



## CITY OF ATASCADERO CITY COUNCIL AGENDA

In accordance with City Council Resolution No. 2022-001 and the requirements of AB 361, the City Council Meeting will not be physically open to the public and City Council Members will be teleconferencing into the meeting.

### **HOW TO OBSERVE THE MEETING:**

To maximize public safety while still maintaining transparency and public access, the meeting will be live-streamed on SLO-SPAN.org, on Spectrum cable Channel 20 in Atascadero, and on KPRL Radio 1230AM and 99.3FM. The video recording of the meeting will repeat daily on Channel 20 at 1:00 am, 9:00 am, and 6:00 pm and will be available through the City's website or by visiting [https://us02web.zoom.us/webinar/register/WN\\_ZwJ7a031S3KXauEym9ehaA](https://us02web.zoom.us/webinar/register/WN_ZwJ7a031S3KXauEym9ehaA).

### **HOW TO SUBMIT PUBLIC COMMENT:**

Members of the public are highly encouraged to participate in live public comment through the Zoom platform using the link above or by calling **805-538-2888** to listen and provide public comment via phone.

If you wish to comment but not via a live platform, please email public comments to [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org) by 12:00 pm on the day of the meeting. Such email comments must identify the Agenda Item Number in the subject line of the email. The comments will be forwarded to the City Council and made a part of the administrative record. If a comment is received after the deadline for submission but before the close of the meeting, the comment will still be included as a part of the administrative record of the meeting but will be forwarded to the City Council the next business day. ***Please note, email comments will not be read into the record.***

### **AMERICAN DISABILITY ACT ACCOMMODATIONS:**

Any member of the public who needs accommodations should contact the City Clerk's Office at [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org) or by calling 805-470-3400 at least 48 hours prior to the meeting or time when services are needed. The City will use their best efforts to provide reasonable accommodations to afford as much accessibility as possible while also maintaining public safety in accordance with the City procedure for resolving reasonable accommodation requests.

City Council agendas and minutes may be viewed on the City's website: [www.atascadero.org](http://www.atascadero.org).

Copies of the staff reports or other documentation relating to each item of business referred to on the Agenda are on file in the office of the City Clerk and are available for public inspection on our website, [www.atascadero.org](http://www.atascadero.org). Contracts, Resolutions and Ordinances will be allocated a number once they are approved by the City Council. The Minutes of this meeting will reflect these numbers. All documents submitted by the public during Council meetings that are made a part of the record or referred to in their statement will be noted in the Minutes and available for review by contacting the City Clerk's office. All documents will be available for public inspection by appointment during City Hall business hours.



# **CITY OF ATASCADERO CITY COUNCIL**

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## **AGENDA**

**Tuesday, January 25, 2022**

**City Hall Council Chambers, 4th floor  
6500 Palma Avenue, Atascadero, California**

**City Council Regular Session:**

**6:00 P.M.**

**City Council Closed Session:**

**Immediately following  
Regular Session**

**REGULAR SESSION – CALL TO ORDER: 6:00 P.M.**

**PLEDGE OF ALLEGIANCE:** Mayor Pro Tem Newsom

**ROLL CALL:** Mayor Moreno  
Mayor Pro Tem Newsom  
Council Member Bourbeau  
Council Member Dariz  
Council Member Funk

**APPROVAL OF AGENDA:** Roll Call

**Recommendation: Council:**

1. Approve this agenda; and
2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.

**CLOSED SESSION – REPORT (IF ANY)**

- a. January 11, 2022

**PRESENTATIONS: None.**

**A. CONSENT CALENDAR:** (All items on the consent calendar are considered to be routine and non-controversial by City staff and will be approved by one motion if no member of the Council or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the Consent Calendar and will be considered in the listed sequence with an opportunity for any member of the public to address the Council concerning the item before action is taken.)

**1. City Council Draft Action Minutes – January 11, 2022**

- Recommendation: Council approve the January 11, 2022 Draft City Council Regular Meeting Minutes. [City Clerk]

**2. December 2021 Accounts Payable and Payroll**

- Fiscal Impact: \$3,783,926.36
- Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for December 2021. [Administrative Services]

**3. September 2021 Investment Report**

- Fiscal Impact: None.
- Recommendation: Council receive and file the City Treasurer’s report for quarter ending September 30, 2021. [City Treasurer]

**UPDATES FROM THE CITY MANAGER:** (The City Manager will give an oral report on any current issues of concern to the City Council.)

**COMMUNITY FORUM:** (This portion of the meeting is reserved for persons wanting to address the Council on any matter not on this agenda and over which the Council has jurisdiction. Speakers are limited to three minutes. Please state your name for the record before making your presentation. Comments made during Community Forum will not be a subject of discussion. A maximum of 30 minutes will be allowed for Community Forum, unless changed by the Council. Comments will be allowed for the entire 30-minute period so if the final speaker has finished before the 30 minute period has ended and a member of the public wishes to make a comment after the Council has commenced another item, the member should alert the Clerk within the 30 minute period of their desire to make a comment and the Council will take up that comment upon completion of the item which was commenced. Any members of the public who have questions or need information may contact the City Clerk’s Office, between the hours of 8:30 a.m. and 5:00 p.m. at (805) 470-3400, or [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org).)

**B. PUBLIC HEARINGS:**

**1. Ratification of Approval of Hazardous Tree Removal**

- Fiscal Impact: None.
- Recommendation: Council adopt Draft Resolution ratifying staff’s approval of the removal of one, 55-inch DBH, hazardous Heritage Coast Live Oak previously located at 5955 East Mall, subject to conditions of approval and mitigation, including replanting on site. [Community Development]

**C. MANAGEMENT REPORTS:**

**1. Fiscal Year 2020-2021 Audit**

- Fiscal Impact: None.
- Recommendation: Council review and accept the financial audit for the period ended June 30, 2021. [Administrative Services]

**2. Staffing for Adequate Fire and Emergency Response (SAFER) Grant**

- Fiscal Impact: There is no fiscal impact in applying for the SAFER grant. If awarded the City would receive funding for three firefighters for three years at an estimated \$1.5 million.
- Recommendation: Council authorize the Fire Chief to apply for and City Manager to execute a grant contract for a SAFER grant that would reimburse the City for the cost of three additional firefighters for three years. [Fire Department]

**D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:** (On their own initiative, Council Members may make a brief announcement or a brief report on their own activities. The following represent standing committees. Informative status reports will be given, as felt necessary):

Mayor Moreno

1. City Selection Committee
2. County Mayors Round Table
3. Regional Economic Action Coalition (REACH)
4. SLO Council of Governments (SLOCOG)
5. SLO Regional Transit Authority (RTA)

Mayor Pro Tem Newsom

1. City / Schools Committee
2. Design Review Committee
3. League of California Cities – Council Liaison
4. Visit SLO CAL Advisory Committee

Council Member Bourbeau

1. City of Atascadero Finance Committee
2. City / Schools Committee
3. Integrated Waste Management Authority (IWMA)
4. SLO County Water Resources Advisory Committee (WRAC)

Council Member Dariz

1. Air Pollution Control District
2. California Joint Powers Insurance Authority (CJPIA) Board
3. City of Atascadero Finance Committee

Council Member Funk

1. Atascadero Basin Ground Water Sustainability Agency (GSA)
2. Design Review Committee
3. Homeless Services Oversight Council

**E. INDIVIDUAL DETERMINATION AND / OR ACTION:** (Council Members may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda. The Council may take action on items listed on the Agenda.)

1. City Council
2. City Clerk
3. City Treasurer
4. City Attorney
5. City Manager

**F. RECESS REGULAR MEETING TO CLOSED SESSION**

**COUNCIL CLOSED SESSION:**

**1. CLOSED SESSION -- PUBLIC COMMENT**

**2. COUNCIL LEAVES TO BEGIN CLOSED SESSION**

**3. CLOSED SESSION -- CALL TO ORDER**

**a. Conference with Legal Counsel – Anticipated Litigation**

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): 1 potential case – Bill White sick leave

**b. Conference with Legal – Anticipated Litigation**

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): 1 potential case – California Voting Rights Act

**4. CLOSED SESSION – ADJOURNMENT**

**5. COUNCIL RETURNS**

**6. CLOSED SESSION – REPORT (IF ANY)**

Announcement(s) of any reportable action(s) taken in Closed Session that occur(s) after the recess of Regular Session will be made at the beginning of the next Regular City Council meeting as Closed Session is not recorded or videotaped.

**Please note:** Should anyone challenge any proposed development entitlement listed on this Agenda in court, that person may be limited to raising those issues addressed at the public hearing described in this notice, or in written correspondence delivered to the City Council at or prior to this public hearing. Correspondence submitted at this public hearing will be distributed to the Council and available for review in the City Clerk's office.



# CITY OF ATASCADERO CITY COUNCIL

## DRAFT MINUTES

Tuesday, January 11, 2022

City Hall Council Chambers, 4th floor  
6500 Palma Avenue, Atascadero, California

**City Council Regular Session:**

**6:00 P.M.**

**Successor Agency to the Community  
Redevelopment Agency of Atascadero:**

**Immediately following  
conclusion of the City  
Council Regular Session**

**Public Financing Authority:**

**Immediately following  
conclusion of the  
Successor Agency to  
the Community  
Redevelopment Agency  
of Atascadero Meeting**

**City Council Closed Session:**

**Immediately following  
the conclusion of the  
Public Financing  
Authority Meeting**

### **REGULAR SESSION – CALL TO ORDER: 6:00 P.M.**

Mayor Moreno called the meeting to order at 6:01 p.m. and Council Member Bourbeau led the Pledge of Allegiance.

### **ROLL CALL:**

Present: **By Teleconference** - Council Members Bourbeau, Dariz, and Funk, Mayor Pro Tem Newsom, and Mayor Moreno

Absent: None

Others Present: None

Staff Present: **By Teleconference** – City Manager Rachelle Rickard, Administrative Services Director Jeri Rangel, Community Development Director Phil Dunsmore, Fire Chief Casey Bryson, Police Chief Bob Masterson, Public Works Director Nick DeBar, City Attorney Brian Pierik, Deputy City Manager/City Clerk Lara Christensen, and IT Manager Luke Knight

**APPROVAL OF AGENDA:**

**MOTION:** **By Council Member Funk and seconded by Mayor Pro Tem Newsom to:**  
**1. Approve this agenda; and,**  
**2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.**  
*Motion passed 5:0 by a roll-call vote.*

**CLOSED SESSION – REPORT (IF ANY)**

**a. December 14, 2021**

City Attorney Pierik reported that there was a decision by the Council to authorize the City to join as a party in a petition of Writ of Mandate that will be filed against the California Public Employees' Retirement System based on an issue regarding the employment status of the interim Public Works Director, Doug Breeze, who provided service to the City prior to Nick DeBar be appointed full-time.

**PRESENTATIONS: None.**

**A. CONSENT CALENDAR:**

- 1. City Council Draft Action Minutes – December 14, 2021**
  - Recommendation: Council approve the December 14, 2021 Draft City Council Regular Meeting Minutes. [City Clerk]
- 2. November 2021 Accounts Payable and Payroll**
  - Fiscal Impact: \$3,382,213.30
  - Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for November 2021. [Administrative Services]
- 3. Community Facilities District 2005-1 Annexation No. 24**
  - Fiscal Impact: None.
  - Recommendation: Council adopt on second reading, by title only, Draft Ordinance, authorizing the levy of special taxes in Community Facilities District 2005-1 for certain annexation territory identified as Annexation No. 24. [Community Development]

**4. Virtual Meetings – AB 361 Requirements**

- Fiscal Impact: None.
- Recommendation: Council adopt Draft Resolution making findings consistent with the requirements of AB 361 to continue to allow for the conduct of virtual meetings. [City Manager]

**5. CAD/RMS Software Replacement**

- Fiscal Impact: Adoption of staff recommendations will result in the expenditure of \$914,508 over a period of six years for a Computer Aided Dispatch / Police Records Management System.
- Recommendations: Council:
  1. Authorize the City Manager to execute a contract with Mark43 in the amount of \$864,108.00 for implementation, training and annual support for a new CAD and RMS software system for a six year initial contract.
  2. Authorize the City Manager to execute an End User License Agreement with CommSys in the amount of \$0 for use of products and programs integrated with the CAD/RMS system provided by Mark43 (price included in the Mark 43 contract).
  1. Council authorize the Director of Administrative Services to move \$119,744 in budgeted general (D-20) funds from the CAD/RMS Software Project (capital outlay) to Computer Maintenance and Replacement (operations) in the Police Department in fiscal year 2022-2023 for annual support of the new CAD/RMS system.
  2. Council authorize the Director of Administrative Services to carry over any remaining budgeted general (D-20) funds from the CAD/RMS Software Project at June 30, 2023 to be used for annual support for the new CAD/RMS system in fiscal years 2023-2024, 2024-2025, 2025-2026 and 2026-2027.
  3. Council authorize the City Manager to appropriate an additional \$10,080 of Technology Fund Reserves in fiscal year 2022-2023 for a new, redundant internet connection. [Police]

At the request of Mayor Moreno, Chief Masterson briefed the City Council on the CAD/RMS software replacement project.

**MOTION: By Council Member Bourbeau and seconded by Council Member Funk to approve the Consent Calendar. (#A-3: Ordinance No. 651) (#A-4: Resolution No. 2022-001) (#A-5: Contract Nos. 2022-001 and 2022-002)**

***Motion passed 5:0 by a roll-call vote.***

**UPDATES FROM THE CITY MANAGER:**

City Manager Rickard gave an update on projects and events within the City.

**COMMUNITY FORUM:**

The following citizens spoke by telephone or through the webinar on this item: Gary Kirkland and Don Sausserig

***Mayor Moreno closed the COMMUNITY FORUM period.***

**B. PUBLIC HEARINGS: None.**

**C. MANAGEMENT REPORTS:**

**1. Fiscal Year 2021 Annual Road Report**

- Fiscal Impact: Distribution of the 2021 Community Road Report is estimated to cost about \$5,000 in budgeted General Funds.
- Recommendations: Council:
  1. Approve the Fiscal Year 2021 Annual Road Report.
  2. Approve the 2021 Community Road Report. [Public Works]

Public Works Director DeBar gave the staff report and answered questions from the Council.

**PUBLIC COMMENT:**

The following citizens spoke by telephone or through the webinar on this item: Geoff Auslen and Debra McKrell

***Mayor Moreno closed the Public Comment period.***

**MOTION: By Council Member Funk and seconded by Council Member Dariz to:**

- 1. Approve the Fiscal Year 2021 Annual Report**
- 2. Approve the 2021 Community Road Report**

***Motion passed 5:0 by a roll-call vote.***

**D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:**

The following Council Members gave brief update reports on their committees since their last Council meeting:

Mayor Moreno

1. County Mayors Round Table
2. SLO Council of Governments (SLOCOG)
3. SLO Regional Transit Authority (RTA)

Council Member Bourbeau

1. Integrated Waste Management Authority (IWMA)
2. SLO County Water Resources Advisory Committee (WRAC)

Council Member Funk

1. Atascadero Basin Ground Water Sustainability Agency (GSA)
2. Homeless Services Oversight Council

**E. INDIVIDUAL DETERMINATION AND / OR ACTION: None.**

**F. RECESS TO MEETING OF THE SUCCESSOR AGENCY**

Mayor Moreno recessed the Regular Meeting at 7:09 p.m. to the Meeting of the Successor Agency.

**G. FOLLOWING THE CONCLUSION OF THE SUCCESSOR AGENCY MEETING AND PUBLIC FINANCING AUTHORITY MEETING RECESS CITY COUNCIL REGULAR MEETING TO CLOSED SESSION**

Mayor Moreno reconvened the Regular Meeting at 7:21 p.m. and recessed to the Closed Session Meeting at 7:23 p.m.

**COUNCIL CLOSED SESSION:**

**1. CLOSED SESSION -- PUBLIC COMMENT**

**2. COUNCIL LEAVES TO BEGIN CLOSED SESSION**

**3. CLOSED SESSION -- CALL TO ORDER**

**a. Conference with Legal Counsel – Existing Litigation**

Government Code Sec. 54956.9(d)(1)

Name of Case: Newton v. City of Atascadero

San Luis Obispo Superior Court Case No. 21CVP-0168

**b. Conference with Legal Counsel – Existing Litigation**

Government Code Sec. 54956.9(d)(1)

Name of Case: Sunderland v. City of Atascadero

San Luis Obispo Superior Court Case No. 21CVP-0074

**c. Conference with Legal – Anticipated Litigation**

Significant exposure to litigation pursuant to Government Code

Section 54956.9(d)(2): 1 potential case – California Voting Rights Act

**4. CLOSED SESSION – ADJOURNMENT**

**5. CLOSED SESSION – REPORT (IF ANY)**

**H. ADJOURN**

Following Closed Session, the meeting was adjourned at 8:45 pm; no reportable action.

**MINUTES PREPARED BY:**

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Lara K. Christensen  
City Clerk

**APPROVED:**

Atascadero City Council  
January 11, 2022  
Page 5 of 5



**Atascadero City Council**  
**Staff Report - Administrative Services Department**

**December 2021 Accounts Payable and Payroll**

**RECOMMENDATION:**

Council approve certified City accounts payable, payroll and payroll vendor checks for December 2021.

**DISCUSSION:**

Attached for City Council review and approval are the following:

**Payroll**

Dated	12/9/21	Checks # 35312 - 35321	\$	10,972.10
		Direct Deposits		330,577.06
Dated	12/22/21	Checks # 35322 - 35332		12,799.11
		Direct Deposits		324,339.02

**Accounts Payable**

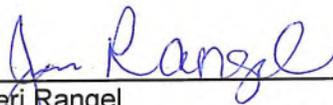
Dated	12/1/21-12/31/21	Checks # 169480 - 169787 & EFTs 4247 - 4274		<u>3,105,239.07</u>
		<b>TOTAL AMOUNT</b>	<b>\$</b>	<b><u>3,783,926.36</u></b>

**FISCAL IMPACT:**

Total expenditures for all funds is \$ 3,783,926.36

**CERTIFICATION:**

The undersigned certifies that the attached demands have been released for payment and that funds are available for these demands.

  
 \_\_\_\_\_  
 Jeri Rangel  
 Director of Administrative Services

**ATTACHMENT:**

December 2021 Eden Warrant Register in the amount of \$ 3,105,239.07

**City of Atascadero**  
Disbursement Listing

For the Month of December 2021

ITEM NUMBER: A-2  
DATE: 01/25/22  
ATTACHMENT: 1

Check Number	Check Date	Vendor	Description	Amount
169480	12/03/2021	13 STARS MEDIA	Accounts Payable Check	880.00
169481	12/03/2021	2M WASTE SOLUTIONS	Accounts Payable Check	1,315.00
169482	12/03/2021	ALL ABOUT EVENTS, INC.	Accounts Payable Check	1,586.50
169483	12/03/2021	ALL SIGNS AND GRAPHICS, INC.	Accounts Payable Check	396.94
169484	12/03/2021	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	176.43
169485	12/03/2021	ANTECH DIAGNOSTICS	Accounts Payable Check	415.95
169486	12/03/2021	AT&T	Accounts Payable Check	22.88
169487	12/03/2021	AT&T	Accounts Payable Check	770.29
169488	12/03/2021	ATASCADERO CHAMBER OF COMMERCE	Accounts Payable Check	60,000.00
169490	12/03/2021	ATASCADERO MUTUAL WATER CO.	Accounts Payable Check	10,394.40
169491	12/03/2021	AVILA TRAFFIC SAFETY	Accounts Payable Check	227.89
169492	12/03/2021	BRANCH SMITH PROPERTIES	Accounts Payable Check	362.00
169493	12/03/2021	BREZDEN PEST CONTROL, INC.	Accounts Payable Check	96.00
169494	12/03/2021	CA DEPT OF TAX AND FEE ADMIN.	Accounts Payable Check	2,835.61
169495	12/03/2021	CARQUEST OF ATASCADERO	Accounts Payable Check	51.13
169496	12/03/2021	CHARTER COMMUNICATIONS	Accounts Payable Check	124.98
169497	12/03/2021	COASTAL COPY, INC.	Accounts Payable Check	363.60
169498	12/03/2021	CUESTA POLYGRAPH & INVEST. LLC	Accounts Payable Check	3,550.00
169499	12/03/2021	NICHOLAS DEBAR	Accounts Payable Check	300.00
169500	12/03/2021	DELTA LIQUID ENERGY	Accounts Payable Check	865.64
169501	12/03/2021	DIGITAL WEST NETWORKS, INC.	Accounts Payable Check	90.00
169502	12/03/2021	PHILIP DUNSMORE	Accounts Payable Check	300.00
169503	12/03/2021	EARTH SYSTEMS PACIFIC	Accounts Payable Check	18,782.50
169504	12/03/2021	EMERGENCY VEHICLE SPECIALISTS	Accounts Payable Check	3,896.51
169505	12/03/2021	EWING IRRIGATION PRODUCTS, INC	Accounts Payable Check	108.49
169506	12/03/2021	FERRELL'S AUTO REPAIR	Accounts Payable Check	578.59
169507	12/03/2021	GAS COMPANY	Accounts Payable Check	1,200.02
169508	12/03/2021	GOERS FAMILY TRUST	Accounts Payable Check	3,149.68
169509	12/03/2021	GOLDEN STATE COPIER & MAILING	Accounts Payable Check	992.00
169510	12/03/2021	HART IMPRESSIONS PRINTING	Accounts Payable Check	2,344.94
169511	12/03/2021	HIGH COUNTRY OUTDOOR, INC.	Accounts Payable Check	400.00
169513	12/03/2021	HOME DEPOT CREDIT SERVICES	Accounts Payable Check	1,935.39
169514	12/03/2021	JK'S UNLIMITED, INC.	Accounts Payable Check	827.30
169515	12/03/2021	L.N. CURTIS & SONS	Accounts Payable Check	710.68
169516	12/03/2021	LIFE ASSIST, INC.	Accounts Payable Check	216.19
169517	12/03/2021	MADRONE LANDSCAPES, INC.	Accounts Payable Check	408.00
169518	12/03/2021	SAMUEL H. MCMILLAN, SR.	Accounts Payable Check	75.00
169519	12/03/2021	MICHAEL K. NUNLEY & ASSC, INC.	Accounts Payable Check	15,067.72
169520	12/03/2021	MID-COAST GEOTECHNICAL, INC.	Accounts Payable Check	300.00
169521	12/03/2021	MID-COAST MOWER & SAW, INC.	Accounts Payable Check	33.38
169522	12/03/2021	MIG	Accounts Payable Check	4,166.25
169523	12/03/2021	MINER'S ACE HARDWARE	Accounts Payable Check	118.66
169524	12/03/2021	MISSION UNIFORM SERVICE	Accounts Payable Check	1,287.97

**City of Atascadero**  
**Disbursement Listing**

For the Month of December 2021

ITEM NUMBER: A-2  
DATE: 01/25/22  
ATTACHMENT: 1

Check Number	Check Date	Vendor	Description	Amount
169525	12/03/2021	MOSS, LEVY, & HARTZHEIM LLP	Accounts Payable Check	5,000.00
169526	12/03/2021	MP ANNEX, LLC	Accounts Payable Check	98,707.23
169527	12/03/2021	MV TRANSPORTATION, INC.	Accounts Payable Check	17,187.38
169528	12/03/2021	OFFICE DEPOT INC.	Accounts Payable Check	790.83
169529	12/03/2021	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	23,090.53
169530	12/03/2021	PARRISH REPORTING	Accounts Payable Check	3,860.00
169531	12/03/2021	KATRINA M. PORTER	Accounts Payable Check	276.00
169532	12/03/2021	QUINCY ENGINEERING, INC.	Accounts Payable Check	5,103.51
169533	12/03/2021	RAINSCAPE, A LANDSCAPE SVC CO.	Accounts Payable Check	350.00
169534	12/03/2021	ANDRES & MICHELLE RAMOS	Accounts Payable Check	2,174.21
169535	12/03/2021	JERI RANGEL	Accounts Payable Check	300.00
169536	12/03/2021	RECOGNITION WORKS	Accounts Payable Check	8.05
169537	12/03/2021	RICK ENGINEERING COMPANY	Accounts Payable Check	4,745.07
169538	12/03/2021	RACHELLE RICKARD	Accounts Payable Check	300.00
169539	12/03/2021	MARCELES RODRIGUEZ	Accounts Payable Check	600.00
169540	12/03/2021	SAFE RESTRAINTS, INC.	Accounts Payable Check	3,110.50
169541	12/03/2021	SERVICE SYSTEMS ASSC, INC.	Accounts Payable Check	5,000.00
169542	12/03/2021	SPEAKWRITE, LLC.	Accounts Payable Check	193.40
169543	12/03/2021	SPECIALTY CONSTRUCTION, INC.	Accounts Payable Check	158,268.57
169544	12/03/2021	SUNLIGHT JANITORIAL, INC.	Accounts Payable Check	961.00
169545	12/03/2021	SUNSET SERVICE CENTER	Accounts Payable Check	36.29
169546	12/03/2021	SUPERION, LLC	Accounts Payable Check	54,302.58
169547	12/03/2021	T. HORZEN, INC.	Accounts Payable Check	25,000.00
169548	12/03/2021	TARGET SOLUTIONS LEARNING, LLC	Accounts Payable Check	186.72
169549	12/03/2021	RONALD R. TARICA	Accounts Payable Check	108.00
169550	12/03/2021	TEMPLETON TENNIS RANCH, LLC	Accounts Payable Check	1,200.00
169551	12/03/2021	TEMPLETON UNIFORMS, LLC	Accounts Payable Check	54.75
169552	12/03/2021	TURF STAR, INC.	Accounts Payable Check	96.55
169553	12/03/2021	U.S. POSTMASTER	Accounts Payable Check	2,200.00
169554	12/03/2021	ULTREX BUSINESS PRODUCTS	Accounts Payable Check	65.61
169555	12/03/2021	ULTREX LEASING	Accounts Payable Check	263.18
169556	12/03/2021	VERIZON WIRELESS	Accounts Payable Check	114.20
169557	12/03/2021	VINO VICE, INC.	Accounts Payable Check	1,237.50
169558	12/03/2021	WEST COAST AUTO & TOWING, INC.	Accounts Payable Check	440.00
169559	12/03/2021	WEX BANK - 76 UNIVERSL	Accounts Payable Check	11,924.54
169560	12/03/2021	WEX BANK - WEX FLEET UNIVERSAL	Accounts Payable Check	8,399.20
169561	12/03/2021	YOUTH EVOLUTION SOCCER	Accounts Payable Check	3,510.60
4247	12/09/2021	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	8,536.82
169563	12/09/2021	ANTHEM BLUE CROSS HEALTH	Payroll Vendor Payment	193,442.58
169564	12/09/2021	LINCOLN NATIONAL LIFE INS CO	Payroll Vendor Payment	1,923.56
169565	12/09/2021	MEDICAL EYE SERVICES	Payroll Vendor Payment	1,737.65
169566	12/09/2021	PREFERRED BENEFITS INSURANCE	Payroll Vendor Payment	8,581.30
4248	12/10/2021	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	467.07

