

# City of Selma, California

Audited Financial Statements (Excerpt)

For the Year Ended June 30, 2025

Representative excerpt of the City of Selma Audited Financial Statements for the fiscal year ended June 30, 2025 (100 pages total). The complete statements — all fund statements, notes, and supplementary schedules — are remediated on a per-page basis under the document-remediation program (complex-table tier).

## Independent Auditor's Report

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To the City Council of the City of Selma, Selma, California.

### Report on the Audit of the Financial Statements

#### Opinions

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

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

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we: exercise professional judgment and maintain professional skepticism throughout the audit; identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks; 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; 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; and 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.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Bryant L. Jolley, Certified Public Accountants. March 31, 2026.

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

#### **City of Selma - Statement of Net Position, June 30, 2025 (all figures in U.S. dollars; amounts in parentheses are negative)**

<b>Line Item</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and investments	\$37,099,895	\$4,312,627	\$41,412,522
Restricted cash with fiscal agents	8,161,823	—	8,161,823
Receivables: Accounts, net	840,324	2,590,312	3,430,636
Receivables: Interest	286,714	—	286,714
Receivables: Intergovernmental	3,998,032	266,130	4,264,162
Receivables: Leases	228,260	186,565	414,825
Prepaid expenses	19,156	—	19,156
Deposits	393,395	—	393,395
Internal balances	403,735	(403,735)	—

<b>Line Item</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
Land held for resale	1,493,290	—	1,493,290
Capital assets (net of accumulated depreciation/amortization): Non-depreciable	21,777,060	569,868	22,346,928
Capital assets (net of accumulated depreciation/amortization): Depreciable	54,498,841	817,893	55,316,734
<b>Total assets</b>	<b>129,200,525</b>	<b>8,339,660</b>	<b>137,540,185</b>
<b>Deferred Outflows of Resources</b>			
Pension related	7,717,668	1,615,080	9,332,748
OPEB related	470,070	87,650	557,720
<b>Total deferred outflows of resources</b>	<b>8,187,738</b>	<b>1,702,730</b>	<b>9,890,468</b>
<b>Liabilities</b>			
Current liabilities: Accounts payable	2,542,476	208,590	2,751,066
Current liabilities: Retainage payable	420,031	—	420,031
Current liabilities: Accrued wages and benefits	975,422	194,750	1,170,172
Current liabilities: Deposits and other liabilities	42,207	—	42,207
Current liabilities: Accrued interest payable	467,135	—	467,135
Current liabilities: Claims payable	229,963	—	229,963
Noncurrent liabilities: Due within one year	1,905,723	214,692	2,120,415
Noncurrent liabilities: Due in more than one year	27,932,245	255,857	28,188,102
Noncurrent liabilities: Net pension liability	3,207,404	655,747	3,863,151
Noncurrent liabilities: Net OPEB liability	1,258,582	234,681	1,493,263
<b>Total liabilities</b>	<b>38,981,188</b>	<b>1,764,317</b>	<b>40,745,505</b>
<b>Deferred Inflows of Resources</b>			
Pension related	4,979,783	1,141,243	6,121,026
OPEB related	3,231,233	602,511	3,833,744
Lease related	193,614	115,026	308,640
<b>Total deferred inflows of resources</b>	<b>8,404,630</b>	<b>1,858,780</b>	<b>10,263,410</b>

Line Item	Governmental Activities	Business-type Activities	Total
<b>Net Position</b>			
Net investment in capital assets	70,410,780	1,387,761	71,798,541
Restricted for: Streets and roads	11,935,583	—	11,935,583
Restricted for: Public safety	742,242	—	742,242
Restricted for: Community development	2,310,359	—	2,310,359
Restricted for: Debt service	794,176	—	794,176
Restricted for: Capital projects	12,485,228	—	12,485,228
Restricted for: Pension trust	727,066	—	727,066
Unrestricted	(9,402,989)	5,031,532	(4,371,457)
<b>Total net position</b>	<b>\$90,002,445</b>	<b>\$6,419,293</b>	<b>\$96,421,738</b>

The notes to the basic financial statements are an integral part of this statement.

## **Accessibility & Document Scope**

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This is an accessible (PDF/UA-1) re-authored excerpt of the City of Selma's audited financial statements, prepared so the cover information, the Independent Auditor's Report opinion, and the government-wide Statement of Net Position can be read by assistive technology. All dollar figures are reproduced from the source document. For an alternate format or the complete remediated statements, contact the City of Selma Finance Department, (559) 891-2200.