.76%
Pismo Coast Village	65	8	1.55%
Seacrest	65	9	1.55%
Brad's Restaurant	60	10	1.43%
Total	1,102		26.24%

Fiscal Year Ended June 30, 2019				Fiscal Year Ended June 30, 2018			
Employer	Number Employees	Rank	Percentage of Total City Employment	Employer	Number Employees	Rank	Percentage of Total City Employment
The Cliffs of Shell Beach	220	1	5.12%	The Cliffs of Shell Beach	227	1	5.54%
Dolphin Bay Resort	161	2	3.74%	Dolphin Bay Resort	190	2	4.63%
Keller-Williams	147	3	3.42%	City of Pismo Beach	135	3	3.29%
City of Pismo Beach	125	4	2.91%	Keller-Williams	135	4	3.29%
Martin Resorts	97	5	2.26%	Martin Resorts	125	5	3.05%
U.S. Postal Service	81	6	1.88%	Sea Venture	85	6	2.07%
Sea Venture	80	7	1.86%	U.S. Postal Service	69	7	1.68%
Brad's Restaurant	75	8	1.74%	Seacrest	67	8	1.63%
Seacrest	68	9	1.58%	Brad's Restaurant	63	9	1.54%
Pismo Coast Village	65	10	1.51%	Pismo Coast Village	60	10	1.46%
Total	1,119		26.02%	Total	1,156		28.20%

Fiscal Year Ended June 30, 2017				Fiscal Year Ended June 30, 2016			
Employer	Number Employees	Rank	Percentage of Total City Employment	Employer	Number Employees	Rank	Percentage of Total City Employment
The Cliffs of Shell Beach	220	1	5.50%	The Cliffs of Shell Beach	235	1	5.88%
Dolphin Bay Resort	169	2	4.23%	Dolphin Bay Resort	178	2	4.45%
City of Pismo Beach	129	3	3.23%	Martin Resorts	135	3	3.38%
Martin Resorts	125	4	3.13%	Keller-Williams	110	4	2.75%
Keller-Williams	106	5	2.65%	City of Pismo Beach	89	5	2.23%
Sea Venture	81	6	2.03%	Sea Venture	85	6	2.13%
Brad's Restaurant	67	7	1.68%	U.S. Postal Service	82	7	2.05%
Seacrest	63	8	1.58%	Brad's Restaurant	70	8	1.75%
Pismo Coast Village	62	9	1.55%	McClintock's	65	9	1.63%
U.S. Postal Service	61	10	1.53%	Pismo Coast Village	65	10	1.63%
Total	1,083		27.08%	Total	1,114		27.85%

Note:
Source: 2023 figures came from Reachcentralcoast.org Business search
Pismo Beach Employment numbers are based on the full-time equivalent data found on schedule 16
Prior to 2023 information was from a mix of state reports and City Employee by Telephone Polls to businesses

Schedule 16
City of Pismo Beach
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government:										
Administration	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Human Resources	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Attorney - Contract	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
CVB	2.00	2.00	2.00	2.00	2.00	2.00	1.70	1.70	1.70	1.70
Administrative Services	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	6.90	6.90
Information Technology	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Public safety:										
Police	33.85	33.85	33.70	33.70	33.70	33.70	36.70	38.00	35.00	36.00
Parking	0.15	0.15	1.30	1.30	1.30	1.30	1.30	2.00	2.00	2.00
Community Development:										
Planning	4.60	4.60	4.55	4.55	4.55	4.55	3.70	4.70	4.70	4.70
Building	4.15	4.15	3.15	3.15	3.15	3.15	3.25	4.25	4.25	4.25
Recreation	1.20	1.20	1.15	1.15	1.15	1.15	1.30	2.30	2.30	2.30
Parking	1.05	1.05	0.15	0.15	0.15	0.15	0.05	0.05	0.05	0.05
Public Works/Engineering:										
Engineering	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.98
Streets and Govt Bldgs	2.83	2.83	3.78	3.78	3.03	3.03	3.03	3.03	3.03	4.55
Park Maintenance/Fac.	7.17	7.17	7.27	7.27	8.02	9.02	11.02	11.02	11.02	11.05
Water:										
Treatment and distribution	6.70	6.70	5.65	5.65	5.65	5.65	5.65	5.65	5.65	5.46
Billing	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Wastewater:										
Collection and treatment	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.56
Billing	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Motor Vehicle Operations:										
Motor Vehicle Operations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50
Totals	95.00	95.00	94.00	94.00	94.00	95.00	99.00	105.00	103.00	106.00

Source: City of Pismo Beach payroll records.

Schedule 17
City of Pismo Beach
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police:										
Physical arrest	1,072	1,194	1,235	1,220	1,233	1,742	1,585	1,248	1,093	1,126
Traffic violations	938	996	1,887	2,069	1,609	2,862	1,645	1,675	2,258	1,855
Fire:										
Emergency responses	1,528	1,349	1,355	1,340	1,383	1,460	1,503	1,384	1,692	1,719
Fires extinguished	26	22	23	21	24	22	21	19	13	37
Building:										
Building permits issued	205	220	185	185	152	385	451	154	155	146
Other permits issued	551	640	533	472	422	179	384	682	508	372
Public works:										
Miles streets resurfaced	-	2.50	0.50	0.25	0.75	-	-	6.14	6.26	0.75
Parks and Recreation:										
Number of facility rentals	258	258	301	352	277	72	205	201	208	271
Number of class admissions	3,500	3,500	3,500	2,956	2,800	2,000	2,300	2,530	2,558	2,597
Water:										
Number new connections	221	67	12	105	120	30	40	21	43	19
Daily average water production in MGD	1.47	1.43	1.59	1.46	1.50	1.60	1.54	1.32	1.36	1.39
Daily average water consumption in MGD	1.27	1.25	1.48	1.34	1.70	1.93	1.43	1.21	1.24	1.27
Wastewater:										
Number new connections	109	62	23	6	120	39	7	20	13	13
Daily average treatment in millions gallons(MGD)	0.95	0.99	0.98	0.98	0.99	0.95	0.96	0.93	1.07	1.01

Note:
Police information updated for all years in FY 2019.
Source: City of Pismo Beach Departments
Police Traffic Citation information for all years by Police staff in FY 2020.
Park and Recreation information for FY 2017, 2018, 2019 updated in FY 2021

Schedule 18
City of Pismo Beach
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	6	6	6	6	6	6	6	6	6	6
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Engines	3	3	3	3	3	3	3	3	3	3
Public works:										
Miles of streets	46	46	46	46	46	46	46	46	38	38
Streetlights	842	842	844	844	909	909	909	909	133	133
Traffic signals	3	3	3	3	3	3	3	3	3	3
Parks and recreation:										
Community centers	2	2	2	2	2	2	2	2	2	2
Parks	18	18	18	18	18	18	18	18	18	18
Park acreage	205	205	205	205	205	205	205	205	205	205
Water:										
Miles of mains	56	56	56	56	56	56	56	56	56	56
Number connections	4,787	4,521	4,575	4,680	4,680	4,882	5,011	5,032	5,335	5,316
Maximum plant capacity in millions gallons	2.16	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Wastewater:										
Miles of sewers	40	40	40	40	40	40	40	54	54	54
Number connections	4,562	4,536	4,559	4,565	4,685	4,724	4,731	4,738	4,751	4,764
Maximum plant capacity in millions gallons	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90

Note:
Source: City of Pismo Beach Departments.
Updated the number of Water and Sewer connections in FY 17.18.