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Check Number	Check Date	Vendor	Description	Amount
4249	12/10/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,882.80
4250	12/10/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	33,365.56
4251	12/10/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,199.15
4252	12/10/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,924.26
4253	12/10/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	5,623.27
4254	12/10/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	8,100.48
4255	12/10/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	9,644.23
4256	12/10/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	14,463.73
169567	12/10/2021	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	80.00
169568	12/10/2021	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,741.50
169569	12/10/2021	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	1,027.05
169570	12/10/2021	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	7,896.44
169571	12/10/2021	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	473.05
169572	12/10/2021	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	3,426.85
169573	12/10/2021	SEIU LOCAL 620	Payroll Vendor Payment	828.99
169574	12/10/2021	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	416.88
169575	12/10/2021	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	6,055.14
169576	12/10/2021	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	185.00
4257	12/14/2021	RABOBANK, N.A.	Payroll Vendor Payment	64,910.75
4258	12/14/2021	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	21,104.66
4259	12/14/2021	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,943.44
169577	12/15/2021	NOAH C. COLTON	Accounts Payable Check	250.00
169578	12/15/2021	AMANDA M. WERNIK	Accounts Payable Check	250.00
169579	12/17/2021	13 STARS MEDIA	Accounts Payable Check	1,710.50
169580	12/17/2021	A SUPERIOR CRANE, LLC	Accounts Payable Check	540.00
169581	12/17/2021	A.P.S. AUTOMOTIVE	Accounts Payable Check	133.87
169582	12/17/2021	AGM CALIFORNIA, INC.	Accounts Payable Check	625.00
169583	12/17/2021	AIRFLOW FILTER SERVICE, INC.	Accounts Payable Check	714.45
169584	12/17/2021	ALL SIGNS AND GRAPHICS, INC.	Accounts Payable Check	935.25
169585	12/17/2021	ALLIANT INSURANCE SERVICES INC	Accounts Payable Check	182.00
169586	12/17/2021	ALLSTAR FIRE EQUIPMENT, INC.	Accounts Payable Check	1,653.65
169587	12/17/2021	ALPHA ELECTRIC SERVICE	Accounts Payable Check	361.05
169588	12/17/2021	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	1,605.55
169590	12/17/2021	AT&T	Accounts Payable Check	1,296.67
169591	12/17/2021	AT&T	Accounts Payable Check	33.63
169592	12/17/2021	ATASCADERO HAY & FEED	Accounts Payable Check	2,108.39
169593	12/17/2021	ATASCADERO PICKLEBALL CLUB,INC	Accounts Payable Check	201.90
169594	12/17/2021	ATHLETIC STUFF	Accounts Payable Check	4,381.54
169595	12/17/2021	ATM ADVANTAGE PLUS	Accounts Payable Check	175.00
169596	12/17/2021	AVILA TRAFFIC SAFETY	Accounts Payable Check	1,400.00
169597	12/17/2021	BASSETT'S CRICKET RANCH,INC.	Accounts Payable Check	800.26
169598	12/17/2021	BELL'S PLUMBING REPAIR, INC.	Accounts Payable Check	325.00
169599	12/17/2021	JOSE R. BENITEZ	Accounts Payable Check	120.00

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Check Number	Check Date	Vendor	Description	Amount
169600	12/17/2021	KEITH R. BERGHER	Accounts Payable Check	573.75
169601	12/17/2021	BERRY MAN, INC.	Accounts Payable Check	1,817.50
169602	12/17/2021	CALPORTLAND COMPANY	Accounts Payable Check	394.37
169603	12/17/2021	CARQUEST OF ATASCADERO	Accounts Payable Check	48.92
169604	12/17/2021	CHARTER COMMUNICATIONS	Accounts Payable Check	167.40
169605	12/17/2021	CLEVER CONCEPTS, INC.	Accounts Payable Check	47.95
169606	12/17/2021	COAST ELECTRONICS	Accounts Payable Check	178.61
169607	12/17/2021	COASTAL REPROGRAPHIC SERVICES	Accounts Payable Check	337.13
169608	12/17/2021	MIGUEL A. CORDERO GALARZA	Accounts Payable Check	75.00
169609	12/17/2021	COUNTY OF SAN LUIS OBISPO	Accounts Payable Check	872.00
169610	12/17/2021	CRYSTAL SPRINGS WATER	Accounts Payable Check	20.00
169611	12/17/2021	CULLIGAN/CENTRAL COAST WTR TRT	Accounts Payable Check	374.45
169612	12/17/2021	SHARON J. DAVIS	Accounts Payable Check	273.00
169613	12/17/2021	DEPARTMENT OF JUSTICE	Accounts Payable Check	969.00
169614	12/17/2021	DESTINATION TRAVEL NETWORK	Accounts Payable Check	75.00
169615	12/17/2021	EIKHOF DESIGN GROUP, INC.	Accounts Payable Check	1,583.63
169616	12/17/2021	EPIC IT SUPPORT	Accounts Payable Check	437.50
169617	12/17/2021	ESCROW CLEANING SERVICE	Accounts Payable Check	450.00
169618	12/17/2021	ESCUELA DEL RIO	Accounts Payable Check	780.00
169619	12/17/2021	EWING IRRIGATION PRODUCTS, INC	Accounts Payable Check	89.85
169620	12/17/2021	FARM SUPPLY COMPANY	Accounts Payable Check	258.55
169621	12/17/2021	FEDEX	Accounts Payable Check	100.75
169622	12/17/2021	FERRELL'S AUTO REPAIR	Accounts Payable Check	93.40
169623	12/17/2021	FGL ENVIRONMENTAL	Accounts Payable Check	919.00
169624	12/17/2021	GARRY BRILL PRODUCTIONS	Accounts Payable Check	150.00
169625	12/17/2021	HAMNER, JEWELL & ASSOCIATES	Accounts Payable Check	1,306.48
169626	12/17/2021	HINDERLITER, DE LLAMAS	Accounts Payable Check	3,361.83
169627	12/17/2021	JK'S UNLIMITED, INC.	Accounts Payable Check	556.31
169628	12/17/2021	JOE A. GONSALVES & SON	Accounts Payable Check	3,000.00
169629	12/17/2021	KNECHT'S PLUMBING & HEATING	Accounts Payable Check	496.93
169630	12/17/2021	KPRL 1230 AM	Accounts Payable Check	320.00
169631	12/17/2021	LAYNE LABORATORIES, INC.	Accounts Payable Check	647.06
169632	12/17/2021	LEE WILSON ELECTRIC CO. INC	Accounts Payable Check	4,269.04
169633	12/17/2021	LIFE ASSIST, INC.	Accounts Payable Check	1,657.32
169634	12/17/2021	CRAIG C. LOWRIE	Accounts Payable Check	275.00
169635	12/17/2021	MARBORG INDUSTRIES	Accounts Payable Check	62.28
169636	12/17/2021	SAMUEL H. MCMILLAN, SR.	Accounts Payable Check	425.00
169637	12/17/2021	MID-COAST MOWER & SAW, INC.	Accounts Payable Check	410.76
169638	12/17/2021	MINER'S ACE HARDWARE	Accounts Payable Check	171.15
169639	12/17/2021	MISSION UNIFORM SERVICE	Accounts Payable Check	274.48
169640	12/17/2021	MOSS, LEVY, & HARTZHEIM LLP	Accounts Payable Check	3,000.00
169641	12/17/2021	MUNICIPAL MAINT EQUIPMENT, INC	Accounts Payable Check	1,329.85
169642	12/17/2021	MWI ANIMAL HEALTH	Accounts Payable Check	27.41

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169643	12/17/2021	NEW TIMES	Accounts Payable Check	3,332.00
169644	12/17/2021	DANIELLE NUNES-HAKANSON	Accounts Payable Check	66.70
169645	12/17/2021	OASIS EQUIPMENT RENTAL	Accounts Payable Check	453.87
169646	12/17/2021	OFFICE DEPOT INC.	Accounts Payable Check	204.54
169648	12/17/2021	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	19,899.64
169649	12/17/2021	PARRISH REPORTING	Accounts Payable Check	2,530.00
169650	12/17/2021	PEAKWIFI, LLC	Accounts Payable Check	650.00
169651	12/17/2021	PERRY'S PARCEL & GIFT	Accounts Payable Check	35.00
169652	12/17/2021	MATT PIGEON	Accounts Payable Check	177.78
169653	12/17/2021	KATRINA M. PORTER	Accounts Payable Check	84.00
169654	12/17/2021	PREMIER AG PRODUCTS & SERVICES	Accounts Payable Check	3,025.00
169655	12/17/2021	PROCARE JANITORIAL SUPPLY, INC.	Accounts Payable Check	1,256.92
169656	12/17/2021	PROFESSIONAL AUTOMOTIVE	Accounts Payable Check	32.79
169657	12/17/2021	RAINSCAPE, A LANDSCAPE SVC CO.	Accounts Payable Check	6,892.00
169658	12/17/2021	RAMINHA CONSTRUCTION, INC.	Accounts Payable Check	129,213.51
169659	12/17/2021	READYREFRESH BY NESTLE	Accounts Payable Check	948.72
169660	12/17/2021	RECOGNITION WORKS	Accounts Payable Check	340.93
169661	12/17/2021	RICK ENGINEERING COMPANY	Accounts Payable Check	26,566.78
169662	12/17/2021	SHANNON SCHMIDT	Accounts Payable Check	290.00
169663	12/17/2021	SITEONE LANDSCAPE SUPPLY, LLC	Accounts Payable Check	1,412.14
169664	12/17/2021	SLO COUNTY HEALTH AGENCY	Accounts Payable Check	84,760.00
169665	12/17/2021	SOUTH COAST EMERGENCY VEH SVC	Accounts Payable Check	336.39
169666	12/17/2021	SOUZA CONSTRUCTION, INC.	Accounts Payable Check	774,660.56
169667	12/17/2021	SP MAINTENANCE SERVICES, INC.	Accounts Payable Check	1,200.00
169668	12/17/2021	SPECIALIZED EQUIPMENT REPAIR	Accounts Payable Check	1,503.73
169669	12/17/2021	JENNIFER L. SPOTTEN	Accounts Payable Check	144.00
169670	12/17/2021	BRUCE ST. JOHN	Accounts Payable Check	145.00
169671	12/17/2021	STANLEY CONVERGENT SECURITY	Accounts Payable Check	367.20
169672	12/17/2021	STAPLES CREDIT PLAN	Accounts Payable Check	190.91
169673	12/17/2021	SUNLIGHT JANITORIAL, INC.	Accounts Payable Check	1,700.00
169674	12/17/2021	THOMSON REUTERS - WEST	Accounts Payable Check	175.10
169675	12/17/2021	KARL O. TOERGE	Accounts Payable Check	93.75
169676	12/17/2021	TURF STAR, INC.	Accounts Payable Check	126.56
169681	12/17/2021	U.S. BANK	Accounts Payable Check	32,421.66
169682	12/17/2021	UNITED RENTALS (NORTH AM), INC	Accounts Payable Check	12,181.73
169683	12/17/2021	VAN BEURDEN INSURANCE SVC, INC	Accounts Payable Check	390.00
169684	12/17/2021	THOMAS F. VELASQUEZ	Accounts Payable Check	100.00
169685	12/17/2021	VERDIN	Accounts Payable Check	23,439.82
169686	12/17/2021	VERIZON WIRELESS	Accounts Payable Check	1,873.98
169687	12/17/2021	VINO VICE, INC.	Accounts Payable Check	321.75
169688	12/17/2021	WALLACE GROUP	Accounts Payable Check	20,128.45
169689	12/17/2021	WCJ PROPERTY SERVICES	Accounts Payable Check	1,516.00
169690	12/17/2021	WEST COAST AUTO & TOWING, INC.	Accounts Payable Check	280.00

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Check Number	Check Date	Vendor	Description	Amount
169691	12/17/2021	WHITLOCK & WEINBERGER TRANS.	Accounts Payable Check	2,827.50
169692	12/17/2021	WILKINS ACTION GRAPHICS	Accounts Payable Check	1,105.82
169693	12/17/2021	KAREN B. WYKE	Accounts Payable Check	319.20
169694	12/17/2021	ZOOM IMAGING SOLUTIONS, INC.	Accounts Payable Check	986.91
4260	12/21/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Accounts Payable Check	500.00
4261	12/21/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Accounts Payable Check	1,360.27
4262	12/22/2021	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	7,938.21
169695	12/22/2021	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	80.00
169696	12/22/2021	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,741.50
169697	12/22/2021	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	1,096.80
169698	12/22/2021	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	7,208.14
169699	12/22/2021	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	605.69
169700	12/22/2021	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	3,426.69
169701	12/22/2021	SEIU LOCAL 620	Payroll Vendor Payment	822.33
169702	12/22/2021	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	416.88
169703	12/22/2021	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	6,601.00
169704	12/22/2021	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	185.00
4263	12/23/2021	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	467.07
4264	12/23/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,314.88
4265	12/23/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	32,873.29
4266	12/23/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,098.54
4267	12/23/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,650.48
4268	12/23/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	5,623.27
4269	12/23/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	8,370.95
4270	12/23/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	10,319.15
4271	12/23/2021	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	14,614.20
4272	12/28/2021	RABOBANK, N.A.	Payroll Vendor Payment	69,897.94
4273	12/28/2021	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	22,804.85
4274	12/28/2021	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,846.22
169705	12/30/2021	13 STARS MEDIA	Accounts Payable Check	3,810.68
169706	12/30/2021	ALL SIGNS AND GRAPHICS, INC.	Accounts Payable Check	843.90
169707	12/30/2021	ALTHOUSE & MEADE, INC.	Accounts Payable Check	180.00
169708	12/30/2021	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	35.00
169709	12/30/2021	RICK APPIANO	Accounts Payable Check	25.00
169710	12/30/2021	APPLIED CONCEPTS, INC.	Accounts Payable Check	630.32
169711	12/30/2021	MICHAEL J. ARRIOLA	Accounts Payable Check	1,700.00
169712	12/30/2021	AT&T	Accounts Payable Check	22.68
169713	12/30/2021	AT&T	Accounts Payable Check	1,158.74
169714	12/30/2021	ATASCADERO HAY & FEED	Accounts Payable Check	8.66
169715	12/30/2021	ATASCADERO NEWS	Accounts Payable Check	49.95
169716	12/30/2021	ATM ADVANTAGE PLUS	Accounts Payable Check	350.00
169717	12/30/2021	BANK OF NEW YORK MELLON	Accounts Payable Check	2,420.00
169718	12/30/2021	BASSETT'S CRICKET RANCH,INC.	Accounts Payable Check	269.81

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169719	12/30/2021	BATTERY SYSTEMS, INC.	Accounts Payable Check	67.21
169720	12/30/2021	BREZDEN PEST CONTROL, INC.	Accounts Payable Check	170.00
169721	12/30/2021	C. SKY DEVELOPMENT, LLC	Accounts Payable Check	55.00
169722	12/30/2021	CARQUEST OF ATASCADERO	Accounts Payable Check	63.97
169723	12/30/2021	CASEY PRINTING, INC.	Accounts Payable Check	5,715.32
169724	12/30/2021	CCI OFFICE TECHNOLOGIES	Accounts Payable Check	903.69
169725	12/30/2021	GREGORY B. CHAFFE	Accounts Payable Check	20.00
169726	12/30/2021	CHARROS OF ROCK, LLC	Accounts Payable Check	2,200.00
169728	12/30/2021	CHARTER COMMUNICATIONS	Accounts Payable Check	8,259.94
169729	12/30/2021	COASTAL COPY, INC.	Accounts Payable Check	546.72
169730	12/30/2021	COASTAL REPROGRAPHIC SERVICES	Accounts Payable Check	184.66
169731	12/30/2021	CUESTA POLYGRAPH & INVEST. LLC	Accounts Payable Check	15,364.46
169732	12/30/2021	COLIN W. DEAN	Accounts Payable Check	1,500.00
169733	12/30/2021	ECONOMIC & PLANNING SYSTEM INC	Accounts Payable Check	4,690.00
169734	12/30/2021	CHRISTOPHER J. EDWARDS	Accounts Payable Check	750.00
169735	12/30/2021	EMERGENCY VEHICLE SPECIALISTS	Accounts Payable Check	2,812.88
169736	12/30/2021	FENCE FACTORY ATASCADERO	Accounts Payable Check	2,405.00
169737	12/30/2021	FERRELL'S AUTO REPAIR	Accounts Payable Check	76.19
169738	12/30/2021	CODY FERRIS	Accounts Payable Check	80.00
169739	12/30/2021	GAS COMPANY	Accounts Payable Check	4,185.01
169740	12/30/2021	GOOD TIDES ORGANICS	Accounts Payable Check	55.00
169741	12/30/2021	GSOLUTIONZ, INC.	Accounts Payable Check	2,167.32
169742	12/30/2021	HANSEN BRO'S CUSTOM FARMING	Accounts Payable Check	7,694.37
169743	12/30/2021	HART IMPRESSIONS PRINTING	Accounts Payable Check	415.34
169744	12/30/2021	TAMRA HELTON	Accounts Payable Check	25.00
169745	12/30/2021	HERC RENTALS, INC.	Accounts Payable Check	2,605.16
169746	12/30/2021	HIGH COUNTRY OUTDOOR, INC.	Accounts Payable Check	1,038.80
169747	12/30/2021	IRON MOUNTAIN RECORDS MGMNT	Accounts Payable Check	251.06
169748	12/30/2021	JK'S UNLIMITED, INC.	Accounts Payable Check	16,489.36
169749	12/30/2021	JOE A. GONSALVES & SON	Accounts Payable Check	3,000.00
169750	12/30/2021	KEY TERMITE & PEST CONTROL,INC	Accounts Payable Check	555.00
169751	12/30/2021	LIFE ASSIST, INC.	Accounts Payable Check	1,326.02
169752	12/30/2021	JAMES MANNING	Accounts Payable Check	25.00
169753	12/30/2021	MARIACHI VOCES TAPATIAS	Accounts Payable Check	2,200.00
169754	12/30/2021	MATERIAL GIRLS	Accounts Payable Check	115.00
169755	12/30/2021	MEDINA LIGHT SHOW DESIGNS	Accounts Payable Check	2,240.00
169756	12/30/2021	MID-COAST MOWER & SAW, INC.	Accounts Payable Check	97.85
169757	12/30/2021	MIG	Accounts Payable Check	2,963.30
169758	12/30/2021	MINER'S ACE HARDWARE	Accounts Payable Check	525.50
169759	12/30/2021	MISSION UNIFORM SERVICE	Accounts Payable Check	279.50
169760	12/30/2021	MOTOROLA SOLUTIONS, INC.	Accounts Payable Check	480,700.00
169761	12/30/2021	KYLE NAKAZAWA	Accounts Payable Check	188.17
169762	12/30/2021	NBS	Accounts Payable Check	7,171.39

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169763	12/30/2021	NEW TIMES	Accounts Payable Check	1,527.00
169764	12/30/2021	OFFICE DEPOT INC.	Accounts Payable Check	730.67
169765	12/30/2021	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	31,833.80
169766	12/30/2021	PASO ROBLES SAFE & LOCK, INC.	Accounts Payable Check	3,319.31
169767	12/30/2021	PEAKWIFI, LLC	Accounts Payable Check	650.00
169768	12/30/2021	VOID	Accounts Payable Check	0.00
169769	12/30/2021	PROCARE JANITORIAL SUPPLY, INC.	Accounts Payable Check	246.10
169770	12/30/2021	QUINCY ENGINEERING, INC.	Accounts Payable Check	2,226.52
169771	12/30/2021	JERI RANGEL	Accounts Payable Check	80.00
169772	12/30/2021	EVAN RUSSELL	Accounts Payable Check	250.00
169773	12/30/2021	SAN LUIS POWERHOUSE, INC.	Accounts Payable Check	990.00
169774	12/30/2021	SANTA MARIA TIRE, INC.	Accounts Payable Check	5,542.78
169775	12/30/2021	ENRIQUE M. SANTOS	Accounts Payable Check	1,800.00
169776	12/30/2021	SLOFIST	Accounts Payable Check	75.00
169777	12/30/2021	SP MAINTENANCE SERVICES, INC.	Accounts Payable Check	450.00
169778	12/30/2021	SUNLIGHT JANITORIAL, INC.	Accounts Payable Check	961.00
169779	12/30/2021	TARGET SOLUTIONS LEARNING, LLC	Accounts Payable Check	186.72
169780	12/30/2021	U.S. POSTMASTER	Accounts Payable Check	573.21
169781	12/30/2021	ULTREX BUSINESS PRODUCTS	Accounts Payable Check	41.90
169782	12/30/2021	VERIZON WIRELESS	Accounts Payable Check	350.79
169783	12/30/2021	VITAL RECORDS CONTROL	Accounts Payable Check	169.99
169784	12/30/2021	WALLACE GROUP	Accounts Payable Check	12,272.45
169785	12/30/2021	WEST COAST AUTO & TOWING, INC.	Accounts Payable Check	241.21
169786	12/30/2021	GEORGE L. WESTLUND	Accounts Payable Check	125.00
169787	12/30/2021	ZOOM IMAGING SOLUTIONS, INC.	Accounts Payable Check	986.91
				<u>\$ 3,105,239.07</u>



# Atascadero City Council

September 2021

## Staff Report - City Treasurer

### September 2021 Investment Report

#### RECOMMENDATION:

Council receive and file the City Treasurer's report for quarter ending September 30, 2021.

#### REPORT IN BRIEF:

##### Cash and Investments

Checking	\$ 1,803,207	
Zoo Credit Card Deposit Account	15,150	
Money Market Accounts	1,002,851	
Certificates of Deposit	13,430,000	
Government Securities	13,712,971	
Supranational Securities	3,497,266	
Municipal Securities	2,157,318	
LAIF	17,521,731	
Cash with Fiscal Agents	2,902,158	
Cash in Banks at September 30, 2021		\$ 56,042,652
Timing Differences		(822,198)
Cash and Investments at September 30, 2021		\$ 55,220,454

##### Investment Activity

#### Securities Purchased:

<u>Purchase Date</u>	<u>Description</u>	<u>Type</u>	<u>Cost</u>	<u>Maturity Date</u>
07/22/21	Toyota Financial Savings Bank Henderson, NV	Certificate of Deposit	\$ 245,000	07/22/26
08/13/21	Synchrony Bank Draper, UT	Certificate of Deposit	245,000	08/13/26
09/24/21	Federal National Mort. Assoc. CUSIP #3135G0Q22	Government Security	526,404	09/24/26
09/29/21	First Bank Richmond Richmond, IN	Certificate of Deposit	245,000	09/29/26

**Investment Activity (continued)**

**Securities Matured:**

<u>Maturity Date</u>	<u>Description</u>	<u>Type</u>	<u>Original Cost</u>	<u>Amount Matured</u>
08/30/21	The PrivateBank and Trust Co. Chicago, IL	Certificate of Deposit	\$ 245,000	\$ 245,000
08/23/21	Comenity Capital Bank Salt Lake City, UT	Certificate of Deposit	245,000	245,000
09/07/21	Ally Bank Sandy, UT	Certificate of Deposit	245,000	245,000
09/13/21	Community First Bank of Indiana Kokomo, IN	Certificate of Deposit	150,000	150,000

**Securities Sold Prior to Maturity:**

None

**Other Reportable Activities:**

None

**CITY OF ATASCADERO**  
**TREASURER'S REPORT**  
**CASH & INVESTMENTS ACTIVITY SUMMARY**  
*for the quarter ending September 30, 2021*

	<u>CHECKING ACCOUNTS</u>	<u>INVESTMENTS</u>	<u>FISCAL AGENT</u>	<u>TOTALS</u>
Balance per Banks at July 1, 2021	\$ 248,959	\$ 54,991,944	\$ 2,278,300	\$ 57,519,203
Receipts	11,406,852	188,351	1,265,717	12,860,920
Recognition of Premiums & Discounts	-	(21,739)	-	(21,739)
Disbursements	(13,673,873)	-	(641,859)	(14,315,732)
Transfers In	9,897,823	6,061,404	-	15,959,227
Transfers Out	<u>(6,061,404)</u>	<u>(9,897,823)</u>	<u>-</u>	<u>(15,959,227)</u>
Balance per Banks at September 30, 2021	<u>\$ 1,818,357</u>	<u>\$ 51,322,137</u>	<u>\$ 2,902,158</u>	56,042,652
Timing Differences				<u>(822,198)</u>
<b>Adjusted Treasurer's Balance</b>				<u><u>\$ 55,220,454</u></u>

CITY OF ATASCADERO  
INVESTMENT REPORT  
September 30, 2021

ITEM NUMBER: A-3  
DATE: 01/25/22

<u>MATURITY DATE</u>	<u>DESCRIPTION (ISSUER)</u>	<u>PURCHASE DATE</u>	<u>INVESTMENT TYPE</u>	<u>INVESTMENT RATING</u>	<u>STATED % RATE</u>	<u>YIELD</u>	<u>FACE VALUE</u>	<u>PREMIUM/ (DISCOUNT)</u>	<u>COST OF INVESTMENT</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN / (LOSS)</u>
<i>Funds Managed by City</i>											
n/a	Local Agency Invest. Fund (LAIF)	n/a	State Investment Fund	n/a	n/a	0.21%	\$ 17,521,731	n/a	\$ 17,521,731	\$ 17,523,185	\$ 1,454
n/a	Broker Money Market	n/a	Money Fund	n/a	n/a	Vary	1,002,851	n/a	1,002,851	1,002,851	-
10/07/21	Federal National Mortgage Assn CUSIP #3135G0Q89	06/02/17	Government Security	Aaa	1.38%	1.72%	500,000	(34)	499,966	500,110	144
11/17/21	First Source Bank South Bend, IN	12/17/18	Certificate of Deposit	n/a	3.15%	3.15%	245,000	n/a	245,000	245,997	997
11/29/21	Federal Home Loan Bank CUSIP #3130AABG2	12/21/16	Government Security	Aaa	1.88%	2.12%	500,000	(202)	499,798	501,465	1,667
01/13/22	Federal Home Loan Bank CUSIP #3137EADB2	01/26/17	Government Security	Aaa	2.38%	2.06%	500,000	449	500,449	503,270	2,821
02/09/22	Triad Bank Frontenac, MO	02/09/17	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	246,668	1,668
02/21/22	Everbank Jacksonville, FL	02/14/17	Certificate of Deposit	n/a	2.05%	2.05%	245,000	n/a	245,000	246,818	1,818
03/11/22	Federal Home Loan Bank CUSIP #313378CR0	02/23/17	Government Security	Aaa	2.25%	2.00%	500,000	552	500,552	504,800	4,248
03/24/22	First Sentry Bank Huntington, WV	03/24/17	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	247,249	2,249
04/05/22	Federal National Mortgage Assn CUSIP #3135G0T45	05/04/17	Government Security	Aaa	1.88%	1.88%	500,000	n/a	500,000	504,595	4,595
05/17/22	MB Financial Bank Chicago, IL	02/09/22	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	247,960	2,960
05/31/22	Lakeside Bank Chicago, IL	06/02/17	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	248,151	3,151
06/10/22	Federal Home Loan Bank CUSIP #313379Q69	05/31/17	Government Security	Aaa	2.13%	1.86%	500,000	905	500,905	507,110	6,205
07/05/22	Sallie Mae Bank Salt Lake City, UT	07/08/19	Certificate of Deposit	n/a	2.20%	2.20%	245,000	n/a	245,000	249,008	4,008

CITY OF ATASCADERO  
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07/12/22	Barclays Bank Wilmington, DE	07/12/17	Certificate of Deposit	n/a	2.20%	2.20%	\$ 245,000	n/a	\$ 245,000	\$ 249,104	\$ 4,104
07/27/22	Federal Farm Credit Bank CUSIP #3133EDE65	07/12/17	Government Security	n/a	3.05%	1.98%	302,000	2,632	304,632	309,438	4,806
08/03/22	Federal Farm Credit Bank CUSIP #3133EHTS2	08/17/17	Government Security	Aaa	1.90%	1.72%	500,000	743	500,743	507,735	6,992
09/09/22	Federal Farm Credit Bank CUSIP #313380GJ0	09/11/17	Government Security	Aaa	2.00%	1.62%	500,000	1,762	501,762	508,975	7,213
09/14/22	Int'l Amer. Development Bank CUSIP #4581X0CZ9	12/18/17	Supranational Security	Aaa	1.75%	2.23%	500,000	(2,287)	497,713	507,400	9,687
10/05/22	Federal Farm Credit Bank CUSIP #3135G0T78	01/18/18	Government Security	Aaa	2.00%	2.30%	500,000	(1,602)	498,398	509,650	11,252
11/28/22	Bank of New England Salem, NH	07/26/19	Certificate of Deposit	n/a	2.05%	2.05%	245,000	n/a	245,000	250,405	5,405
01/18/23	Int'l Amer. Development Bank CUSIP #4581X0DA3	01/18/18	Supranational Security	Aaa	2.50%	2.46%	500,000	235	500,235	514,875	14,640
01/18/23	Int'l Amer. Development Bank CUSIP #4581X0DA3	12/06/18	Supranational Security	Aaa	2.50%	2.90%	500,000	(2,520)	497,480	514,875	17,395
02/21/23	Merrick Bank South Jordan, UT	12/18/18	Certificate of Deposit	n/a	3.35%	3.35%	245,000	n/a	245,000	255,694	10,694
03/10/23	Federal Farm Credit Bank CUSIP #3130ADMX7	03/16/18	Government Security	Aaa	2.50%	2.71%	500,000	(1,468)	498,532	516,790	18,258
03/24/23	Bell Bank Fargo, ND	03/24/20	Certificate of Deposit	n/a	0.85%	0.85%	245,000	n/a	245,000	247,249	2,249
04/11/23	Federal Farm Credit Bank CUSIP #3133EJKN8	04/11/18	Government Security	Aaa	2.70%	2.71%	500,000	(82)	499,918	518,930	19,012
04/12/23	Morgan Stanley Salt Lake City, UT	04/12/18	Certificate of Deposit	n/a	2.95%	2.95%	245,000	n/a	245,000	255,143	10,143
05/08/23	Old Missouri Bank Springfield, MO	05/06/19	Certificate of Deposit	n/a	2.50%	2.50%	100,000	n/a	100,000	103,586	3,586

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05/09/23	Goldman Sachs New York, NY	05/09/18	Certificate of Deposit	n/a	3.15%	3.15%	\$ 245,000	n/a	\$ 245,000	\$ 256,366	\$ 11,366
06/06/23	Citibank Sioux Falls, SD	06/06/18	Certificate of Deposit	n/a	3.25%	3.25%	245,000	n/a	245,000	257,221	12,221
06/27/23	PeopleFirst Bank Joliet, IL	03/27/20	Certificate of Deposit	n/a	1.00%	1.00%	245,000	n/a	245,000	247,991	2,991
07/31/23	Medallion Bank Salt Lake City, UT	07/31/18	Certificate of Deposit	n/a	3.25%	3.25%	245,000	n/a	245,000	258,134	13,134
07/31/23	Int'l Finance Corporation CUSIP #45950KCP3	09/12/18	Supranational Security	Aaa	2.88%	2.90%	500,000	(227)	499,773	523,580	23,807
08/01/23	Discover Bank Wilmington, DE	08/01/18	Certificate of Deposit	n/a	3.35%	3.35%	245,000	n/a	245,000	258,632	13,632
09/26/23	MidSouth Bank Lafayette, LA	09/26/18	Certificate of Deposit	n/a	3.10%	3.10%	245,000	n/a	245,000	258,296	13,296
09/27/23	Int'l Bank for Recon & Develop CUSIP #459058GL1	02/06/19	Supranational Security	Aaa	3.00%	2.55%	500,000	4,365	504,365	526,360	21,995
09/27/23	Nicolet National Bank Green Bay, WI	03/27/20	Certificate of Deposit	n/a	1.25%	1.25%	245,000	n/a	245,000	249,317	4,317
09/29/23	Alma Bank Astoria, NY	03/31/20	Certificate of Deposit	n/a	1.10%	1.10%	245,000	n/a	245,000	248,592	3,592
11/06/23	Federal Farm Credit Bank CUSIP #3133EJQ85	11/06/18	Government Security	n/a	3.05%	3.06%	500,000	(81)	499,919	528,155	28,236
11/08/23	Morgan Stanley Private Bank New York, NY	11/08/18	Certificate of Deposit	n/a	3.55%	3.55%	245,000	n/a	245,000	260,842	15,842
12/08/23	Federal Home Loan Bank CUSIP #3130AAHE1	04/30/20	Government Security	n/a	2.50%	0.39%	640,000	29,488	669,488	669,709	221
01/30/24	First Premier Bank Sioux Falls, SD	01/30/19	Certificate of Deposit	n/a	2.95%	2.95%	245,000	n/a	245,000	259,178	14,178
02/22/24	Bank of Delight Delight, AR	02/22/19	Certificate of Deposit	n/a	2.85%	2.85%	245,000	n/a	245,000	258,835	13,835

CITY OF ATASCADERO  
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03/08/24	Federal Home Loan Bank CUSIP #3130AB3H7	03/07/19	Government Security	Aaa	2.38%	2.58%	\$ 750,000	\$ (3,608)	\$ 746,392	\$ 787,283	\$ 40,891
03/27/24	First National Bank East Lansing, MI	03/27/19	Certificate of Deposit	n/a	2.75%	2.75%	245,000	n/a	245,000	258,622	13,622
04/26/24	Mainstreet Bank Fairfax, VA	05/01/19	Certificate of Deposit	n/a	2.60%	2.60%	245,000	n/a	245,000	257,970	12,970
05/13/24	Federal Farm Credit Bank CUSIP #3133EKLBO	05/13/19	Government Security	Aaa	2.31%	2.32%	500,000	(89)	499,911	523,735	23,824
05/16/24	Enterprise Bank Allison Park, PA	05/16/19	Certificate of Deposit	n/a	2.60%	2.60%	245,000	n/a	245,000	258,144	13,144
06/01/24	Tulare County Pension Bond CUSIP #899154AW8	09/28/20	Municipal Security	A1	3.56%	0.79%	120,000	8,744	128,744	129,420	676
06/26/24	Commerce Bank Geneva, MN	06/26/19	Certificate of Deposit	n/a	2.30%	2.30%	245,000	n/a	245,000	256,483	11,483
07/26/24	Abacus Federal Savings New York, NY	07/26/19	Certificate of Deposit	n/a	2.00%	2.00%	245,000	n/a	245,000	254,606	9,606
08/01/24	Federal Farm Credit Bank CUSIP 3133EJM55	07/24/19	Government Security	Aaa	3.25%	1.92%	427,000	15,514	442,514	459,683	17,169
08/19/24	CF Bank Worthington, OH	08/19/19	Certificate of Deposit	n/a	1.85%	1.85%	245,000	n/a	245,000	253,639	8,639
08/28/24	Genoa Banking Company Genoa, OH	08/28/19	Certificate of Deposit	n/a	1.80%	1.80%	245,000	n/a	245,000	253,308	8,308
08/28/24	Int'l Bank for Recon & Develop CUSIP #459056HV2	10/18/19	Supranational Security	Aaa	1.50%	1.62%	500,000	(1,676)	498,324	513,575	15,251
08/30/24	Preferred Bank Los Angeles, CA	08/30/19	Certificate of Deposit	n/a	1.85%	1.85%	245,000	n/a	245,000	253,675	8,675
09/10/24	Peoples Bank Rock Valley, IA	03/23/20	Certificate of Deposit	n/a	1.50%	1.50%	100,000	n/a	100,000	102,525	2,525
09/20/24	Bank of Deerfield Deerfield, WI	09/20/19	Certificate of Deposit	n/a	1.70%	1.70%	245,000	n/a	245,000	252,627	7,627

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09/25/24	Grand River Bank Grandville, MI	03/25/20	Certificate of Deposit	n/a	1.00%	1.00%	\$ 245,000	n/a	\$ 245,000	\$ 247,563	\$ 2,563
10/15/24	Federal National Mortgage Assn CUSIP #3135G0W66	03/13/20	Government Security	Aaa	1.63%	0.81%	500,000	12,252	512,252	516,690	4,438
11/08/24	Raymond James Bank St. Petersburg, FL	11/08/19	Certificate of Deposit	n/a	1.80%	1.80%	245,000	n/a	245,000	253,573	8,573
12/13/24	Federal Home Loan Bank CUSIP #3130A3GE8	03/13/20	Government Security	Aaa	2.75%	0.84%	500,000	30,185	530,185	534,505	4,320
01/15/25	Int'l Bank for Recon & Develop CUSIP #459058HT3	01/16/20	Supranational Security	Aaa	1.63%	1.66%	500,000	(624)	499,376	515,620	16,244
01/20/25	Live Oak Banking Company Wilmington, NC	01/24/20	Certificate of Deposit	n/a	1.85%	1.85%	245,000	n/a	245,000	254,361	9,361
01/24/25	Baycoast Bank Swansea, MA	01/24/20	Certificate of Deposit	n/a	1.70%	1.70%	245,000	n/a	245,000	253,181	8,181
02/12/25	Federal Home Loan Mtge Corp CUSIP #3137EAEP0	03/13/20	Government Security	Aaa	1.50%	0.79%	500,000	11,803	511,803	514,405	2,602
03/03/25	Federal Farm Credit Bank CUSIP #3133ELQY3	03/04/20	Government Security	Aaa	1.21%	0.88%	500,000	5,492	505,492	508,945	3,453
03/26/25	Evergreen Bank Group Oak Brook, IL	03/26/20	Certificate of Deposit	n/a	1.00%	1.00%	245,000	n/a	245,000	247,546	2,546
03/27/25	Bank of Romney Romney, WV	03/27/20	Certificate of Deposit	n/a	1.15%	1.15%	245,000	n/a	245,000	248,812	3,812
03/27/25	First Jackson Bank Stevenson, AL	03/27/20	Certificate of Deposit	n/a	1.15%	1.15%	245,000	n/a	245,000	248,812	3,812
04/01/25	El Cajon Taxable Pension Obl CUSIP 282659AX9	01/27/21	Municipal Security	Aa	1.18%	0.70%	650,000	10,766	660,766	649,883	(10,883)
04/28/25	First National Bank McGregor, TX	04/28/20	Certificate of Deposit	n/a	1.35%	1.35%	245,000	n/a	245,000	250,559	5,559
04/29/25	Flagstar Bank Troy, MI	03/26/20	Certificate of Deposit	n/a	1.15%	1.15%	245,000	n/a	245,000	248,824	3,824

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07/01/25	University of California CUSIP #91412GU94	10/22/20	Municipal Security	Aa2	3.06%	0.81%	\$ 300,000	\$ 24,992	\$ 324,992	\$ 322,752	\$ (2,240)
09/01/25	San Bernardino Successor Agency Swansea, MA	10/22/20	Municipal Security	Aa	4.00%	0.71%	175,000	22,252	197,252	195,585	(1,667)
10/01/25	Folsom Cordova School District CUSIP #34440PCN9	11/10/20	Municipal Security	Aa-	3.00%	1.00%	400,000	31,362	431,362	430,204	(1,158)
11/07/25	Federal National Mortgage Assn CUSIP #3135G06G3	12/14/20	Government Security	Aaa	0.50%	0.42%	500,000	1,627	501,627	493,525	(8,102)
11/15/25	Tulare Sewer Revenue CUSIP 899124MF5	12/11/20	Municipal Security	Aa	1.46%	0.58%	400,000	14,201	414,201	404,260	(9,941)
12/11/25	BMW Bank North America Salt Lake City, UT	12/11/20	Certificate of Deposit	n/a	0.50%	0.50%	245,000	n/a	245,000	241,984	(3,016)
12/18/25	Third Federal Savings & Loan Cleveland, OH	12/18/20	Certificate of Deposit	n/a	1.46%	1.46%	245,000	n/a	245,000	241,416	(3,584)
01/15/26	First Reliance Bank Florence, SC	01/15/21	Certificate of Deposit	n/a	0.30%	0.30%	245,000	n/a	245,000	239,608	(5,392)
01/22/26	ConnectOne Bank Englewood Cliffs, NJ	01/22/21	Certificate of Deposit	n/a	0.45%	0.45%	245,000	n/a	245,000	241,092	(3,908)
01/22/26	Luana Savings Bank Luana, IA	01/22/21	Certificate of Deposit	n/a	0.40%	0.40%	245,000	n/a	245,000	240,575	(4,425)
02/11/26	Ind'l & Com'l Bank of China New York, NY	02/22/21	Certificate of Deposit	n/a	0.45%	0.45%	245,000	n/a	245,000	240,904	(4,096)
03/02/26	Federal Farm Credit Bank CUSIP #3133EFH91	03/03/21	Government Security	Aaa	2.22%	0.75%	876,000	55,839	931,839	926,475	(5,364)
03/27/26	Federal Agriculture Mtge Corp CUSIP #31422XDX7	03/30/21	Government Security	n/a	0.83%	0.87%	500,000	(836)	499,164	498,675	(489)
04/23/26	Malaga Bank Palos Verdes Peninsula, CA	04/23/21	Certificate of Deposit	n/a	0.55%	0.55%	245,000	n/a	245,000	241,296	(3,704)
04/24/26	Federal National Mortgage Assn CUSIP #3135G0K36	04/26/21	Government Security	Aaa	2.13%	0.77%	500,000	30,413	530,413	526,505	(3,908)

**CITY OF ATASCADERO  
INVESTMENT REPORT  
September 30, 2021**

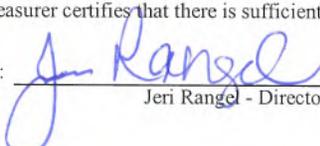
ITEM NUMBER: A-3  
DATE: 01/25/22

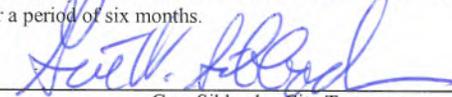
<u>MATURITY DATE</u>	<u>DESCRIPTION (ISSUER)</u>	<u>PURCHASE DATE</u>	<u>INVESTMENT TYPE</u>	<u>INVESTMENT RATING</u>	<u>STATED % RATE</u>	<u>YIELD</u>	<u>FACE VALUE</u>	<u>PREMIUM/ (DISCOUNT)</u>	<u>COST OF INVESTMENT</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN / (LOSS)</u>
05/19/26	Eaglemark Savings Bank Reno, NV	05/19/21	Certificate of Deposit	n/a	0.70%	0.70%	\$ 245,000	n/a	\$ 245,000	\$ 242,717	\$ (2,283)
06/30/26	UBS Bank USA Salt Lake City, UT	05/19/21	Certificate of Deposit	n/a	0.90%	0.90%	245,000	n/a	245,000	244,613	(387)
07/01/26	New York Community Bank Hicksville, NY	06/29/21	Certificate of Deposit	n/a	0.85%	0.85%	245,000	n/a	245,000	244,037	(963)
07/22/26	Toyota Financial Savings Bank Henderson, NV	07/22/21	Certificate of Deposit	n/a	0.95%	0.95%	245,000	n/a	245,000	245,012	12
08/13/26	Synchrony Bank Draper, UT	08/13/21	Certificate of Deposit	n/a	0.90%	0.90%	245,000	n/a	245,000	244,258	(742)
09/24/26	Federal National Mortgage Assn CUSIP #3135G0Q22	09/24/21	Government Security	Aaa	1.88%	0.80%	500,000	26,318	526,318	521,905	(4,413)
09/29/26	First Bank Richmond Richmond, IN	09/29/21	Certificate of Deposit	n/a	0.55%	0.55%	245,000	n/a	245,000	239,691	(5,309)
<b>Total Funds Managed by the City</b>							<u>50,994,582</u>	<u>327,555</u>	<u>51,322,137</u>	<u>51,885,957</u>	<u>563,820</u>
<b>Funds Managed by Fiscal Agent</b>											
n/a	BNY Western Trust Hamilton Treas. Money	n/a	Treasury Fund	Aaa	n/a	1.09%	2,028,564	n/a	2,028,564	2,028,564	-
n/a	BNY Western Trust Hamilton Treas. Money	n/a	Treasury Fund	Aaa	n/a	0.88%	873,594	n/a	873,594	873,594	-
<b>Total Funds Managed by Fiscal Agent</b>							<u>2,902,158</u>	<u>n/a</u>	<u>2,902,158</u>	<u>2,902,158</u>	<u>-</u>
							<u>\$ 53,896,740</u>	<u>\$ 327,555</u>	<u>\$ 54,224,295</u>	<u>\$ 54,788,115</u>	<u>\$ 563,820</u>

Average Maturity of Total Portfolio 754 Days  
Weighted Average Yield of Total Portfolio 1.14%

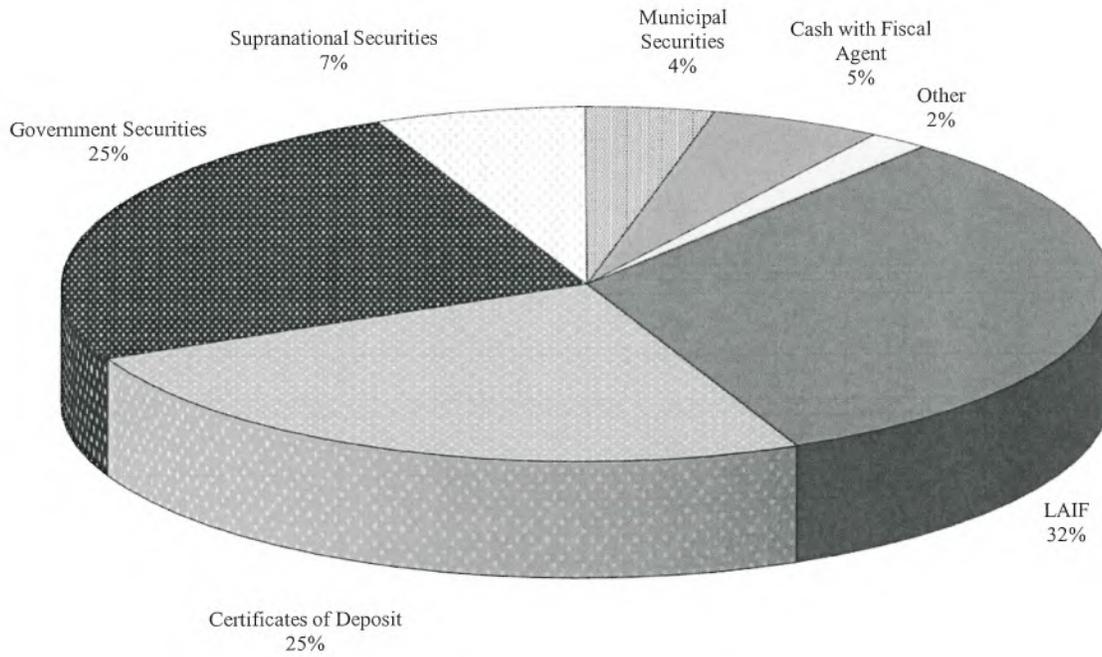
**Certification:**

It has been verified that this investment portfolio is in conformity with the City of Atascadero's investment policy, which was approved by the City Council on September 8, 2020. The City Treasurer certifies that there is sufficient liquidity to meet the City of Atascadero's estimated future expenditures for a period of six months.

Verified by:   
Jeri Rangel - Director of Administrative Services

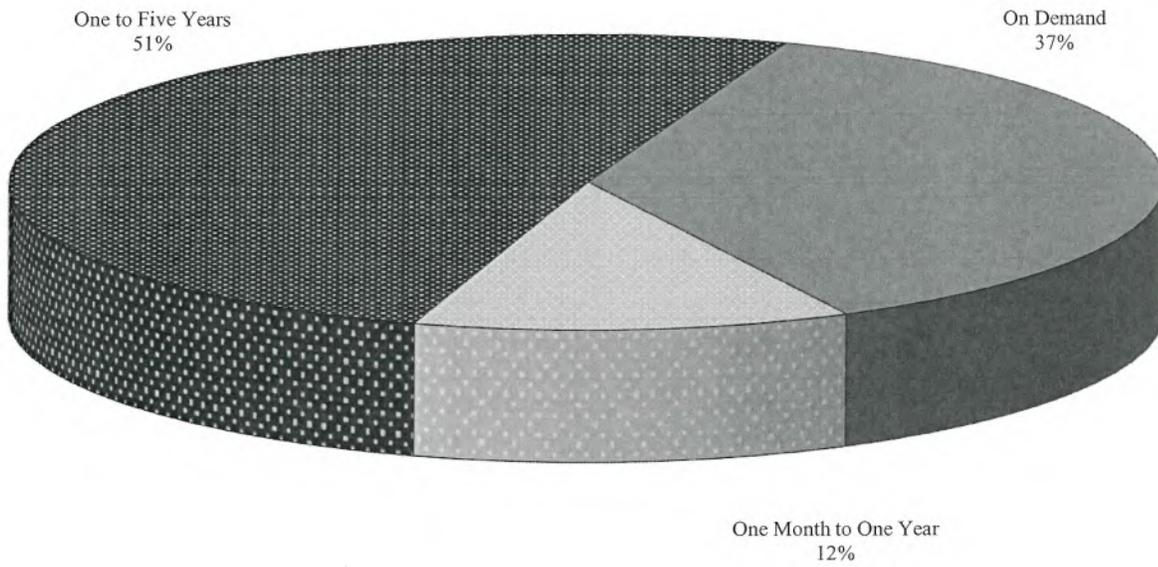
Approved by:   
Gere Sibbach - City Treasurer

**City of Atascadero  
Investments by Type  
September 2021**



<u>Investment</u>	<u>September 2021</u>
LAIF	\$ 17,521,731
Certificates of Deposit	13,430,000
Government Securities	13,712,971
Supranational Securities	3,497,266
Municipal Securities	2,157,318
Cash with Fiscal Agent	2,902,158
Other	1,002,851
	<u>\$ 54,224,295</u>

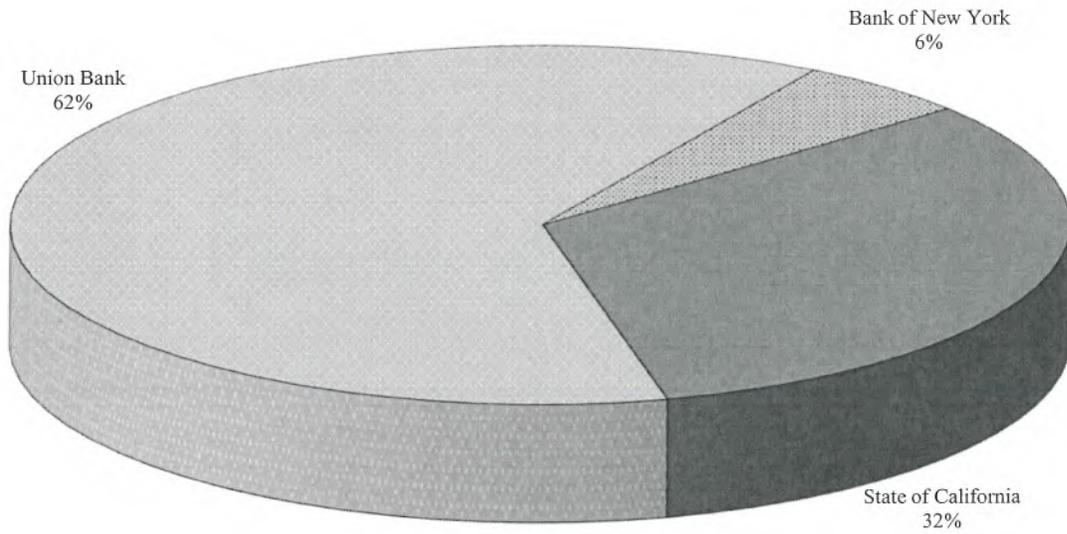
**City of Atascadero  
Investments by Maturity \*  
September 2021**



<u>Investment</u>	<u>September 2021</u>
On Demand	\$ 19,024,548
One Month to One Year	6,266,554
One to Five Years	26,031,035
	<u>\$ 51,322,137</u>

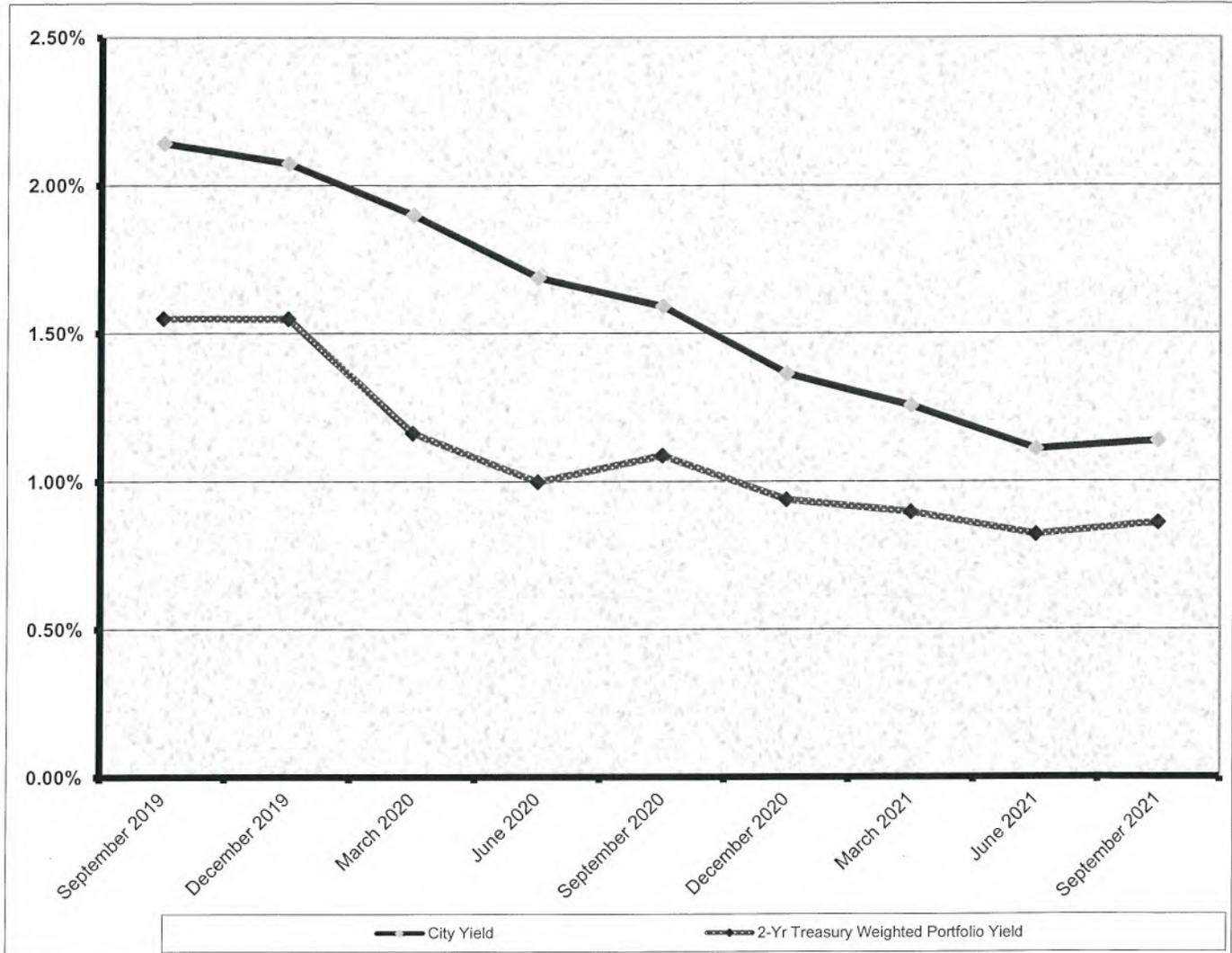
\* Cash with fiscal agent is not included in the totals for this graph because the amounts are restricted based on bond covenants, and therefore, the City doesn't retain the option to liquefy these funds at will.

**City of Atascadero  
Investments by Custodial Agent  
September 2021**



<u>Custodial Agent</u>	<u>September 2021</u>
State of California	\$ 17,521,731
Union Bank	33,800,406
Bank of New York	2,902,158
	<u>\$ 54,224,295</u>

**City of Atascadero**  
**Investment Yield vs. 2-Year Treasury Yield**  
**For the Quarter Ended September 30, 2021**



	<u>City Yield</u>	<u>2-Yr Treasury Weighted Portfolio Yield</u>
September 2019	2.14%	1.55%
December 2019	2.07%	1.55%
March 2020	1.90%	1.16%
June 2020	1.69%	1.00%
September 2020	1.59%	1.09%
December 2020	1.36%	0.94%
March 2021	1.26%	0.90%
June 2021	1.11%	0.82%
September 2021	1.14%	0.86%



# ***Atascadero City Council***

## ***Staff Report - Community Development Department***

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### **Ratification of Approval of Hazardous Tree Removal**

#### **RECOMMENDATION:**

Council adopt Draft Resolution ratifying staff's approval of the removal of one, 55-inch DBH, hazardous Heritage Coast Live Oak previously located at 5955 East Mall, subject to conditions of approval and mitigation, including replanting on site.

#### **REPORT-IN-BRIEF:**

An application has been submitted by the property owner to retroactively request the City Council approval for the removal of one 55-inch diameter at breast height (DBH) Coast Live Oak, which was located on the property frontage of Century 21 and Malibu Brew Coffee across from the Sunken Gardens. The tree was originally planted as part of the historic Atascadero Civic Center, and in the update of the Native Tree Ordinance in February 2018, the tree was one of multiple trees around the park declared as a heritage tree due to its significance. Recently, the tree had been subject to disease and was declared dead by a certified arborist. The consulting arborist identified the condition of the tree by labeling it with a hazard rating of 12 out of 12 possible points indicating a severe danger. The arborist recommended removal and replanting. Following the death of the tree and potential for limb failure, staff approved emergency removal of the tree to eliminate safety hazards to pedestrians, public improvements, and cars along East Mall. Because this tree is a listed heritage tree, City Council approval for removal and determination of appropriate mitigation is required.

#### **DISCUSSION:**

##### Background

The subject tree was a 55-inch DBH Coast Live Oak located along the property frontage of Century 21 and Malibu Brew on East Mall. The tree was located in front of the parking lot for this building and within a landscape planter on private property. According to the consulting arborist, Steve Alvarez from A&T Arborists, the tree was completely dead when observed on October 20, 2021, and it was a matter of time as to when it would fail and potentially damage cars and public improvements or injure pedestrians. The risk assessment provided with the Tree Hazard Evaluation Form (Attachment 5) listed the tree as being of maximum hazard, or 12 out of 12 possible points indicating great severity. Since the tree was dead, there were no other alternatives besides removal to avoid potential and inevitable hazards.

**Coast Live Oak trees on East Mall**  
**Planted as part of construction of the historic Atascadero Civic Center**



Analysis

City staff consulted with the project arborist to approve the removal of the 55-inch DBH Coast Live Oak tree. Removal of this large dead tree was beneficial due to the severe hazard risk, and high potential for targets, which include pedestrians, property improvements and vehicles in the immediate area.

The tree lined streets around the Sunken Gardens are a unique character defining feature for the City. The large Coast Live Oak trees located on the property frontages of West Mall and East Mall were originally planted approximately 100 years ago during construction of the City Hall Administration building.

**Coast Live Oak trees on East Mall**  
**Planted as part of construction of the historic Atascadero Civic Center**



The Native Tree Ordinance labels these trees, including the removed tree, as “Heritage Trees”, which are defined as any native or non-native tree recognized by the City Council for its age, size, location, historical, and/or cultural significance. Heritage Trees are subject to the same protections as native trees and proposals for their removal must be approved by the City Council.

It is the responsibility of the property owner to maintain native trees and, if needed, process removal of the tree. Mitigation and/or installation of required replanting(s) are the responsibility of the property owner.

The Atascadero Municipal Code requires mitigation for all trees approved for removal. The Tree Ordinance allows for either replanting of new native trees, payment of mitigation fees to the tree fund, or a combination of both. Mitigation is to be assigned on a case by case basis. Given the prominent location and historical significance of the removal, staff recommends that the applicant mitigate by replanting a new tree in the same location.

Given the age of the existing trees around the Sunken Gardens, staff expects that over the next few decades we will continue to see failures and decline of the other 100-year-old Heritage Trees on these streets. In order to maintain the historic character and ambiance that defines the City core, staff is recommending replacement of these trees one at a time. By staggering the removals and giving the new trees time to grow, we can slowly replace the Coast Live Oaks around the Sunken Gardens and blend the new generation of trees in with the old established trees.

Based on the native tree replacement standards, removal of a 55-inch DBH evergreen native tree would require mitigation of either eighteen (18) new 5-gallon oak trees planted on site, or payment of \$916.67 to the tree fund. The tree ordinance allows multi-family and commercial projects to plant larger size specimens to reduce the quantity of replacements required. Given the limited planting area available on site, there will be an additional cost to the property owner to grind out the stump of the existing tree and prepare the site for replanting. Therefore, for this unique situation, staff is recommending one (1) 36-inch box Coast Live Oak be planted on the West Mall property frontage in the area of the removed tree to fulfil mitigation requirements. Staff is also recommending a minimum height of 10-feet and minimum DBH of 4-inches at the time of planting. A 36-inch box tree is young enough to adapt to the new environment when replanted and will be large enough to look like a tree for appearance purposes in this high traffic area. Irrigation to the new tree, as well as supplemental native shrubs that will help the oak tree thrive, are conditioned to be installed in the existing planter to complete the landscape on the property frontage.

Given the visual importance and historic character of the Coast Live Oak trees which line West Mall and East Mall, staff believes that mitigating through strategic replanting efforts is crucial for proper mitigation of the removed tree.

In considering any tree removal request, at least one of the required findings must be made. Staff has identified the following finding as appropriate for the application request.

*The tree is dead, diseased or injured beyond reclamation, as certified by a tree condition report from an arborist.*

### Conclusion

The consulting certified arborist evaluated the subject 55-inch DBH Coast Live Oak and determined it had died and was a severe hazard risk. The emergency removal of this Heritage Tree was in the best interest of public safety and to limit risks. Since the tree was deemed an emergency removal, there was no permit required but the removal is still subject to mitigation, which staff is recommending as replanting one (1) 36-inch box size tree in place of the removed tree.

### **FISCAL IMPACT:**

None. The subject 55-inch Coast Live Oak tree is located on private property along the Eat Mall frontage. Per the Atascadero Municipal Code, it is the responsibility of the property owner to maintain the frontages of their property, including native trees. Therefore, it is the property owners' responsibility to process removal of the tree, including mitigation.

### **ALTERNATIVES:**

1. The Council may approve the project with additional or revised project conditions.
2. The Council may continue the hearing and refer the item back to staff for additional information or analysis. Direction should be given to staff and the applicant on required information.

### **ATTACHMENTS:**

1. Draft Resolution
2. Location Map
3. Aerial Photo
4. Photo of Tree Pre-Removal
5. Tree Hazard Evaluation Form

**DRAFT RESOLUTION**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF ATASCADERO, CALIFORNIA,  
RATIFYING STAFF'S APPROVAL OF THE REMOVAL OF ONE  
55-INCH DBH HAZARDOUS HERITAGE COAST LIVE OAK  
PREVIOUSLY LOCATED AT 5955 EAST MALL**

**WHEREAS**, an application was received from Mike Sherer, (Applicant and Owner) 5955 East Mall, Atascadero, CA 93422, to approve the removal of one hazardous Heritage Coast Live Oak totaling 55-inches diameter at breast height (DBH); and

**WHEREAS**, the site's current General Plan Land Use Designation is Downtown (D); and

**WHEREAS**, the site's current Zoning Designation is Downtown Commercial (DC); and

**WHEREAS**, Atascadero Municipal Code 9-11.105 exempts emergency tree removals from requiring a tree removal permit and this tree was deemed an immediate hazard by a certified arborist; and

**WHEREAS**, the City Council is required to make decisions regarding all tree removal application requests involving designated heritage trees and therefore, the applicant is subject to required mitigation; and

**WHEREAS**, the subject tree was a 55-inch DBH Coast Live Oak which was planted as part of the design and original construction of the historic Atascadero Civic Center during establishment of the Atascadero Colony, and has helped to create a tree lined streetscape on West Mall and East Mall which is a unique character defining feature of the City's core; and

**WHEREAS**, the laws and regulations relating to the preparation and public notice of environmental documents, as set forth in the State and local guidelines for implementation of the California Environmental Quality Act (CEQA) have been adhered to.

**NOW, THEREFORE BE IT RESOLVED**, by the City Council of the City of Atascadero:

**SECTION 1. Recitals**: The above recitals are true and correct.

**SECTION 2. Public Hearing**. The City Council of the City of Atascadero, at a Public Hearing held on January 25, 2022, considered the proposed tree removal mitigation.

**SECTION 3. CEQA**. The proposed project is Categorically Exempt (Class 4) from the provisions of the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA Guidelines (Title 14 California Code of Regulations §§ 15000, et seq.) CEQA pursuant to CEQA Guidelines Section 15304, for minor alterations to land.

**SECTION 4. Facts and Findings.** The City Council makes the following findings, determinations and approvals with respect to ratifying the approval of the hazardous Heritage Coast Live Oak tree removal at 5955 East Mall.

**A. Findings for Approval of Heritage Tree Removal**

FINDING: The tree is dead, diseased or injured beyond reclamation, as certified by a tree condition report from an Arborist.

FACT: An arborist report completed by Steve Alvarez of A&T Arborists, states that the tree is dead and rated at the highest hazard risk of twelve out of twelve.

**SECTION 2. Approval.** The City Council of the City of Atascadero, in a regular session assembled on January 25, 2022, resolved to ratify staff’s approval of the removal of one hazardous Heritage Coast Live Oak totaling 55 inches DBH previously located at 5955 East Mall, subject to the following:

- EXHIBIT A: Conditions of Approval
- EXHIBIT B: Replanting Detail

**PASSED AND ADOPTED** at a regular meeting of the City Council held on the \_\_\_\_th day of \_\_\_\_\_, 2022.

On motion by Council Member \_\_\_\_\_ and seconded by Council Member \_\_\_\_\_, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

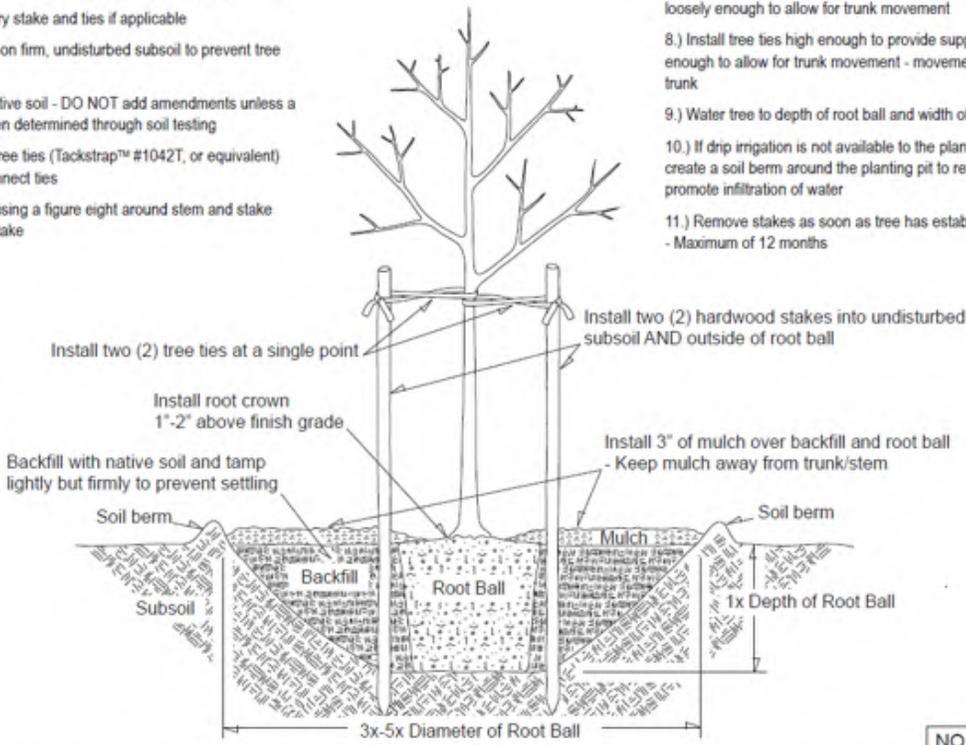
APPROVED AS TO FORM:

\_\_\_\_\_  
Brian Pierik, City Attorney

<p><b>Conditions of Approval</b></p> <p><b>TRP21-0098</b></p>	<p><b>Timing</b></p>	<p><b>Responsibility /Monitoring</b></p>
<p><b>Century 21 Tree Removal; 5955 East Mall</b></p>	<p>FM: Final Map BL: Business License GP: Grading Permit BP: Building Permit FI: Final Inspection TO: Temporary Occupancy FO: Final Occupancy</p>	<p>PS: Planning Services BS: Building Services FD: Fire Department PD: Police Department CE: City Engineer WW: Wastewater CA: City Attorney</p>
<p>1. The approval of this application shall become final, subject to the completion of the conditions of approval, fourteen (14) days following the City Council approval unless prior to the time, an appeal to the decision is filed as set forth in Section 9-1.111(b) of the Zoning Ordinance.</p>	<p><b>Tree Removal</b></p>	<p><b>PS</b></p>
<p>2. The applicant and/or subsequent owners shall defend, indemnify, and hold harmless the City of Atascadero or its agents, officers, and employees against any claim or action brought to challenge an approval by the City, or any of its entities, concerning the proposed project.</p>	<p><b>Ongoing</b></p>	<p><b>PS</b></p>
<p>3. The applicant shall mitigate the tree removal by replanting on site. The applicant shall replant one (1) new 36-inch box size Coast Live Oak that is a minimum of 10-feet tall and has a minimum 4-in DBH along with supportive native shrubs.</p> <p>The existing stump shall be ground out to provide adequate area for planting the new tree. To improve tree survival, planting shall be done according to the planting detail in Exhibit B, and verified on site by the consulting arborist.</p> <p>Irrigation shall be provided to the new tree and native shrubs.</p>	<p><b>Tree removal</b></p>	<p><b>PS</b></p>
<p>4. The new tree replanted on site shall be monitored by site inspections by the City during a four (4) year establishment period. The applicant shall replant if the original replacement tree does not survive.</p>	<p><b>Ongoing</b></p>	<p><b>PS</b></p>
<p>5. Additional landscape plantings, including native shrubs, ground cover and mulch shall be installed in the planter area of the removed tree to complete the frontage landscape and help the new oak tree thrive. Supplemental plant location and species shall be approved by the project arborist to ensure compatibility with the new Coast Live Oak tree.</p>	<p><b>Tree removal</b></p>	<p><b>PS</b></p>

- 1.) Gently loosen soil around root ball - Prune roots if necessary
- 2.) Remove nursery stake and ties if applicable
- 3.) Install root ball on firm, undisturbed subsoil to prevent tree from settling.
- 4.) Backfill with native soil - DO NOT add amendments unless a deficiency has been determined through soil testing
- 5.) Install two (2) tree ties (Tackstrap™ #1042T, or equivalent) - DO NOT interconnect ties
- 6.) Install tree tie using a figure eight around stem and stake - Tack tree tie to stake

- 7.) Install ties tightly enough to support tree vertically, but loosely enough to allow for trunk movement
- 8.) Install tree ties high enough to provide support, but low enough to allow for trunk movement - movement strengthens trunk
- 9.) Water tree to depth of root ball and width of planting pit
- 10.) If drip irrigation is not available to the planting site, create a soil berm around the planting pit to retain and promote infiltration of water
- 11.) Remove stakes as soon as tree has established stability - Maximum of 12 months



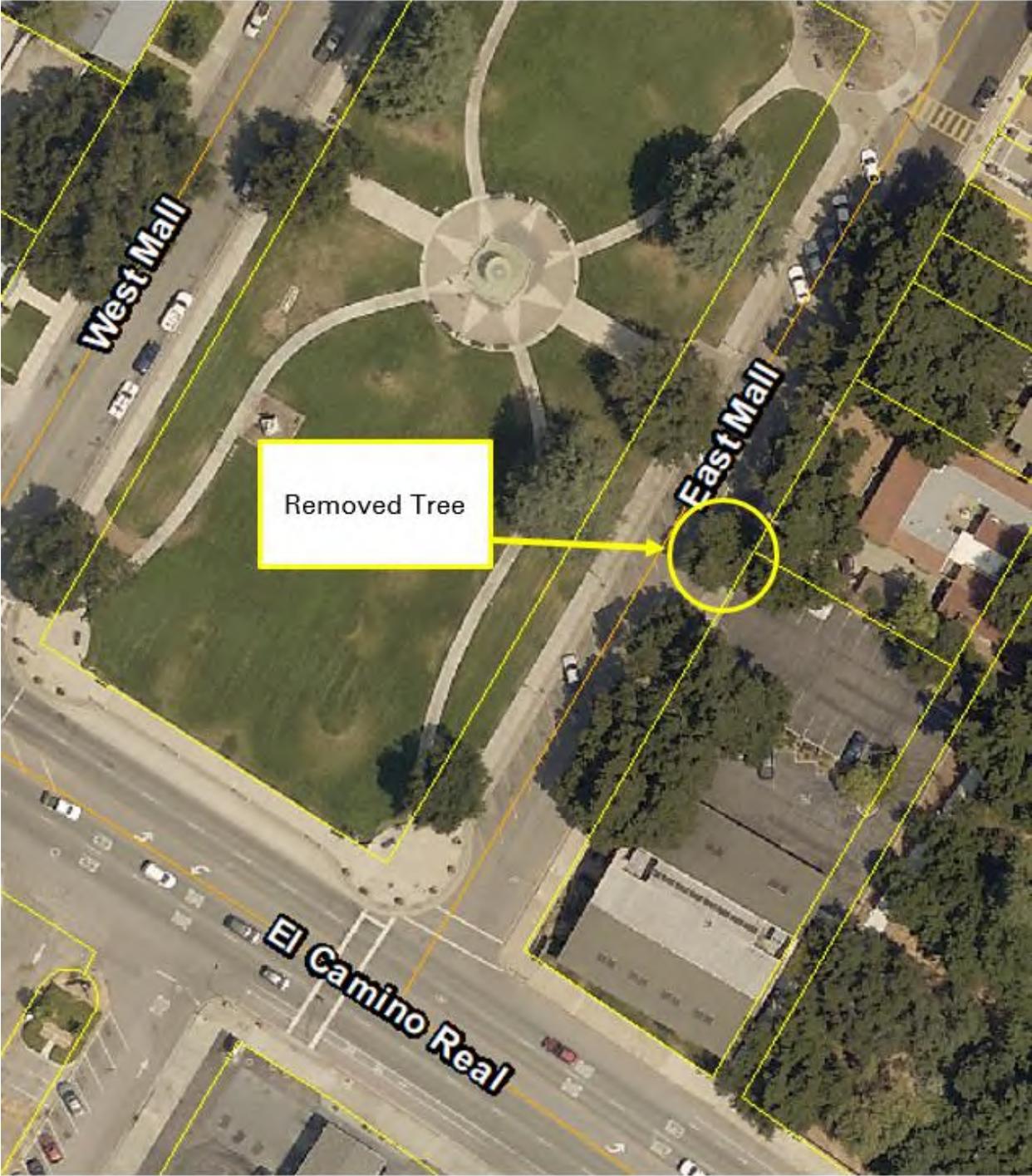
NO SCALE

### TREE PLANTING & STAKING DETAIL

6/29/2011









Laurie Lazenby  
 470-3462



A Photographic Guide to the Evaluation of Hazard Trees in Urban Areas  
**TREE HAZARD EVALUATION FORM** 2nd Edition

Site/Address: Emall  
 Map/Location: 5955 East Mall  
 Owner: public  private  unknown  other   
 Date: 10/20/21 Inspector: STEVEN ALVARO  
 Date of last inspection: ?

HAZARD RATING:						
Failure Potential	+	Size of part	+	Target Rating	=	Hazard Rating
_____ Immediate action needed						
_____ Needs further inspection						
<input checked="" type="checkbox"/> Dead tree						

**TREE CHARACTERISTICS**

Tree #: 1 Species: Coast Live Oak  
 DBH: 55" # of trunks: 1 Height: 40 Spread: 55'  
 Form:  generally symmetric  minor asymmetry  major asymmetry  stump sprout  stag-headed  
 Crown class:  dominant  co-dominant  intermediate  suppressed  
 Live crown ratio: 70% Age class:  young  semi-mature  mature  over-mature/senescent  
 Pruning history:  crown cleared  excessively thinned  topped  crown raised  pollarded  crown reduced  flush cuts  cabled/braced  
 none  multiple pruning events Approx. dates: \_\_\_\_\_  
 Special Value:  specimen  heritage/historic  wildlife  unusual  street tree  screen  shade  indigenous  protected by gov. agency

OCT 20 2021  
 COMMUNITY DEVELOPMENT

**TREE HEALTH** Dead

Foliage color:  normal  chlorotic  necrotic Epicormics? Y N Growth obstructions:  
 Foliage density:  normal  sparse Leaf size:  normal  small  stakes  wire/ties  signs  cables  
 Annual shoot growth:  excellent  average  poor Twig Dieback? Y N  curb/pavement  guards  
 Woundwood development:  excellent  average  poor  none  other \_\_\_\_\_  
 Vigor class:  excellent  average  fair  poor  
 Major pests/diseases: \_\_\_\_\_

**SITE CONDITIONS**

Site Character:  residence  commercial  industrial  park  open space  natural  woodland/forest  
 Landscape type:  parkway  raised bed  container  mound  lawn  shrub border  wind break  
 Irrigation:  none  adequate  inadequate  excessive  trunk wetted  
 Recent site disturbance? Y N  construction  soil disturbance  grade change  line clearing  site clearing  
 % dripline paved: 0% 10-25% 25-50% 50-75% 75-100% Pavement lifted? Y N  
 % dripline w/ fill soil: 0% 10-25% 25-50% 50-75% 75-100%  
 % dripline grade lowered: 0% 10-25% 25-50% 50-75% 75-100%  
 Soil problems:  drainage  shallow  compacted  droughty  saline  alkaline  acidic  small volume  disease center  history of fail  
 clay  expansive  slope \_\_\_\_\_ aspect: \_\_\_\_\_  
 Obstructions:  lights  signage  line-of-sight  view  overhead lines  underground utilities  traffic  adjacent veg.  \_\_\_\_\_  
 Exposure to wind:  single tree  below canopy  above canopy  recently exposed  windward, canopy edge  area prone to windthrow  
 Prevailing wind direction: \_\_\_\_\_ Occurrence of snow/ice storms  never  seldom  regularly

**TARGET**

Use Under Tree:  building  parking  traffic  pedestrian  recreation  landscape  hardscape  small features  utility lines  
 Can target be moved? Y N Can use be restricted? Y N  
 Occupancy:  occasional use  intermittent use  frequent use  constant use

The International Society of Arboriculture assumes no responsibility for conclusions or recommendations derived from use of this form.

**TREE DEFECTS**

**ROOT DEFECTS:**

Suspect root rot: Y N Mushroom/conk/bracket present: Y N IG: \_\_\_\_\_  
 Exposed roots:  severe  moderate  low Undermined:  severe  moderate  low  
 Root pruned: \_\_\_\_\_ distance from trunk Rigor area affected: \_\_\_\_\_% Bark loss wounded: Y N When: \_\_\_\_\_  
 Restricted root area:  severe  moderate  low Potential for root failure:  severe  moderate  low  
 LEAN: \_\_\_\_\_ deg. from vertical  natural  unnatural  self-corrected Soil heaving: Y N  
 Decay in plane of lean: Y N Roots broken Y N Soil cracking: Y N  
 Compounding factors: \_\_\_\_\_ Lean severity:  severe  moderate  low

**CROWN DEFECTS:** Indicate presence of individual defects and rate their severity (s = severe, m = moderate, l = low)

DEFECT	ROOT CROWN	TRUNK	SCAFFOLDS	BRANCHES
Poor taper				
Bow, sweep				
Codominants/forks				
Multiple attachments				
Included bark				
Excessive end weight				
Cracks/splits				
Hangers				
Girdling				
Wounds/seam				
Decay				
Cavity				
Conks/mushrooms/bracket				
Bleeding/sap flow				
Loose/cracked bark				
Nesting hole/bee hive				
Deadwood/stubs				
Borers/termites/ants				
Cankers/galls/burls				
Previous failure				

Dead

**HAZARD RATING**

Tree part most likely to fail: \_\_\_\_\_ Failure potential: 1 - low; 2 - medium; 3 - high; 4 - severe  
 Inspection period: \_\_\_\_\_ annual \_\_\_\_\_ biannual \_\_\_\_\_ other \_\_\_\_\_ Size of part: 1 - <6" (15 cm); 2 - 6-18" (15-45 cm);  
 3 - 18-30" (45-75 cm); 4 - >30" (75 cm)  
 Failure Potential + Size of Part + Target Rating = Hazard Rating  
 Target rating: 1 - occasional use; 2 - intermittent use;  
 3 - frequent use; 4 - constant use

4 + 4 + 4 = 12

**HAZARD ABATEMENT**

Prune:  remove defective part  reduce end weight  crown clean  thin  raise canopy  crown reduce  restructure  shape  
 Cable/Brace: \_\_\_\_\_ Inspect further:  root crown  decay  aerial  monitor  
 Remove tree:  Y  N Replace?  Y  N Move target: Y N Other: \_\_\_\_\_  
 Effect on adjacent trees:  none  evaluate  
 Notification:  owner  manager  governing agency Date: 10-20-21

**COMMENTS**



# ***Atascadero City Council***

## ***Staff Report – Administrative Services Department***

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### **Fiscal Year 2020-2021 Audit**

#### **RECOMMENDATION:**

Council review and accept the financial audit for the period ended June 30, 2021.

#### **DISCUSSION:**

The audit firm of Moss, Levy, and Hartzheim has performed a full audit of the financial statements and found that the City presented fairly and accurately the City's financial position, and further, that the reporting was in conformity with generally accepted accounting principles.

Fiscal Year 2020-2021 was another unusual year. Given the circumstances, the City performed relatively well overall. Coronavirus (COVID-19) effects were not as pronounced as they were in the prior fiscal year, but still had an impact on the City. Some one-time and some ongoing revenues were able to offset much of the COVID-19 impact, ultimately enhancing the City's bottom line. As the City moves toward the future, the Council's continued focus on economic development, the rebound of the economy, careful budgeting of the Sales Tax Measure D-20 Essential Services Tax funds, and ongoing fiscal stewardship by the Council and staff will continue to be vital to the City's financial health.

#### General Fund Activity, Excluding Measure F-14 and Measure D-20 Activities

Measure F-14 and Measure D-20 Sales Tax activity are included in the General Fund for legal and accounting reasons, but are broken out in this discussion for both transparency and comparability reasons.

Part of Council's long-term Financial Strategy includes projecting out revenues, expenses, and fund balance for seven years. This is to understand estimated trends in the future for the benefit of the City's fiscal health and ensure there's no on-going structural deficit or the reserves don't get too low. This Strategy promotes the use of General Fund reserves during lean revenue years in order to continue to fund essential City services at a steady level. At the start of fiscal year 2020-2021, the adopted budget anticipated the use of \$450,500 in General Fund reserves during the fiscal year. The year concluded with a net change in fund balance of \$237,000. This is a positive variance from the Projection of about \$810,000. The table below shows General Fund activity excluding both tax measures:

GENERAL FUND ACTIVITY (excluding tax measures F-14 & D-20)  
Fiscal year 2020-2021

	Original Budget	Actual Amounts	Variance
<b>Revenues:</b>			
Secured and unsecured property taxes	\$ 10,987,520	\$ 10,792,509	\$ (195,011)
Taxes based on sales and use	4,226,020	4,728,862	502,842
Franchise tax	1,130,330	1,232,615	102,285
Other taxes	1,961,090	1,819,618	(141,472)
Licenses and permits	640,460	754,420	113,960
Intergovernmental revenues:	324,680	712,940	388,260
Charges for services:	2,001,520	3,221,463	1,219,943
Fines and forfeitures	80,330	49,312	(31,018)
Use of money and property	56,000	95,125	39,125
Other revenues	1,268,040	1,384,715	116,675
Total revenues	22,675,990	24,791,579	2,115,589
<b>Expenditures:</b>			
Employee services	17,267,100	16,722,868	544,232
Operating supplies and services	5,909,950	5,592,895	317,055
Special purchases, projects, and community funding	520,320	970,954	(450,634)
Capital outlay	-	336,627	(336,627)
Total expenditures	23,697,370	23,623,344	74,026
Excess of revenues over (under) expenditures	(1,021,380)	1,168,235	2,189,615
<b>Other Financing Sources (Uses):</b>			
Development Funds (PG&E DCPD)	-	-	-
Services Mitigation Funds (PG&E DCPD)	-	-	-
Transfers in	698,950	698,950	-
Transfers out	(250,490)	(255,067)	(4,577)
Total other financing sources and uses	448,460	443,883	(4,577)
extraordinary item	(572,920)	1,612,118	2,185,038
of Redevelopment Loans	-	(1,375,175)	(1,375,175)
Net change in fund balance	\$ (572,920)	236,943	\$ 809,863
Fund balance - June 30, 2020		12,016,839	
Fund balance - June 30, 2021		\$ 12,253,782	

The variance is due to a number of factors, but the largest of these are higher than expected sales tax, gross Mutual Aid revenue, Zoo revenue, Permits and Development revenue, and Intergovernmental revenue.

In addition to the revenue increases were salary savings due to unfilled vacancies. As discussed in further detail below, the decrease in costs of employee services were not for the lack of need of those positions; positions often remain vacant for an extended period of time to the difficulty of finding qualified applicants for the positions. Salary savings have a positive impact on the bottom line, but unfortunately stretch the existing staff beyond their capacities or alternatively, delay projects, programs, or activities. There were also savings in Operating expenses.

Offsetting these positive budget impacts were increases in Special Projects and Capital Outlay (\$790,000). These were higher than originally projected, and included some critically needed infrastructure purchases that were approved as part of the 2021-2023 budget process. Fiscal year 2020-21 also reflects a one-time extraordinary loss. The City General Fund had previously loaned three separate advances to the former

Redevelopment Agency. The total of these three loans was \$1,375,175. Through the Dissolution of Redevelopment, new laws became effective that challenged the repayment of these loans by the Redevelopment Agency to the City. The City worked diligently to satisfy the requirements for repayment, but ultimately was unsuccessful. These loans were written-off as uncollectable during the current fiscal year, 2020-2021, and are listed as an Extraordinary Loss on the financial statements.

#### Sales Tax Measure D-20 - Essential Services Tax

Fiscal year 2020-2021 is the first year that reflects Sales Tax Measure D-20 revenue. Atascadero taxpayers approved this 1% sales tax measure in November of 2020. A series of well-publicized public meetings were held to develop strategic priorities and key focus areas for not only Measure D-20 funds, but all discretionary City funds. After determining these priorities and focus areas, the staff worked to develop draft budgets. The budgets were reviewed in detail at a series of well-publicized public Finance Committee meetings. Following those meetings, the two-year budget was presented and adopted at the Council's June 8, 2021, regular meeting. Revenue from Measure D-20 allows the City to fund many of the community's and Council's key priorities. It became effective April 1, 2021, and the 2020-2021 fiscal year includes the first quarter of the tax collections. Measure D-20 tax revenues for this period were \$1.4 million, while expenditures for the same period came in around \$808,000. While, in the future, Measure D-20 funds will be generally identified and separate reports issued listing the projects and accomplishments, the detailed financial activity will be reported on as part of the General Fund and not called out separately as is done with Measure F-14.

#### General Fund Activity, Measure F-14 Activity

Measure F-14 revenue was about \$2.8 million for the fiscal year, which is almost 60% of Bradley-Burns sales revenue. Although the Bradley-Burns sales tax rate is 1% and the Measure F-14 sales tax rate is 0.5%, some items that are purchased by Atascadero residents outside of Atascadero still incur the Measure F-14 sales tax rate.

Measure F-14 expenditures were about \$2.6 million during the fiscal year. Street rehabilitation projects tend to occur during the summer months when the weather is right for paving, but this often causes projects expenditures to cross fiscal years. The project budget that is unused in one fiscal year can be carried over to the next fiscal year for use in that same project. Using Critical Point Management, 29.57 centerline miles of road have been improved since the inception of the Measure F-14.

General Fund Activity, Measure F-14 and non-Measure F-14

All General Fund activity (tax measures and non-tax measures) combined to increase the General Fund by about \$1.1 million during the year. The General Fund balance at the end of the year, including the Measure F-14 funds, was \$17,336,153.

General Fund activity for fiscal year 2020-2021 is summarized in the following chart:

	<u>General Activity</u>	<u>Measure D-20</u>	<u>Measure F-14</u>	<u>Total General Fund</u>
Revenues	\$25,490,529	\$ 1,415,443	\$ 2,843,488	\$29,749,460
Expenditures	<u>(23,878,411)</u>	<u>(807,930)</u>	<u>(2,608,155)</u>	<u>(27,294,496)</u>
Net changes before extraordinary loss	1,612,118	607,513	235,333	2,454,964
Extraordinary loss	<u>(1,375,175)</u>	<u>-</u>	<u>-</u>	<u>(1,375,175)</u>
Net changes after extraordinary loss	236,943	607,513	235,333	1,079,789
Beginning fund balance	<u>12,016,839</u>	<u>-</u>	<u>4,239,525</u>	<u>16,256,364</u>
Ending fund balance	<u>\$12,253,782</u>	<u>\$ 607,513</u>	<u>\$ 4,474,858</u>	<u>\$17,336,153</u>

The following Comparative Income Statement compares revenues and expenditures for the 2019-2020 and 2020-2021 fiscal years. It is difficult to see the long-term trends across these two years as both fiscal years have been atypical due to the COVID impacts, as is discussed in more detail below. Nevertheless, it still provides some perspective with a more typical fiscal year. This Statement does not include the Measure F-14 Activity, nor the Measure D-20 activity.

GENERAL FUND COMPARATIVE INCOME STATEMENT  
Excluding Measure F-14 & Measure D-20 Activity

	2019/2020 Actuals	2020/2021 Actuals	% Change	\$ Change
<b>REVENUES:</b>				
Property Tax	\$ 10,341,744	<b>\$ 10,792,509</b>	4.4%	\$ 450,765
Sales tax	4,188,715	<b>4,728,862</b>	12.9%	540,147
Transient Occupancy Tax	1,123,619	<b>1,385,896</b>	23.3%	262,277
Cannabis Business Tax	11,331	<b>48,983</b>	332.3%	37,652
Other Taxes	1,469,298	<b>1,617,354</b>	10.1%	148,056
Intergovernmental	1,182,334	<b>557,292</b>	-52.9%	(625,042)
Grants	275,882	<b>155,648</b>	-43.6%	(120,234)
Service Charges				
Mutual Aid	239,292	<b>1,442,644</b>	502.9%	1,203,352
Public safety	212,762	<b>233,544</b>	9.8%	20,782
Development	1,246,515	<b>1,443,821</b>	15.8%	197,306
Recreation, zoo, parks & pavilion	671,382	<b>790,255</b>	17.7%	118,873
Interest	172,410	<b>198,779</b>	15.3%	26,369
Adjustment to Market Value-GASB 31	213,138	<b>(103,654)</b>	-148.6%	(316,792)
Interfund charges	1,079,688	<b>1,162,868</b>	7.7%	83,180
Other	297,817	<b>336,778</b>	13.1%	38,961
Transfers	690,450	<b>698,950</b>	1.2%	8,500
Total revenues	<u>\$ 23,416,377</u>	<u><b>\$ 25,490,529</b></u>	8.9%	<u>\$ 2,074,152</u>
<b>EXPENDITURES:</b>				
Employee services	\$ (15,755,553)	<b>\$ (16,722,868)</b>	6.1%	\$ (967,315)
Operating supplies & services	(5,874,437)	<b>(5,847,962)</b>	-0.5%	26,475
Special purchases	(585,561)	<b>(970,954)</b>	65.8%	(385,393)
Capital outlay	(111,429)	<b>(336,627)</b>	202.1%	(225,198)
Total expenses	<u>(22,326,980)</u>	<u><b>(23,878,411)</b></u>	6.9%	<u>\$ (1,551,431)</u>
Net Income before extraordinary item	1,089,397	<b>1,612,118</b>		
Extraordinary gain/(loss)- Write-off of Redevelopment Loans	-	<b>(1,375,175)</b>		
Net income after extraordinary item	1,089,397	236,943		
Fund Balance Beginning of year	<u>10,927,442</u>	<u>12,016,839</u>		
FUND BALANCE END OF YEAR	<u>\$ 12,016,839</u>	<u>\$ 12,253,782</u>		

Revenues

The most significant dollar amount deviations from the prior year on the revenue side are changes in Property Tax Revenue, Sales Tax Revenue, Intergovernmental Revenue, and Mutual Aid Revenue.

Property Tax Revenue

Current secured revenues usually make up about 60%-65% of the City's property tax revenues and are what most people think of when discussing property taxes. Assessed values are established as of January 1 of each year. The values for fiscal year 2020-21 were determined as of January 2020.

Secured property tax grew at a rate of 3.7% from 2019-2020 fiscal year to the 2020-2021 fiscal year. The increase is due to a combination of the inflationary increases and increased economic development activity. Assessed valuations are expected to continue a steady growth trend of 3%-4% each year through fiscal year 2027-2028.

Detailed, comparative Property Tax Revenue information for the most recently completed two fiscal years is found below:

GENERAL FUND PROPERTY TAX REVENUE COMPARISON

	2019/2020 Actuals	2020/2021 Actuals	% Change	\$ Change
Secured Property Tax	\$ 6,453,948	\$ 6,693,256	3.7%	\$ 239,308
Property tax in lieu of VLF	3,026,209	3,163,757	4.5%	137,548
Unsecured property tax	272,946	275,023	0.8%	2,077
Supplemental property tax	143,079	142,452	-0.4%	(627)
Redevelopment agency distribution	465,449	527,383	13.3%	61,934
Prior year secured and unsecured	(18,447)	(9,053)	-50.9%	9,394
Property tax penalties and interest	(1,440)	(309)	-78.5%	1,131
Total revenues	\$ 10,341,744	\$ 10,792,509	4.4%	\$ 450,765

Sales Tax Revenue

Many changes have occurred that impact the various components of this revenue source. COVID-19 had unique impacts on different industry sectors that collect the tax. Fuel and service stations were down 4.9% and general consumer goods were down 6.1%. Offsetting those industry sectors were the Building and Construction sector, up 15.1%, and the Autos and Transportation sector, up 29%. In addition, Assembly Bill 147 (AB 147) expanded the collection of sales and use taxes from out-of-state sales via the implementation of the landmark U.S. Supreme Court decision in South Dakota v. Wayfair (2018). AB 147 requires certain online retailers to collect and remit sales tax related to online sales as of April 1, 2019, and requires the same of marketplace facilitators as of October 1, 2019. As a result, cities throughout the state, including Atascadero, have experienced healthy increases in sales tax revenue. This new revenue is distributed by the County through state and local “pools”. Revenue that Atascadero received in 2020-21 from the pools was 21% higher than the pool revenue from the prior year due to AB 147. Growth in the pools will slow down in upcoming years as major vendors continue to change their operations, which in turn, affects the distribution of the sales tax revenue across jurisdictions within the state.

Sales Tax Measure D-20 is included in General Fund Sales Tax total as presented in the financial statements. Sales Tax Measure D-20 became effective April 1, 2021. Revenue of \$1.4 million was collected during the period from April 1, 2021, through June 30, 2021. Although both the Bradley-Burns and Measure D-20 sales tax rates are 1%, some items that are purchased by Atascadero residents outside of Atascadero still incur the Measure D-20 sales tax rate, and therefore projected revenues for Measure D-20 are greater than 100% of Bradley-Burns revenue. Measure D-20 revenues are expected to gradually grow throughout the Seven-Year Projection period.

### Intergovernmental Revenues

Intergovernmental revenues were down from the prior year by about \$625,000. In fiscal year 2019-2020, the City received a one-time payment of about \$783,100 for Senate Bill 1090 Economic Development funds to offset the impact of the impending closure of PG&E's Diablo Canyon Power Plant. The City will continue to receive about \$45,500 in each of the next four fiscal years for essential services mitigation. CARES Act funding of about \$123,700 was also received in fiscal year 2019-2020 to offset some of the costs incurred due to the COVID-19 pandemic. CARES Act reimbursement funds of \$247,408 was recognized in fiscal year 2020-2021.

### Mutual Aid Revenue

The City has agreements with other agencies such as the US Forest Service and the California Department of Forestry to respond to fires and other emergencies upon request. The City receives reimbursement for the costs of its personnel and equipment. Mutual Aid revenues vary greatly from year to year based on the need of emergency response personnel across the State. Mutual Aid revenues and expenses are typically budgeted at an average rate each year. There were a significant number of fires statewide in fiscal year 2020-2021, resulting in a much higher than average response. Mutual Aid revenues were \$1.4 million for the fiscal year. Offsetting costs are included in employee services and operating expenditures sections.

### Expenditures

#### Employee Services

Employee Services are the largest portion of General Fund Expenditures, averaging around 70% of General Fund expenses each year. Employee Services actual costs for 2020-2021 were higher than the prior year by about \$967,000 and right on target with the June 2021 Seven-Year Projection. The majority of increase in costs over the prior year is due to increases in health care and retirement costs, and these two components are expected to continue to increase employee costs into the future. Both years had salary savings from unplanned vacancies in various departments in the City. Atascadero has historically had significant salary disparities with the surrounding agencies, making it difficult to attract and retain qualified employees. Sales Tax Measure D-20 has provided the means to offer more competitive salaries. All City departments have been affected by this, but the Police Department, in particular, has seen much more success in attracting applicants since the salary changes went into effect July 1, 2021.

#### Operating Supplies and Services

When compared to the prior year, 2020-2021 expenditures were lower by about \$26,500. Actual results for 2020-2021 were on target with the June 2021 Seven-Year Forecast amounts. Sales Tax Measure D-20 is providing additional General Fund revenue and helps to provide more adequate funding for necessary operating supplies and services to serve the public.

#### Special Purchases and Capital Outlay

Special Purchases and Capital Outlay generally do not lend themselves to a predictable trend line. These are usually one-time purchases and/or they have a corresponding revenue source. Both categories vary from year to year, based on the City's needs at the time. In most cases, when the expenses come in under budget, this means the budgeted

item hasn't been purchased yet but will still need to be purchased in the future. Less frequently, an alternative to purchasing the items has been identified. Fiscal year 2020-2021 reflects usage of Sales Tax Measure D-20 funds allocated to various equipment and reserve replacement, among some other adjustments.

### General Fund Balance

The General Fund balance (excluding Measure F-14 Activity) at June 30, 2021, was just under \$13 million, or 52% of General Fund expenditures for the year. This continues to be in line with Council's long-range financial strategy, maintaining a healthy reserve. The General Fund June 2021 Seven-Year Projection estimates the continued use of General Fund reserves through fiscal year 2022-2023. At no time are reserves expected to drop below the Council Policy minimum of 20% of general fund expenditures.

### Audit Report

The audit report summarizes the City's financial performance for the fiscal year and provides an overview of financial activities. It is a useful big-picture tool to manage long-term fiscal health of the City. The Management Discussion and Analysis reviews the financial highlights, gives an overview of the financial statements, and provides a financial analysis of the City's funds. Following that, summarized information on all of the City's funds can be found. The Notes to the Financial Statements include additional details and explanations of the figures in the Statements, giving the reader a better understanding of the complete fiscal performance of the City. The last section of the report includes detailed information on the balance of each of the funds and their activity.

The report was audited by a local independent audit firm, Moss, Levy, and Hartzheim, and as seen on the Independent Auditor's Report on page 1, was found to be in conformity with generally accepted accounting principles.

## **FISCAL IMPACT:**

None.

## **ATTACHMENTS:**

1. Fiscal Year 2020-2021 Audited City Financial Statements
2. Independent Auditors' Draft Report on Internal Control

# **CITY OF ATASCADERO**

FINANCIAL STATEMENTS  
June 30, 2021

# **FINANCIAL STATEMENTS**

**June 30, 2021**

**Heather Moreno, MAYOR**

**Heather Newsom, MAYOR PRO TEMPORE**

**Charles Bourbeau, COUNCIL MEMBER**

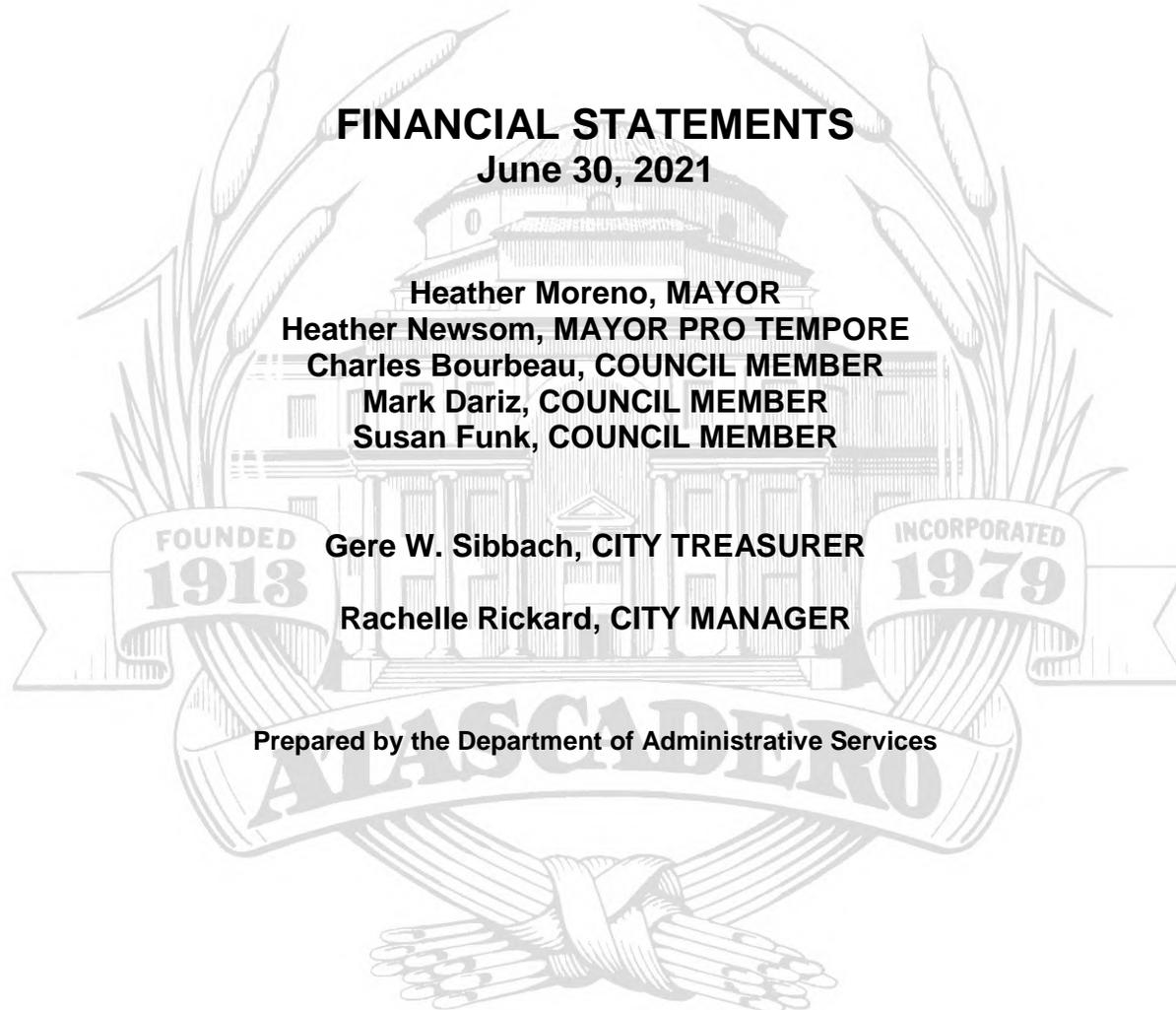
**Mark Dariz, COUNCIL MEMBER**

**Susan Funk, COUNCIL MEMBER**

**Gere W. Sibbach, CITY TREASURER**

**Rachelle Rickard, CITY MANAGER**

**Prepared by the Department of Administrative Services**



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## INDEPENDENT AUDITORS' REPORT

City Council of the City of Atascadero  
Atascadero, California

### Report on Financial Statements

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 Atascadero (the City), as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

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 of Atascadero, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year ended in accordance with accounting principles generally accepted in the United States of America.

### Emphasis of Matter

As discussed in Note 16 to the financial statements, in January 2021, the World Health Organization has declared COVID-19 to constitute a "Public Health Emergency of International Concern." Given the uncertainty of the situation, the duration of any financial impact cannot be reasonably estimated at this time. Our opinion is not modified with respect to this matter.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on page 3 through 12, the budgetary comparison information on pages 74 through 95, the schedule of changes in the total OPEB liability and related ratios on page 96, the schedule of OPEB contributions on page 97, the schedule of proportionate share of net pension liability on page 98, and the schedule of pension contributions on page 99, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires 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.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Atascadero’s basic financial statements. The major debt service fund budgetary schedule, combining and individual nonmajor fund financial statements and schedules, and combining internal service funds financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The major debt service fund budgetary schedule, combining and individual nonmajor fund financial statements and schedules, and combining internal service funds financial statements, 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 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 major debt service fund budgetary schedule, combining and individual non-major fund financial statements and schedules, and combining internal service funds financial statements, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021, on our consideration of the City of Atascadero’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 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 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.

*Moss, Renz & Hartgen LLP*

Santa Maria, California  
November 30, 2021



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **Fiscal Year Ended June 30, 2021**

### **INTRODUCTION**

This discussion and analysis of the City of Atascadero's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2021. For the most complete picture of the City, please read this document in conjunction with the City's basic financial statements and the accompanying notes to the basic financial statements. The City's financial statements are available at City Hall offices.

### **FINANCIAL HIGHLIGHTS**

- City total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of June 30, 2021, by about \$185.8 million. Of this amount, \$137.3 million is net investment in capital assets, \$36.9 million is restricted for various purposes, and \$11.6 million is unrestricted.
- Capital projects expenditures varied only slightly from the amount spent in the prior fiscal year by about \$124,500 due to changes in the various street repair projects and other capital projects.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$52.9 million, an increase of about \$1.6 million from the prior fiscal year. Approximately \$37 million of the total is not available for more general spending because it represents amounts that are already obligated or restricted. About \$15.7 million of the ending fund balance is available for future obligations.
- The City's compensated absences due to employees decreased by about \$201,100, and the City's total liabilities increased by about \$1.5 million. This increase was primarily due to the City's change in CalPERS Net Pension Liability, and offset by the decrease in compensated absences, reduction in bond debt, and workers' compensation liability. For additional information, see Note 8 in the Notes to the Financial Statements.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$16,450,157 or 61% of total general fund expenditures, \$4,474,858 of which is related to the Sales Tax Measure F-14 funding.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include the activities of the City of Atascadero using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34.

### Government-Wide Financial Statements

The Government-Wide Financial Statements present a broad overview of the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term liabilities). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regard to interfund activity, payables, and receivables.

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

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the Government-wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees or are required by grantor agencies to be accounted for in this fashion (*business-type activities*).

The governmental activities include police, fire, parks, recreation, community development, public works, and general government activities. Property and sales taxes, user fees, interest income, franchise fees, and state and federal grants finance these activities. The business-type activities include wastewater and transit.

As required by accounting principles generally accepted in the United States of America, these financial statements present the City (the primary government). The City previously had a component unit (the Community Redevelopment Agency of Atascadero) through January 31, 2012, for which the government was considered to be financially accountable. Effective February 1, 2012, Assembly Bill AB 1x26, as modified by the California Supreme Court, dissolved redevelopment agencies in California. All assets and liabilities were required to be transferred to the corresponding Successor Agency identified in each community. In Atascadero, the City became the Successor Agency and holds these assets and liabilities in Private Purpose Trust. See Note 15 in the Notes to the Financial Statements for further details on the Successor Agency. The City has no component units that require discrete presentation in accordance with GASB Statement No. 14, as amended by GASB Statements No. 39, No. 61, and No. 80.

### Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Atascadero, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City are divided into three categories of activities – governmental, proprietary, and private purpose trust funds.

## OVERVIEW OF THE FINANCIAL STATEMENTS *(continued)*

### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of Governmental Fund Financial Statements is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains multiple individual governmental funds. Information for the General Fund is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. The General Fund, the In Lieu Low/Moderate Income Housing Fund, the Circulation System Fees Fund, the Fire Aerial Vehicle Impact Fees Fund, and the 2010 Bond Debt Service Fund are considered to be the major governmental funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data, including budgetary information, for each of these nonmajor governmental funds is provided in the combining financial statements under the supplementary information section.

A budget comparison statement has been provided to demonstrate compliance with the budget. Budgetary information for the major governmental funds has been provided under the required supplementary information section.

### Proprietary Funds

Proprietary Funds provide the same type of information as the business-type activities in the government-wide financial statements, except that the Proprietary Funds provide greater detail. The City maintains two types of Proprietary Funds: Enterprise Funds and Internal Service Funds. The City's Enterprise Funds are the same as the business-type activities reported in the Government-wide Financial Statements: Transit and Wastewater. The City uses Internal Service Funds to report activities that provide supplies and services for the City's other programs and activities. The City's Internal Services Funds include the Technology Fund, the Building Maintenance and Replacement Fund, and the Vehicle and Equipment Replacement Fund. The Internal Service Funds are combined into one column within the Proprietary Funds statements and are combined with governmental activities in the Government-wide Financial Statements.

### Private Purpose Trust Funds

Private Purpose Trust Funds are used to account for monies held on behalf of others in a fiduciary capacity. The City uses private purpose trust funds to account for the Successor Agency of the Former Redevelopment Agency which was dissolved on January 31, 2012, pursuant to state law. All resources of the funds are used to support specified activities.

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

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Atascadero, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by about \$185.8 million at the close of the most recent fiscal year.

	<b>2020-2021 Governmental Activities</b>	<b>2020-2021 Business-Type Activities</b>	<b>2020-2021 Total</b>	<b>2019-2020 Governmental Activities</b>	<b>2019-2020 Business-Type Activities</b>	<b>2019-2020 Total</b>
Current and other assets	\$ 66,712,881	\$ 12,945,049	\$ 79,657,930	\$ 63,666,525	\$ 12,415,323	\$ 76,081,848
Capital assets	137,160,987	14,493,219	151,654,206	135,919,827	13,848,080	149,767,907
Total assets	<u>203,873,868</u>	<u>27,438,268</u>	<u>231,312,136</u>	<u>199,586,352</u>	<u>26,263,403</u>	<u>225,849,755</u>
Deferred outflows	6,798,729	140,732	6,939,461	6,565,083	131,094	6,696,177
Total deferred outflows	<u>6,798,729</u>	<u>140,732</u>	<u>6,939,461</u>	<u>6,565,083</u>	<u>131,094</u>	<u>6,696,177</u>
Current liabilities	3,924,506	1,112,219	5,036,725	3,215,229	442,528	3,657,757
Noncurrent liabilities	45,890,914	884,485	46,775,399	44,413,485	816,979	45,230,464
Total liabilities	<u>49,815,420</u>	<u>1,996,704</u>	<u>51,812,124</u>	<u>47,628,714</u>	<u>1,259,507</u>	<u>48,888,221</u>
Deferred inflows	639,031	37,405	676,436	1,107,967	51,990	1,159,957
Total deferred inflows	<u>639,031</u>	<u>37,405</u>	<u>676,436</u>	<u>1,107,967</u>	<u>51,990</u>	<u>1,159,957</u>
Net position:						
Net investment in capital assets	122,790,987	14,493,219	137,284,206	121,289,827	13,848,080	135,137,907
Restricted	36,865,362	-	36,865,362	35,556,171	-	35,556,171
Unrestricted	561,797	11,051,672	11,613,469	568,756	11,234,920	11,803,676
Total net position	<u>\$ 160,218,146</u>	<u>\$ 25,544,891</u>	<u>\$ 185,763,037</u>	<u>\$ 157,414,754</u>	<u>\$ 25,083,000</u>	<u>\$ 182,497,754</u>

The largest portion of the City's net position (74%) reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional 20% of the City's net position represents resources subject to external restrictions on how they may be used. The remaining 6% (\$11,613,469) is considered unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors. There was a decrease of \$190,207 in unrestricted net position from fiscal year 2019-2020 to 2020-2021.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS** *(continued)*

Consistent with the prior fiscal year, as of the end of the current fiscal year, the City is able to report positive balances in both categories of net position, for both the government as a whole, as well as for its separate governmental and business-type activities.

During the current fiscal year, the City's net position increased by about \$3.3 million. Information about changes in net position is summarized below:

**SUMMARY OF CHANGES IN NET POSITION**  
 For the Fiscal Years Ended June 30, 2021 and 2020

	<b>2020-2021 Governmental Activities</b>	<b>2020-2021 Business-Type Activities</b>	<b>2020-2021 Total</b>	<b>2019-2020 Governmental Activities</b>	<b>2019-2020 Business-Type Activities</b>	<b>2019-2020 Total</b>
<b>Revenues:</b>						
Program Revenues						
Charges for services	\$ 3,840,606	\$ 3,202,434	\$ 7,043,040	\$ 2,564,773	\$ 2,566,845	\$ 5,131,618
Operating grants and contributions	1,675,019	375,145	2,050,164	2,638,542	403,919	3,042,461
Capital grants and contributions	2,944,236	-	2,944,236	3,292,142	-	3,292,142
General Revenues:						
Secured and unsecured property taxes	11,740,280	-	11,740,280	11,241,453	-	11,241,453
Sales and use taxes	8,976,357	-	8,976,357	6,671,958	-	6,671,958
Other taxes	3,374,198	-	3,374,198	2,873,271	-	2,873,271
Motor Vehicle in Lieu	22,045	-	22,045	24,064	-	24,064
Investment Income	194,021	22,921	216,942	1,535,194	498,668	2,033,862
Gain on disposal of capital assets	-	9,525	9,525	-	-	-
Interest from Successor Agency	635,984	-	635,984	745,753	-	745,753
<b>Total Revenues</b>	<b>33,402,746</b>	<b>3,610,025</b>	<b>37,012,771</b>	<b>31,587,150</b>	<b>3,469,432</b>	<b>35,056,582</b>

## GOVERNMENT-WIDE FINANCIAL ANALYSIS *(continued)*

### SUMMARY OF CHANGES IN NET POSITION For the Fiscal Years Ended June 30, 2021 and 2020

	<b>2020-2021 Governmental Activities</b>	<b>2020-2021 Business-Type Activities</b>	<b>2020-2021 Total</b>	<b>2019-2020 Governmental Activities</b>	<b>2019-2020 Business-Type Activities</b>	<b>2019-2020 Total</b>
<b>Program Expenses</b>						
General Government	\$ 3,775,014	\$ -	\$ 3,775,014	\$ 4,268,231	\$ -	\$ 4,268,231
Public Safety	14,799,947	-	14,799,947	14,595,102	-	14,595,102
Community Development	2,675,072	-	2,675,072	2,584,305	-	2,584,305
Community, Recreation & Zoo Services	2,437,541	-	2,437,541	2,725,838	-	2,725,838
Parks & Open Space	1,297,724	-	1,297,724	1,385,965	-	1,385,965
Public Works	3,531,980	-	3,531,980	3,588,467	-	3,588,467
Sewer	-	2,642,732	2,642,732	-	2,681,730	2,681,730
Transit	-	505,402	505,402	-	565,721	565,721
Interest on long-term debt	706,901	-	706,901	716,390	-	716,390
Total Expenses	<u>29,224,179</u>	<u>3,148,134</u>	<u>32,372,313</u>	<u>29,864,298</u>	<u>3,247,451</u>	<u>33,111,749</u>
Change in net position before extraordinary item	4,178,567	461,891	4,640,458	1,722,852	221,981	1,944,833
Extraordinary gain/(loss)- Write-off of Redevelopment Loans	<u>(1,375,175)</u>	<u>-</u>	<u>(1,375,175)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	2,803,392	461,891	3,265,283	1,722,852	221,981	1,944,833
Net position- beginning	<u>157,414,754</u>	<u>25,083,000</u>	<u>182,497,754</u>	<u>155,691,902</u>	<u>24,861,019</u>	<u>180,552,921</u>
Net position- ending	<u>\$ 160,218,146</u>	<u>\$ 25,544,891</u>	<u>\$ 185,763,037</u>	<u>\$ 157,414,754</u>	<u>\$ 25,083,000</u>	<u>\$ 182,497,754</u>

Governmental activities during the year increased the City's net position by \$2,803,392. Business-type activities increased the City's net position by \$461,891.

Fiscal year 2020-2021 includes an extraordinary loss of \$1,375,175. The City General Fund loaned three separate advances to the former Redevelopment Agency. The total of these three loans was \$1,375,175. Through the Dissolution of Redevelopment, new law became effective that challenged the repayment of these loans by the Redevelopment Agency to the City. The City worked diligently to satisfy the requirements for repayment, but ultimately was unsuccessful. These loans were written-off as uncollectable during the current fiscal year, 2020-2021, and are listed as an Extraordinary Loss on the financial statements.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

### Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

As of June 30, 2021, the City's governmental funds reported combined ending fund balances of \$52,909,393. Of this total, \$103,620 cannot be spent because it is in a non-spendable form and/or a non-cash form such as prepaid items, deposits, and inventory. The City's governmental funds Unassigned Fund Balance is \$15,710,316. The General Fund portion of this, \$16,450,157, is available for any purpose. The remaining Unassigned Fund Balance is the amount of the Fire Aerial Vehicle Impact Fees Fund where expenditures were made prior to receipt of restricted revenues. The Restricted Fund Balance of \$36,864,632 includes amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. The Assigned fund balance, \$230,825, is the amount the City intends to use for road projects.

**General Fund** – The General Fund is the chief operating fund of the City. At June 30, 2021, the total fund balance was \$17,336,153 and the spendable unassigned fund balance was 95% of the total. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The total General Fund balance represents 64% of fund expenditures. The General Fund balance increased \$1,079,789 during the fiscal year.

**In Lieu Low/Moderate Income Housing Fund** – This fund accounts for fees that are paid by developers in lieu of building inclusionary (affordable) housing. These fees are expended on programs that provide and/or promote affordable housing within the City. At June 30, 2021, the fund balance was \$5,874,674.

**Circulation System Fees Fund** – This fund accounts for fees that are paid by developers to fund the creation of more lane miles or more efficient lane miles with which to accommodate the additional trips created by new development. These fees are expended for the construction of new/increased/improved roadway and bridge facilities. The fund balance at June 30, 2021, was \$2,850,002, up \$134,252 from the prior year.

**Fire Aerial Vehicle Impact Fees Fund** – This fund accounts for impact fees imposed on commercial and multi-family residential developments for the purpose of contributing toward the purchase of the Aerial Fire Truck (Ladder Truck). The City purchased this truck in fiscal year 2007-2008 using future revenues, and therefore, the fund had a negative balance of (\$739,841) at June 30, 2021. As projects continue to develop over time, Impact Fee revenues should move this negative balance toward zero.

**2010 Bond Debt Service Fund** – The 2010 Bond Debt Service Fund accounts for all of the advances receivable from the Successor Agency and the debt service payments for the Lease Revenue Bonds that were issued on September 1, 2010. At June 30, 2021, the total fund balance was \$15,774,765, which reflects \$14.4 million in advances receivable from the Successor Agency. See Notes 8 and 15 to the financial statements for additional information on the Successor Agency and the bond issue.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS *(continued)*

**Other Governmental Funds** – These are nonmajor funds of the City and are presented in the basic financial statements in the aggregate and in detail in the supplementary section of this report. At June 30, 2021, these funds had an aggregate fund balance of \$11,813,640. Of this total, \$730 is non-spendable and \$230,825 is assigned for specific uses. The Restricted Fund Balance is \$11,582,085. More information about these nonmajor funds can be found in the combining and individual fund financial statements and schedules.

### Proprietary Funds

The City's two enterprise funds provide the same type of information found in the Government-wide Financial Statements, but in more detail. Highlights of the annual activity for these funds have already been presented in the discussion of the business-type activities.

### Debt Administration

Debt, considered a liability of governmental and business-type activities, increased in FY 2020-2021 by \$1,544,935, primarily due to the changes in the Net Pension Liability as required to be reported by GASB 68, and was offset by a decrease in compensated absences, a reduction in bonds payable, and a decrease in workers' compensation liability. The Net Pension Liability for Governmental Activities at the end of the year was \$29,776,861 and \$849,200 for Business-type Activities. Compensated absences decreased by \$201,072 during the year.

### Cash Management

To obtain flexibility in cash management, the City employs a pooled cash system. Under the pooled cash concept, the City invests the cash of all funds with maturities planned to coincide with cash needs. Idle cash is invested in certain eligible securities as constrained by law and further limited by the City's Investment Policy. The goals of the City's Investment Policy are safety, liquidity, and yield.

### Capital Assets

The capital assets of the City are those assets that are used in the performance of the City's functions, including infrastructure assets. At June 30, 2021, net capital assets of the governmental activities totaled \$137,160,987 and the net capital assets of the business-type activities totaled \$14,493,219. Depreciation on capital assets is recognized in the Government-wide Financial Statements. The City has elected to depreciate its infrastructure assets. In order to depreciate the infrastructure assets, an estimated useful life for each type of asset was determined using engineering standards, industry standards, as well as discussions with City staff regarding the City's maintenance program for each asset type. This allowed the estimated useful life of each asset type to be tailored to include the unique attributes of the City of Atascadero.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS (continued)

The following table presents summary information on the City's capital assets:

	<b>2020-2021 Governmental Activities</b>	<b>2020-2021 Business-Type Activities</b>	<b>2020-2021 Total</b>	<b>2019-2020 Governmental Activities</b>	<b>2019-2020 Business-Type Activities</b>	<b>2019-2020 Total</b>
Non-Depreciable:						
Land	\$ 41,588,097	\$ 547,738	\$ 42,135,835	\$ 41,586,578	\$ 547,738	\$ 42,134,316
Construction in progress	5,549,723	1,791,495	7,341,218	8,213,095	368,097	8,581,192
Depreciable:						
Vehicles and equipment	13,127,131	1,232,249	14,359,380	12,620,842	1,319,645	13,940,487
Structures and improvements	55,129,124	29,405,855	84,534,979	54,291,867	29,405,855	83,697,722
Infrastructure	74,009,505	-	74,009,505	69,668,498	-	69,668,498
Accumulated Depreciation	<u>(52,242,593)</u>	<u>(18,484,118)</u>	<u>(70,726,711)</u>	<u>(50,461,053)</u>	<u>(17,793,255)</u>	<u>(68,254,308)</u>
Net capital assets	<u>\$ 137,160,987</u>	<u>\$ 14,493,219</u>	<u>\$ 151,654,206</u>	<u>\$ 135,919,827</u>	<u>\$ 13,848,080</u>	<u>\$ 149,767,907</u>

### General Fund Budgetary Highlights

A detailed budgetary comparison schedule for the fiscal year ended June 30, 2021, is presented in the required supplementary information to the basic financial statements. The final budget amounts (which are the focus of this discussion) are different from those presented in the 2020-2021 budget document. This is due to changes that occurred between the time that the budget was prepared and fiscal year-end final budget approvals.

The following summarizes the original and final budget compared with actual results for 2020-2021:

<b>General Fund</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
Revenues	\$ 25,088,680	\$ 27,430,930	\$ 29,050,510	\$ 1,619,580
Expenditures	28,376,660	31,148,930	27,039,429	4,109,501
Other Sources (Uses)	495,460	443,880	443,883	3
Extraordinary gains/(losses)- Write-off of Redevelopment Loans	-	-	(1,375,175)	(1,375,175)
Fund Balance, beginning	16,256,364	16,256,364	16,256,364	-
Fund Balance, ending	<u>\$ 13,463,844</u>	<u>\$ 12,982,244</u>	<u>\$ 17,336,153</u>	<u>\$ 4,353,909</u>

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS *(continued)*

Both revenues and expenditure budgets were increased during the year, primarily reflecting adjustments for Public Works activities, Fee Studies, Fire Evacuation Plan, and Inclusionary Housing planning. In addition, Council approved \$2,044,260 in expenditures during the fiscal year, primarily for reserves for future equipment purchases, economic development, current equipment purchases, street trees, and workers' compensation insurance reserves. Although the final budget reduced the fund balance of the General Fund when compared to the original budget, the actual activity during the year increased the fund balance by \$4.4 million over the final budget.

### **Economic Factors and Next Fiscal Year's Budget**

The City's revenues are sensitive to the local and national economic environments. After years of downturn, the economy was on a positive trajectory when the Coronavirus hit and negatively impacted the economy. However, trends began to recover in fiscal year 2020-2021. Approximately 45% of the City's General Fund revenue comes from property tax revenues, which tend to be more stable in times of economic flux than other sources. The City continues to recover from the Coronavirus and is ever-focused on economic development as needs continue to exceed the availability of resources. The voters recently passed Sales Tax Measure D-20, providing additional revenue for the General Fund.

Economic factors and key issues and trends that affect the budget include:

Sales Tax Measure D-20 This is a general purpose one-cent transaction tax that was effective April 1, 2021. It will be used primarily for essential City services. Annual new revenue is estimated at about \$4.5 million.

CalPERS Retirement Cost Increases Both the CalPERS normal cost rate and the unfunded accrued liability (UAL) continue to increase through fiscal year 2024-2025 before they are expected to level out again. These costs will impact future fiscal years.

Assembly Bill 147 (AB 147) AB 147 (passed April 25, 2019) expanded the collection of sales and use tax to many internet-based purchases. As a result, "new" revenue that was not previously subject to sales tax collection is now being collected and remitted to Atascadero and other agencies.

Coronavirus The City and the overall economy continue to recover from the effects of COVID-19. Facility rentals and recreation revenue may still reflect negative impacts, but other revenues such as Zoo admissions and CARES Act Funds are expected to show positive impacts.

The 2021-2022 budget is lean, smart, and will make the best of the City's limited resources. In preparing the budget, the objective was to provide an effective plan to maintain the Council goals and the City's core services. The Council's top priorities are:

- Economic and Community Vibrancy
- Fiscal and Infrastructure Efficiency and Sustainability
- Ensuring Public Safety and Providing Exceptional City Services
- Quality of Life

To accomplish all of these goals, the 2021-2022 budget includes the planned use of \$1,915,590 in reserves, in accordance with the Council's financial strategy.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT TEAM**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Atascadero, Administrative Services Department, 6500 Palma Avenue, Atascadero, CA 93422.

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# BASIC FINANCIAL STATEMENTS

**CITY OF ATASCADERO**  
**STATEMENT OF NET POSITION**  
June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 41,669,148	\$ 12,621,761	\$ 54,290,909
Restricted cash and investments:			
Cash with fiscal agents	1,404,765	-	1,404,765
Certificates of deposit	85,473	-	85,473
Receivables:			
Federal distributions due	693,531	194,528	888,059
Due from State of California	2,578,681	-	2,578,681
Due from County of San Luis Obispo	215,401	63,195	278,596
Accrued interest	103,503	31,981	135,484
Accrued interest receivable- 2010 bonds	174,430	-	174,430
Other receivables	820,832	39,050	859,882
Internal balances	7,841	(7,841)	-
Deposits, prepaid items, and inventory	31,846	2,375	34,221
Notes receivable	4,557,430	-	4,557,430
Advance receivable- Successor Agency	14,370,000	-	14,370,000
Capital assets:			
Non-depreciable:			
Land	41,588,097	547,738	42,135,835
Construction in progress	5,549,723	1,791,495	7,341,218
Depreciable:			
Vehicles and equipment	13,127,131	1,232,249	14,359,380
Structures and improvements	55,129,124	29,405,855	84,534,979
Infrastructure	74,009,505	-	74,009,505
Accumulated depreciation	(52,242,593)	(18,484,118)	(70,726,711)
Total assets	<u>203,873,868</u>	<u>27,438,268</u>	<u>231,312,136</u>
<b>DEFERRED OUTFLOWS</b>			
Deferred outflows related to pensions	<u>6,798,729</u>	<u>140,732</u>	<u>6,939,461</u>
Total deferred outflows	<u>6,798,729</u>	<u>140,732</u>	<u>6,939,461</u>

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

**CITY OF ATASCADERO**  
 STATEMENT OF NET POSITION (continued)  
 June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
 ATTACHMENT: 1

	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES</b>			
Accounts payable	\$ 1,418,772	\$ 808,438	\$ 2,227,210
Accrued salaries and benefits	677,500	21,662	699,162
Accrued interest payable	174,430	-	174,430
Other payables	81,651	24,529	106,180
Deposits payable	82,416	-	82,416
Unearned revenue	1,489,737	257,590	1,747,327
Noncurrent liabilities:			
Due within one year	272,982	-	272,982
Due in more than one year	45,617,932	884,485	46,502,417
Total liabilities	49,815,420	1,996,704	51,812,124
<b>DEFERRED INFLOWS</b>			
Deferred inflows related to pensions	639,031	37,405	676,436
Total deferred inflows	639,031	37,405	676,436
<b>NET POSITION</b>			
Net investment in capital assets	122,790,987	14,493,219	137,284,206
Restricted for:			
Restricted for parks and recreation	2,193,088	-	2,193,088
Restricted for streets, roads, and drainage	9,497,268	-	9,497,268
Restricted for public safety	1,803,205	-	1,803,205
Restricted for economic development	1,722,362	-	1,722,362
Restricted for redevelopment and housing	5,874,674	-	5,874,674
Restricted for debt service	15,774,765	-	15,774,765
Unrestricted	561,797	11,051,672	11,613,469
Total net position	\$ 160,218,146	\$ 25,544,891	\$ 185,763,037

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

**CITY OF ATASCADERO**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Total
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Net Governmental Activities	Net Business-Type Activities	
Governmental activities:							
General government	\$ 3,775,014	\$ (182,111)	\$ 160,769	\$ -	\$ (3,796,356)	\$ -	\$ (3,796,356)
Public safety	14,799,947	1,769,062	643,167	126,892	(12,260,826)	-	(12,260,826)
Community development	2,675,072	1,203,073	44,974	175,389	(1,251,636)	-	(1,251,636)
Community, recreation & zoo services	2,437,541	780,395	49,731	60,767	(1,546,648)	-	(1,546,648)
Parks & open space	1,297,724	17,178	10,423	280,802	(989,321)	-	(989,321)
Public works	3,531,980	253,009	765,955	2,300,386	(212,630)	-	(212,630)
Interest on long-term debt	706,901	-	-	-	(706,901)	-	(706,901)
Total governmental activities	<u>29,224,179</u>	<u>3,840,606</u>	<u>1,675,019</u>	<u>2,944,236</u>	<u>(20,764,318)</u>	<u>-</u>	<u>(20,764,318)</u>
Business-type activities:							
Sewer	2,642,732	3,187,289	-	-	-	544,557	544,557
Transit	505,402	15,145	375,145	-	-	(115,112)	(115,112)
Total business-type activities	<u>3,148,134</u>	<u>3,202,434</u>	<u>375,145</u>	<u>-</u>	<u>-</u>	<u>429,445</u>	<u>429,445</u>
Total government	<u>\$ 32,372,313</u>	<u>\$ 7,043,040</u>	<u>\$ 2,050,164</u>	<u>\$ 2,944,236</u>	<u>(20,764,318)</u>	<u>429,445</u>	<u>(20,334,873)</u>
General revenues							
Taxes:							
Secured and unsecured property taxes					11,740,280	-	11,740,280
Sales tax and payments in lieu of sales tax					8,976,357	-	8,976,357
Transient lodging tax					1,385,896	-	1,385,896
Franchise taxes					1,232,615	-	1,232,615
Business license tax					170,544	-	170,544
Property transfer tax					214,195	-	214,195
Other taxes					370,948	-	370,948
Motor vehicle in lieu					22,045	-	22,045
Investment income					194,021	22,921	216,942
Interest from Successor Agency					635,984	-	635,984
Gain on sale of capital assets					-	9,525	9,525
Total general revenues					<u>24,942,885</u>	<u>32,446</u>	<u>24,975,331</u>
Change in net position before extraordinary item					4,178,567	461,891	4,640,458
Extraordinary gain/(loss)- Write-off of Redevelopment Loans					(1,375,175)	-	(1,375,175)
Change in net position					2,803,392	461,891	3,265,283
Net position at beginning of fiscal year					157,414,754	25,083,000	182,497,754
Net position at end of fiscal year					<u>\$ 160,218,146</u>	<u>\$ 25,544,891</u>	<u>\$ 185,763,037</u>

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

**CITY OF ATASCADERO**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	General Fund	In Lieu Low / Moderate Income Housing Fund	Circulation System Fees Fund	Fire Aerial Vehicle Impact Fees Fund	2010 Bond Debt Service Fund	Other NonMajor Governmental Funds	Totals
<b>ASSETS</b>							
Cash and investments	\$ 15,281,100	\$ 1,314,052	\$ 4,039,345	\$ -	\$ -	\$ 11,060,594	\$ 31,695,091
Restricted cash and investments:							
Cash and investments with fiscal agent	-	-	-	-	1,404,765	-	1,404,765
Certificates of deposit	85,473	-	-	-	-	-	85,473
Receivables:							
Federal distributions due	113,661	-	-	-	-	579,870	693,531
Due from State of California	2,461,270	-	-	-	-	117,411	2,578,681
Due from County of San Luis Obispo	181,985	-	24,335	-	-	9,081	215,401
Accrued interest	38,542	3,192	10,122	-	-	27,931	79,787
Other receivables	719,305	-	-	-	-	101,527	820,832
Due from other funds	214,620	-	-	-	-	739,841	954,461
Deposits, prepaid items, and inventory	17,417	-	-	-	-	730	18,147
Notes receivable	-	4,557,430	-	-	-	-	4,557,430
Advances receivable- Successor Agency	-	-	-	-	14,370,000	-	14,370,000
Total assets	<u>\$ 19,113,373</u>	<u>\$ 5,874,674</u>	<u>\$ 4,073,802</u>	<u>\$ -</u>	<u>\$ 15,774,765</u>	<u>\$ 12,636,985</u>	<u>\$ 57,473,599</u>

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

**CITY OF ATASCADERO**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET (continued)**  
**June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	General Fund	In Lieu Low / Moderate Income Housing Fund	Circulation System Fees Fund	Fire Aerial Vehicle Impact Fees Fund	2010 Bond Debt Service Fund	Other NonMajor Governmental Funds	Totals
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ 845,236	\$ -	\$ 33,771	\$ -	\$ -	\$ 432,184	\$ 1,311,191
Accrued salaries and benefits	639,132	-	-	-	-	14,159	653,291
Due to other funds	-	-	-	739,841	-	206,779	946,620
Unearned revenue	128,785	-	1,190,029	-	-	170,223	1,489,037
Deposits	82,416	-	-	-	-	-	82,416
Other payables	81,651	-	-	-	-	-	81,651
Total liabilities	<u>1,777,220</u>	<u>-</u>	<u>1,223,800</u>	<u>739,841</u>	<u>-</u>	<u>823,345</u>	<u>4,564,206</u>
Fund Balances:							
Nonspendable	102,890	-	-	-	-	730	103,620
Restricted	783,106	5,874,674	2,850,002	-	15,774,765	11,582,085	36,864,632
Assigned for road projects	-	-	-	-	-	230,825	230,825
Unassigned	16,450,157	-	-	(739,841)	-	-	15,710,316
Total fund balances	<u>17,336,153</u>	<u>5,874,674</u>	<u>2,850,002</u>	<u>(739,841)</u>	<u>15,774,765</u>	<u>11,813,640</u>	<u>52,909,393</u>
Total liabilities and fund balances	<u>\$ 19,113,373</u>	<u>\$ 5,874,674</u>	<u>\$ 4,073,802</u>	<u>\$ -</u>	<u>\$ 15,774,765</u>	<u>\$ 12,636,985</u>	<u>\$ 57,473,599</u>

**CITY OF ATASCADERO**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

Total fund balances - governmental funds		\$	52,909,393
In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.			
Capital assets at historical cost		\$	123,445,454
Accumulated depreciation			<u>(31,961,413)</u>
	Net		91,484,041
In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred.			
			(174,430)
In governmental funds, the receivable from the Successor Agency related to interest on the 2010 long-term debt is not recognized until the period in which it is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred.			
			174,430
Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:			
Bonds payable			14,370,000
Workers' Compensation estimated claims liability in excess of deposits			(47,908)
Compensated absences payable			1,460,968
CalPERS pension liability			28,724,057
Other Post Employment Benefits			<u>223,297</u>
			(44,730,414)
The deferred outflows below are not current assets or financial resources; and the deferred inflows are not due and payable in the current period and therefore are not reported in the Governmental Funds.			
Deferred outflows			6,624,224
Deferred inflows			(595,070)
In governmental funds, premiums are recognized when the bonds are issued. In the government-wide statement of activities, these are recorded as a liability and amortized over the life of the bond.			
			(57,458)

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

**CITY OF ATASCADERO**

RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET

TO THE STATEMENT OF NET POSITION (continued)

June 30, 2021

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Internal service funds are used by management to charge the costs of various City activities to individual governmental and enterprise funds. The unrestricted net position of the internal service funds are included in the Governmental Activities in the Statement of Net Position.

\$ 54,583,430

Total net position, governmental activities

\$ 160,218,146

**CITY OF ATASCADERO**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	General Fund	In Lieu Low / Moderate Income Housing Fund	Circulation System Fees Fund	Fire Aerial Vehicle Impact Fees Fund	2010 Bond Debt Service Fund	Other NonMajor Governmental Funds	Totals
<b>Revenues:</b>							
Secured and unsecured property taxes	\$ 10,792,509	\$ -	\$ -	\$ -	\$ -	\$ 1,225,058	\$ 12,017,567
Taxes based on sales and use	8,976,357	-	-	-	-	-	8,976,357
Franchise tax	1,232,615	-	-	-	-	-	1,232,615
Other taxes	1,819,618	-	-	-	-	-	1,819,618
Licenses and permits	754,420	175,389	238,790	1,741	-	467,362	1,637,702
Intergovernmental revenues:							
Motor vehicle in lieu	22,045	-	-	-	-	-	22,045
Grants	155,648	-	-	-	-	851,139	1,006,787
Other governmental revenues	535,247	-	24,335	-	-	2,009,471	2,569,053
Charges for services:							
Public safety	1,676,188	-	-	-	-	-	1,676,188
Development	689,401	-	-	-	-	-	689,401
Recreation, parks, pavilion, and zoo	790,255	-	-	-	-	-	790,255
Other services	65,619	-	-	-	-	-	65,619
Fines and forfeitures	49,312	-	-	-	-	-	49,312
Use of money and property	106,561	4,819	10,906	-	638,389	53,110	813,785
Other revenues	1,384,715	-	-	-	-	34,987	1,419,702
<b>Total revenues</b>	<b>29,050,510</b>	<b>180,208</b>	<b>274,031</b>	<b>1,741</b>	<b>638,389</b>	<b>4,641,127</b>	<b>34,786,006</b>

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

**CITY OF ATASCADERO**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	General Fund	In Lieu Low / Moderate Income Housing Fund	Circulation System Fees Fund	Fire Aerial Vehicle Impact Fees Fund	2010 Bond Debt Service Fund	Other NonMajor Governmental Funds	Totals
<b>Expenditures:</b>							
Current:							
General government	\$ 3,323,696	\$ -	\$ -	\$ -	\$ -	\$ 10,299	\$ 3,333,995
Public safety	13,669,630	-	-	-	-	96,798	13,766,428
Community development	2,299,859	45,400	-	-	5,275	163,961	2,514,495
Community, recreation and zoo services	1,996,596	-	-	-	-	-	1,996,596
Parks and open space	708,729	-	-	-	-	34,903	743,632
Public works	1,293,007	-	-	-	-	1,173,091	2,466,098
Capital outlay	3,747,912	-	139,779	-	-	2,121,752	6,009,443
Debt service:							
Principal	-	-	-	-	260,000	-	260,000
Interest	-	-	-	-	712,288	-	712,288
Total expenditures	<u>27,039,429</u>	<u>45,400</u>	<u>139,779</u>	<u>-</u>	<u>977,563</u>	<u>3,600,804</u>	<u>31,802,975</u>
Excess of revenues over (under) expenditures	<u>2,011,081</u>	<u>134,808</u>	<u>134,252</u>	<u>1,741</u>	<u>(339,174)</u>	<u>1,040,323</u>	<u>2,983,031</u>
<b>Other Financing Sources (Uses):</b>							
Transfers in	698,950	-	-	-	-	353,655	1,052,605
Transfers out	<u>(255,067)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(797,538)</u>	<u>(1,052,605)</u>
Total other financing sources and uses	<u>443,883</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(443,883)</u>	<u>-</u>
Net change in fund balances prior to extraordinary item	2,454,964	134,808	134,252	1,741	(339,174)	596,440	2,983,031
Extraordinary gains/(losses)- Write-off of Redevelopment Loans	<u>(1,375,175)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,375,175)</u>
Net change in fund balances	1,079,789	134,808	134,252	1,741	(339,174)	596,440	1,607,856
Fund balances - June 30, 2020	<u>16,256,364</u>	<u>5,739,866</u>	<u>2,715,750</u>	<u>(741,582)</u>	<u>16,113,939</u>	<u>11,217,200</u>	<u>51,301,537</u>
Fund balances - June 30, 2021	<u>\$ 17,336,153</u>	<u>\$ 5,874,674</u>	<u>\$ 2,850,002</u>	<u>\$ (739,841)</u>	<u>\$ 15,774,765</u>	<u>\$ 11,813,640</u>	<u>\$ 52,909,393</u>

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

**CITY OF ATASCADERO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 For the Fiscal Year Ended June 30, 2021

Total net change in fund balance - governmental funds	\$ 1,607,856
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital assets of \$4,881,912 is greater than depreciation expense \$(1,741,954) in the period.	3,139,958
The sale or deletion of capital assets is not recorded in the governmental financial statements. In the statement of activities, however, the gain or loss from the sale or deletion is recorded as an appropriate program expense.	(596,074)
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities.	260,000
In governmental funds, the issuance premiums associated with long-term debt are reported as revenue in the fiscal year debt is issued. In the government-wide statements, the issuance premiums are recorded as liabilities and are amortized over the life of the related debt.	2,982
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was:	(2,405)
In governmental funds, reimbursement from the Successor Agency related to interest on the 2010 long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is earned.	2,405
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, leave amounts used exceeded the amounts earned by:	193,210
In governmental funds, pension costs are recognized when employer contributions are made. In the Statement of Activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:	(1,369,160)
In the statement of activities, changes to some claims and judgment liabilities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	187,580

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

**CITY OF ATASCADERO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES (continued)  
 For the Fiscal Year Ended June 30, 2021

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In the statement of activities, the long-term liability for Other Post Employment Benefits is recognized. The increase in the long-term liability does not require the use of current financial resources and is not reported in governmental funds.	\$ (7,817)
Internal service funds are used by management to charge the costs of various City activities to individual governmental and enterprise funds. The change in the unrestricted net position of the internal service funds is included in the Governmental Activities in the Statement of Activities. This amount is the net of the change in net position (\$1,047,031) less the capital contributions from other governmental funds (\$1,414,762).	(367,731)
Certain revenues in governmental funds are unavailable because they cannot be used to meet current financial obligations. In the Statement of Activities, revenues are recognized when earned.	(247,412)
Changes in net position - governmental activities	<u>\$ 2,803,392</u>

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

CITY OF ATASCADERO  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
 ATTACHMENT: 1

	Enterprise Funds			Internal Service Funds
	Wastewater Fund	Transit Fund	Totals	
<b>ASSETS</b>				
Current Assets:				
Cash and investments	\$ 12,621,761	\$ -	\$ 12,621,761	\$ 9,974,057
Receivables:				
Federal distributions due	-	194,528	194,528	-
Due from County of San Luis Obispo	63,150	45	63,195	-
Accrued interest	32,129	(148)	31,981	23,716
Other receivables	38,918	132	39,050	-
Prepaid expenses	-	2,375	2,375	13,699
Total current assets	<u>12,755,958</u>	<u>196,932</u>	<u>12,952,890</u>	<u>10,011,472</u>
Capital Assets:				
Non-depreciable:				
Land	547,738	-	547,738	-
Construction in progress	1,791,495	-	1,791,495	1,570,114
Depreciable:				
Vehicles and equipment	878,530	353,719	1,232,249	13,036,415
Structures and improvements	27,933,419	1,472,436	29,405,855	51,351,597
Accumulated depreciation	<u>(17,632,414)</u>	<u>(851,704)</u>	<u>(18,484,118)</u>	<u>(20,281,180)</u>
Net capital assets	<u>13,518,768</u>	<u>974,451</u>	<u>14,493,219</u>	<u>45,676,946</u>
Total assets	<u>26,274,726</u>	<u>1,171,383</u>	<u>27,446,109</u>	<u>55,688,418</u>
<b>DEFERRED OUTFLOWS</b>				
Deferred outflows related to pensions	<u>132,151</u>	<u>8,581</u>	<u>140,732</u>	<u>174,505</u>
Total deferred outflows	<u>132,151</u>	<u>8,581</u>	<u>140,732</u>	<u>174,505</u>

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

**CITY OF ATASCADERO**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION (continued)**  
**June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Wastewater Fund</b>	<b>Transit Fund</b>	<b>Totals</b>	
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	\$ 785,633	\$ 22,805	\$ 808,438	\$ 107,581
Accrued salaries and benefits	20,397	1,265	21,662	24,209
Unearned revenue	-	257,590	257,590	700
Due to other funds	-	7,841	7,841	-
Other payables	22,603	1,926	24,529	-
Noncurrent Liabilities:				
Noncurrent liabilities	829,074	55,411	884,485	1,103,042
Total liabilities	<u>1,657,707</u>	<u>346,838</u>	<u>2,004,545</u>	<u>1,235,532</u>
<b>DEFERRED INFLOWS</b>				
Deferred inflows related to pensions	34,881	2,524	37,405	43,961
Total deferred inflows	<u>34,881</u>	<u>2,524</u>	<u>37,405</u>	<u>43,961</u>
<b>NET POSITION</b>				
Net investment in capital assets	13,518,768	974,451	14,493,219	45,676,946
Unrestricted	11,195,521	(143,849)	11,051,672	8,906,484
Total net position	<u>\$ 24,714,289</u>	<u>\$ 830,602</u>	<u>\$ 25,544,891</u>	<u>\$ 54,583,430</u>

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

**CITY OF ATASCADERO**  
**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Wastewater Fund</b>	<b>Transit Fund</b>	<b>Totals</b>	
<b>Operating Revenues:</b>				
Service fees	\$ 2,879,841	\$ 15,145	\$ 2,894,986	\$ 1,820,100
Installation, extension, and connection fees	307,448	-	307,448	-
Total operating revenues	<u>3,187,289</u>	<u>15,145</u>	<u>3,202,434</u>	<u>1,820,100</u>
<b>Operating Expenses:</b>				
Salaries and benefits	693,972	44,044	738,016	840,965
Office expense	2,518	486	3,004	441
Advertising	194	-	194	-
Computer maintenance and replacement	33,385	23,720	57,105	3,370
Insurance	31,365	6,314	37,679	68,679
Occupancy and rental costs	11,222	2,270	13,492	43,190
Utilities	321,924	-	321,924	90,338
Communications	9,907	1,336	11,243	71,538
Operating supplies	108,919	116	109,035	43,459
Vehicle and equipment operating costs	102,153	27,937	130,090	11,471
Contract services	157,132	118,124	275,256	147,604
Professional development	6,853	60	6,913	3,273
Recruitment	-	324	324	-
Franchise fees	55,800	-	55,800	-
Administrative charges	357,080	164,060	521,140	73,850
Special projects:				
Shelving/Storage	771	-	771	-
Manhole rehabilitation projects	35,351	-	35,351	-
Wastewater fee study	12,141	-	12,141	-
Sewer System Management Plan Audit	3,530	-	3,530	-
Proposition 218 majority protest-rate increase	86	-	86	-
Monitors	-	-	-	1,409
Wireless networks	-	-	-	1,102

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

**CITY OF ATASCADERO**  
**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (continued)**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Wastewater Fund</b>	<b>Transit Fund</b>	<b>Totals</b>	
<b>Operating Expenses (continued):</b>				
Depreciation	\$ 698,429	\$ 116,611	\$ 815,040	\$ 1,950,037
Total operating expenses	2,642,732	505,402	3,148,134	3,350,726
Operating income (loss)	544,557	(490,257)	54,300	(1,530,626)
<b>Non-Operating Revenues (Expenses):</b>				
CARES Act funding - Operations	-	373,645	373,645	-
Interest income	24,608	(1,687)	22,921	29,425
Bus advertising sales	-	1,500	1,500	-
Gain / (loss) on sale of capital assets	-	9,525	9,525	5,940
Total non-operating revenues	24,608	382,983	407,591	35,365
Change in net position prior to capital contributions	569,165	(107,274)	461,891	(1,495,261)
<b>Capital Contributions:</b>				
Cash contributions from other funds	-	-	-	1,127,530
Capital contributions from other funds	-	-	-	1,414,762
Total capital contributions	-	-	-	2,542,292
Change in net position	569,165	(107,274)	461,891	1,047,031
Total net position, June 30, 2020	24,145,124	937,876	25,083,000	53,536,399
Total net position, June 30, 2021	\$ 24,714,289	\$ 830,602	\$ 25,544,891	\$ 54,583,430

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

**CITY OF ATASCADERO**  
**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
For the Fiscal Year Ended June 30, 2021

	<u>Enterprise Funds</u>			<u>Internal Service Funds</u>
	<u>Wastewater Fund</u>	<u>Transit Fund</u>	<u>Totals</u>	
<b>Cash Flows From Operating Activities:</b>				
Receipts from customers	\$ 3,182,649	\$ 16,540	\$ 3,199,189	\$ -
Internal activity - payments from other funds	-	-	-	1,820,100
Payments to suppliers of goods and services	(698,128)	(330,120)	(1,028,248)	(477,835)
Payments for employee services	(654,818)	(42,350)	(697,168)	(798,670)
Net cash provided (used) by operating activities	<u>1,829,703</u>	<u>(355,930)</u>	<u>1,473,773</u>	<u>543,595</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>				
Receipts from intergovernmental agencies	-	581,530	581,530	-
Receipts from bus advertising sales	-	1,500	1,500	-
Loans / repayments to other funds	-	(234,127)	(234,127)	-
Net cash provided by non-capital related financing activities	<u>-</u>	<u>348,903</u>	<u>348,903</u>	<u>-</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>				
Acquisition of capital assets	(1,460,179)	-	(1,460,179)	(647,312)
Cash contributions for capital purchases	-	-	-	1,127,530
Proceeds from sale of capital assets	-	9,525	9,525	5,940
Net cash provided (used) by capital and related financing activities	<u>(1,460,179)</u>	<u>9,525</u>	<u>(1,450,654)</u>	<u>486,158</u>

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

**CITY OF ATASCADERO**  
**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS (continued)**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Wastewater Fund</b>	<b>Transit Fund</b>	<b>Totals</b>	
<b>Cash Flows From Investing Activities:</b>				
Interest income	\$ 24,323	\$ (2,498)	\$ 21,825	\$ 28,987
Net cash provided (used) by investing activities	24,323	(2,498)	21,825	28,987
Net increase in cash and cash equivalents	393,847	-	393,847	1,058,740
Cash and cash equivalents - June 30, 2020	12,227,914	-	12,227,914	8,915,317
Cash and cash equivalents - June 30, 2021	\$ 12,621,761	\$ -	\$ 12,621,761	\$ 9,974,057
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ 544,557	\$ (490,257)	\$ 54,300	\$ (1,530,626)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	698,429	116,611	815,040	1,950,037
Change in assets, deferred outflows, liabilities, and deferred inflows:				
Receivables, net	(4,640)	1,395	(3,245)	-
Prepaid expenses	1,890	-	1,890	16,633
Accounts payable	550,313	14,627	564,940	66,723
Accrued salaries and benefits	(2,425)	(10)	(2,435)	(813)
Deferred outflows	(9,230)	(408)	(9,638)	(12,557)
Deferred inflows	(13,968)	(617)	(14,585)	(19,006)
Net pension liability	61,782	2,729	64,511	84,061
Compensated absences	2,995	-	2,995	(10,857)
Net cash provided (used) by operating activities	\$ 1,829,703	\$ (355,930)	\$ 1,473,773	\$ 543,595

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

**CITY OF ATASCADERO**  
PRIVATE PURPOSE TRUST FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	Successor Agency to the Community Redevelopment Agency of Atascadero	Housing Successor Agency to the Community Redevelopment Agency of Atascadero	Totals
<b><u>Successor Agency to the Atascadero Community Redevelopment Agency</u></b>			
<b>ASSETS</b>			
Cash and investments	\$ 1,626,972	\$ -	\$ 1,626,972
Restricted cash and investments:			
Cash with fiscal agent	873,535	-	873,535
Receivables:			
Accrued interest	3,814	-	3,814
Other receivables	350	-	350
Notes receivable	-	200,000	200,000
Due from Successor Agency	-	1,335,322	1,335,322
	<u>2,504,671</u>	<u>1,535,322</u>	<u>4,039,993</u>
Total assets			
<b>LIABILITIES</b>			
Accounts payable	2,670	-	2,670
Unearned revenue	474,391	-	474,391
Interest payable	311,581	-	311,581
Due to Successor Agency Housing Fund	1,335,322	-	1,335,322
Premium on bonds payable	22,371	-	22,371
2004 Bonds Payable	8,435,000	-	8,435,000
2010 Bond Reimbursement Agreement Payable to City of Atascadero	14,370,000	-	14,370,000
	<u>24,951,335</u>	<u>-</u>	<u>24,951,335</u>
Total liabilities			
<b>NET POSITION</b>			
Held in trust for taxing agencies	<u>\$ (22,446,664)</u>	<u>\$ 1,535,322</u>	<u>\$ (20,911,342)</u>

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

**CITY OF ATASCADERO**  
 PRIVATE PURPOSE TRUST FUNDS  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 For the Fiscal Year Ended June 30, 2021

	Successor Agency to the Community Redevelopment Agency of Atascadero	Housing Successor Agency to the Community Redevelopment Agency of Atascadero	Totals
<b>ADDITIONS</b>			
Contributions:			
RPTTF Distributions	\$ 1,819,716	\$ -	\$ 1,819,716
Investment earnings:			
Interest	(9,824)	-	(9,824)
Total additions	<u>1,809,892</u>	<u>-</u>	<u>1,809,892</u>
<b>DEDUCTIONS</b>			
Payment on outstanding services contracts	2,420	-	2,420
Administrative costs	47,020	-	47,020
2004 Bond Interest Expense	412,842	-	412,842
2010 Bond Reimbursement Interest Expense	717,563	-	717,563
Total deductions	<u>1,179,845</u>	<u>-</u>	<u>1,179,845</u>
Extraordinary Item			
Elimination of Loans Payable to City of Atascadero	<u>1,375,175</u>	<u>-</u>	<u>1,375,175</u>
Change in net position	2,005,222	-	2,005,222
Net position - June 30, 2020	<u>(24,451,886)</u>	<u>1,535,322</u>	<u>(22,916,564)</u>
Net position - June 30, 2021	<u>\$ (22,446,664)</u>	<u>\$ 1,535,322</u>	<u>\$ (20,911,342)</u>

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

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# NOTES TO THE BASIC FINANCIAL STATEMENTS

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Reporting Entity

The accompanying basic financial statements present the financial activity of the City, which is the primary government. The reporting entity is the City of Atascadero. There are no component units included in this report which meet the reporting entity definition criteria of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, GASB Statement No. 61, and GASB Statement No. 80.

B. Basis of Presentation

The City's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard-setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

The accompanying financial statements are presented on the basis set forth in Governmental Accounting Standards Board Statements No. 34, *Basic Financial Statements—Management's Discussion and Analysis—for State and Local Governments*; No. 36, *Recipient Reporting for Certain Non-Exchange Revenues, an Amendment of GASB Statement No. 33*; No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Government – Omnibus*; and No. 38, *Certain Financial Statement Note Disclosures*.

These statements require that the financial statements described below be presented.

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 the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *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*.

Separate financial statements are provided for governmental funds, proprietary funds, and private purpose trust funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

C. Major Funds

GASB Statement No. 34 defines major funds and requires that the City's major governmental funds are 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 either assets, liabilities, revenues, or expenditures/expenses equal to ten percent of their fund-type total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

General Fund

This fund accounts for all financial resources except those to be accounted for in another fund. It is the general operating fund of the City.

In Lieu Low/Moderate Income Housing Fund

This fund accounts for fees that are paid by developers in lieu of building inclusionary (affordable) housing. These fees are expended on programs that provide and/or promote affordable housing within the City.

Circulation System Fees Fund

This fund accounts for fees that are paid by developers to fund the creation of more lane miles or more efficient lane miles with which to accommodate the additional trips created by new development. These fees are expended for the construction of new/increased/improved roadway and bridge facilities.

Fire Aerial Vehicle Impact Fees Fund

This fund accounts for impact fees imposed on commercial and multi-family residential developments for the purpose of contributing toward the purchase of the Aerial Fire Truck (Ladder Truck). The City purchased this truck in fiscal year 2007-2008 using future revenues.

2010 Bond Debt Service Fund

This fund accounts for the debt service payments for the Lease Revenue Bonds that were issued on September 1, 2010.

The City reported the following major proprietary funds:

Wastewater Fund

This fund accounts for the activities associated with the City's sewer plant operation and maintenance.

Transit Fund

This fund accounts for the activities associated with the operation and maintenance of transportation services, such as and including the Dial-a-Ride Transit System.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

D. Internal Service Funds

The Internal Service Funds are used to account for services rendered on a cost-reimbursement basis within the City. The City maintains three internal service funds: the Technology Fund, the Vehicle and Equipment Replacement Fund, and the Building Maintenance and Replacement Fund. The Internal Service Funds are presented in total on the Proprietary Funds financial statements. They are included in the governmental activities in the government-wide financial statements since they represent internal governmental activities.

E. Private Purpose Trust Funds

Private Purpose Trust Funds are used to account for monies held on behalf of others in a fiduciary capacity. The City uses private purpose trust funds to account for the Successor Agency of the Former Redevelopment Agency which was dissolved on January 31, 2012, pursuant to state law. All resources of the funds are used to support specified activities.

F. Basis of Accounting

The government-wide, proprietary fund financial statements, and the private purpose trust fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent that they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues from nonoperating revenues. Operating revenues generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Wastewater Fund and the Transit Fund are charges to customers for services. The Wastewater Fund also recognizes as operating revenue the installation, extension and connections fees intended to recover the cost of connecting new customers to the system. All revenues not meeting these definitions are reported as non-operating revenues, including non-exchange transactions such as local transportation funds and federal Section 5307 revenues.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

F. Basis of Accounting (continued)

Other revenues susceptible to accrual include other taxes, intergovernmental revenues, interest, and charges for services.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures/expenses. The City’s policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

G. Compensated Absences

In compliance with Governmental Accounting Standards Board Statement No. 16, the City has established a liability for accrued vacation, other leave and certain sick leave in relevant funds. For governmental funds, the current liability appears in the respective funds. All vacation, sick, and other leave paid is accrued when incurred in the government-wide and proprietary funds financial statements. This liability is set up for the current employees at the current rates of pay. If vacation and certain other leave are not used by the employee during the term of employment, compensation is payable to the employee at the time of retirement or termination. Such compensation is calculated at the employee’s prevailing rate at the time of retirement or termination. Each fiscal year, an adjustment to the liability is made based on pay rate changes and adjustments for the current portion. The General Fund is primarily responsible for the repayment of the governmental portion of compensated absences.

H. Property Taxes

California Constitution Article XIII A limits the combined property tax rate to one percent of a property’s assessed valuation. Additional taxes may be imposed with voter approval. Assessed value is calculated at one hundred percent of a property’s fair value, as defined by Article XIII A, and may be increased no more than two percent per year unless a change in ownership or new construction occurs. The state legislature has determined the method of distributing the one percent tax levy among the various taxing jurisdictions.

Property tax revenues are recognized in the fiscal year for which taxes have been levied, and collected within sixty days of fiscal year end. Property taxes are billed and collected as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation/Lien Date(s)	January 1	January 1
Levy Date(s)	July 1	July 1
Due Date(s)	November 1 (50%) February 1 (50%)	August 1
Delinquency Date(s)	December 10 (Nov.) April 10 (Feb.)	August 31

The City adopted an alternative method of property tax distribution (the “Teeter Plan”). Under this method, the City receives 100% of its secured property tax levied in exchange for foregoing any interest and penalties collected on delinquent taxes. The City receives payments as a series of advances made by the County throughout the fiscal year. The secured property tax levy is recognized as revenue upon receipt, including the final payment, which generally is received within 60 days after the fiscal year end.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

I. Capital Assets Additions and Retirements

Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair value on the date contributed. The City's policy is to capitalize all capital assets with costs exceeding a minimum of \$2,500, and with useful lives exceeding one year. In the Technology Fund, the City uses a lower cost threshold to capitalize assets due to the nature of the assets.

With the implementation of GASB Statement No. 34, the City has recorded all its public domain (infrastructure) capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems.

The City's collection of zoo animals is not capitalized. The collection of animals is held for public education purposes, is well cared for, and there is a City commitment to continue the collection.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each fiscal year represents that fiscal year's pro rata share of the cost of capital assets. GASB Statement No. 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each fiscal year until the asset is fully depreciated. The City has assigned the useful lives listed below to capital assets.

Structures and Improvements	3-100 years
Equipment	3-25 years
Infrastructure	15-100 years

J. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the American Institute of Certified Public Accountants, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

K. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Proprietary Funds' "deposits" in the Citywide cash management pool are, in substance, demand deposits and are, therefore, considered cash equivalents for purposes of the statement of cash flows.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

L. Performance Bonds

The City receives performance bonds from developers to ensure compliance and completion of projects that affect the City's infrastructure. These commitments may be in the form of cash, certificates of deposit in the City's name, letters of credit, or surety bonds. Upon receipt, these deposits are recorded both as an asset and a liability. For purposes of simplifying the balance sheet, the performance bonds asset account in the amount of \$10,843,125 was netted against the liability account of \$10,900,044 in fiscal year 2021. The net balance in the performance bond deposits liability account at June 30, 2021, was \$56,919 and is included with other amounts in the "Deposits" liability reported in the basic financial statements.

M. Short-Term Debt

The City has no short-term debt.

N. Long-Term Contracts

The City uses the percentage-of-completion method of accounting for long-term contracts, recognizing the pro rata portion of the contract in the accounting period covered by the contract.

O. Fund Balance

Categories of Fund Balance

In accordance with Government Accounting Standards Board Statement No. 54, the City classifies fund balances as follows:

Non-spendable- includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints

Restricted- includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation

Committed- includes amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council

Assigned- includes fund balance amounts that are constrained for specific purposes by the City through formal action of the City Council and does not lapse at fiscal year end

Unassigned- includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds

Non-Spendable Fund Balance

The non-spendable fund balance of \$103,620 is comprised of amounts reported in non-spendable form and/or not in cash form such as prepaid items and deposits.

Restricted Fund Balance

The restricted fund balance of \$36,864,632 is comprised of \$783,106 for economic development to offset the impact of the impending closure of Pacific Gas and Electric's Diablo Canyon Power Plant, \$5,874,674 for affordable housing, \$15,774,765 restricted for debt service, and \$14,432,087 restricted for other Capital Project Funds and Special Revenue Funds.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

O. Fund Balance (continued)

Assigned Fund Balance

The assigned for road projects fund balance of \$230,825 is held in the Capital Projects Fund for road rehabilitation projects. These funds remain from the City Council's action to move funds annually in fiscal years 2001/2002 through 2007/2008 for these projects, and associated interest earnings.

Use of Fund Balance Order

The City budgets and expends funds for each project or expense based on specific identified funding sources that are available now and in the future. This means that, at times, the City may use unrestricted funds first for a particular project, leaving the eligible restricted funds available for a specific future project; however, it is the City's general policy to use restricted amounts first when both restricted and unrestricted amounts are available. Similarly, the City would typically first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Minimum Fund Balance Policy

The City adopted a formal fund balance policy stating that as part of the biennial budget process, fund balance shall be evaluated to determine the prudent level of reserves based on eleven key measurements. The policy further states that except in the case of natural or fiscal emergencies, the City's general fund balance shall not fall below 20% of General Fund expenditures. The General Fund reserve met this criterion for fiscal year 2020-2021.

Major Special Revenue and Capital Projects Funds

The purpose for each major fund may be found in Note 1(C); however, each major special revenue and capital projects fund and its revenue source is listed below:

**Major Special Revenue and Debt Service Funds**

In Lieu Low/Moderate Income Housing Fund  
Circulation System Fees Fund  
Fire Aerial Vehicle Impact Fees Fund  
2010 Bond Debt Service Fund

**Revenue Source**

New Developments  
Development Impact Fees  
Development Impact Fees  
Successor Agency Tax Increment

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

O. Fund Balance (continued)

Detailed Schedule of Fund Balances

A detailed schedule of fund balances is provided below:

Disclosure of Fund Balances Reported on Balance Sheet  
 June 30, 2021

	General Fund	In Lieu Low/Moderate Income Housing Fund	Circulation System Fees Fund	Fire Aerial Vehicle Impact Fees Fund	2010 Bond Debt Service Fund	Other NonMajor Governmental Funds	Totals
<b>FUND BALANCES:</b>							
Nonspendable							
Deposits, prepaid items, and inventory	\$ 102,890	\$ -	\$ -	\$ -	\$ -	\$ 730	\$ 103,620
Restricted							
Public Safety	-	-	-	-	-	1,803,205	1,803,205
Streets, Roads, and Drainage	-	-	2,850,002	-	-	6,646,536	9,496,538
Parks, Open Space, and Recreation	-	-	-	-	-	2,193,088	2,193,088
Community Development and Blight Elimination	783,106	-	-	-	-	939,256	1,722,362
Affordable Housing	-	5,874,674	-	-	-	-	5,874,674
Debt Service	-	-	-	-	15,774,765	-	15,774,765
Assigned							
Roads Projects	-	-	-	-	-	230,825	230,825
Unassigned							
	16,450,157	-	-	(739,841)	-	-	15,710,316
Total Fund Balances	<u>\$ 17,336,153</u>	<u>\$ 5,874,674</u>	<u>\$ 2,850,002</u>	<u>\$ (739,841)</u>	<u>\$ 15,774,765</u>	<u>\$ 11,813,640</u>	<u>\$ 52,909,393</u>

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

P. New GASB Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after June 15, 2021.
Statement No. 89	"Accounting for Interest Cost Incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2020.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2021.
Statement No. 92	"Omnibus 2020"	The provisions of this statement are effective for fiscal years beginning after June 15, 2021.
Statement No. 93	"Replacement of Interbank Offered Rates"	The provision of this statement except for paragraphs 11b, 13, and 14 are effective for fiscal years beginning after June 15, 2020. Paragraph 11b is effective for fiscal years beginning after December 31, 2021. Paragraphs years beginning after December 31, 2021. Paragraphs 13 and 14 are effective for fiscal years beginning after June 15, 2021.
Statement No. 94	"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 96	"Subscription-Based Information Technology Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2022.
Statement No. 97	"Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32"	The provisions of this statement are effective for fiscal years beginning December 15, 2019.

Q. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the City recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The City has one item which qualifies for reporting in this category; refer to Note 9 for a detailed listing of the deferred outflows of resources the City has recognized.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the City that is applicable to a future reporting period. The City has one item which qualifies for reporting in this category; refer to Note 9 for a detailed list of the deferred inflows of revenues the City recognized.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

R. 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 of Atascadero’s California 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.

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

A. Budgetary Information

Biennial budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. After adoption of the final budget, transfers of appropriations within a general fund department, or within other funds, can be made by the City Manager or her appointee. Budget modifications between funds, and increases or decreases to a fund’s overall budget, must be approved by the City Council. Numerous properly authorized amendments were made during the fiscal year.

Budgetary control is enhanced by integrating the budget into the general ledger accounts. Encumbrance accounting is employed (e.g., purchase orders) to avoid expenditures over budget. Encumbrances outstanding at fiscal year-end are automatically re-budgeted in the following fiscal year.

B. Deficit Fund Balance

A deficit fund balance in the following fund exists due to large purchases incurred prior to the receipt of the long-term reimbursing revenues:

	<u>Deficit Fund Balance</u>
Major Governmental Fund	
Fire Aerial Vehicle Impact Fees Fund	\$ (739,841)

C. Excess of Expenditures over Appropriations

	<u>Excess Expenditures</u>
Major Governmental Fund	
2010 Bond Debt Service Fund	\$ (2,673)

Expenditures exceeded projections in the above fund due to costs for insurance coverage per the bond covenants.

**NOTE 3 – CASH AND INVESTMENTS**

Cash balances from all funds are combined and invested to the extent possible, pursuant to the Investment Policy and Guidelines approved by the City Council, as well as State Government Code. The earnings from these investments are allocated monthly to each fund, based on an average of monthly opening and closing balances of cash and investments. Investments are stated at fair value.

Cash and investments at June 30, 2021, consisted of the following:

Pooled Cash and Investments:	
Cash in bank and on hand	\$ 186,661
Investments	33,265,773
Broker Money Market Account	48,686
Local Agency Investment Fund (LAIF)	<u>22,502,234</u>
Total Pooled Cash and Investments	<u>56,003,354</u>
Funds with Fiscal Agents:	
United States Treasury Money Fund	<u>2,278,300</u>
Total Funds with Fiscal Agents	<u>2,278,300</u>
Total Cash and Investments	<u><u>\$ 58,281,654</u></u>

Cash and investments are reflected in the accompanying financial statements as follows:

	Governmental Activities	Business- Type Activities	Private-Purpose Trust Funds	Total
Cash and investments	\$ 41,669,148	\$ 12,621,761	\$ 1,626,972	\$ 55,917,881
Cash and investments held by fiscal agents	1,404,765	-	873,535	2,278,300
Restricted certificates of deposit	85,473	-	-	85,473
Total Cash and Investments	<u>\$ 43,159,386</u>	<u>\$ 12,621,761</u>	<u>\$ 2,500,507</u>	<u>\$ 58,281,654</u>

**NOTE 3 – CASH AND INVESTMENTS (continued)**

A. Deposits with Financial Institutions

For custodial credit risk associated with deposits, the City follows the California Government Code, which requires California financial institutions to secure the City's deposits 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.

At fiscal year end, the City's bank account balance was \$248,959. The balance was insured by federal depository insurance. Certificates of Deposit totaling \$14,055,974 are fully insured.

B. State Investment Pool

The fair value of the City's position in the State LAIF pool is the same as the value of the pool shares. The State LAIF pool credit quality is unrated.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. Separate financial statements for LAIF can be obtained by writing Local Agency Investment Fund, Post Office Box 942809, Sacramento, CA 94209-0001.

C. Authorized Investments

The City's Investment Policy lists the following as authorized investments:

- Local Agency Investment Fund (LAIF)
- U.S. Government Obligations
- California and California Local Agency Municipal Obligations
- Other State Municipal Obligations
- Supranational Securities
- Bankers' Acceptances
- Commercial Paper
- Certificates of Deposit and Passbook Savings Accounts
- Money Market Funds

D. Marking Investments to Fair Value (GASB Statement No. 31)

In fiscal year 1997/98, the City adopted Governmental Accounting Standards Board Statement No. 31, which requires that the City's investments be carried at fair value instead of cost. Under GASB Statement No. 31, the City must adjust the carrying value of its investments to reflect their fair value at each fiscal year end, and it must include the effects of these adjustments in income for that fiscal year.

GASB Statement No. 31 applies to all City investments, even if held to maturity and redeemed at full face value. Since the City's policy is to hold all investments to maturity, the fair value adjustments required by GASB Statement No. 31 result in accounting gains or losses (called "recognized" gains or losses) which do not reflect actual sales of the investments (called "realized" gains or losses). Thus, recognized gains or losses on an investment purchased at par will now reflect changes in its value at each succeeding fiscal year end, but these recognized gains or losses will net to zero if the investment is held to maturity. By following the requirements of GASB Statement No. 31, the City is reporting the amount of resources which would actually have been available if it had been required to liquidate all of its investments at any fiscal year end.

**NOTE 3 – CASH AND INVESTMENTS (continued)**

E. Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurements and Application*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with Level 1 given the highest priority and Level 3 the lowest priority. The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include the following:

1. Quoted prices for similar assets or liabilities in active markets.
2. Quoted prices for identical or similar assets or liabilities in markets that are not active.
3. Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
4. Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 inputs are unobservable inputs for the asset or liability.

Fair value of assets measured on a recurring basis at June 30, 2021, are as follows:

June 30, 2021	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Uncategorized (Level 3)
U. S. Government Obligations	\$ 13,443,543	\$ -	\$ 13,443,543	\$ -
Supranational Securities	3,632,030	-	3,632,030	-
Municipal Securities	2,134,226	-	2,134,226	-
Certificates of Deposit	14,055,974	-	14,055,974	-
Broker Money Market Account	48,686	-	48,686	-
United States Treasury Money Fund	2,278,300	-	2,278,300	-
	<u>35,592,759</u>	<u>\$ -</u>	<u>\$ 35,592,759</u>	<u>\$ -</u>
Investments measured at amortized cost				
Local Agency Investment Fund (LAIF)	22,502,234			
Total investments	<u>\$ 58,094,993</u>			

Fair values for investments are determined by using a matrix pricing technique. Matrix pricing is used to value securities based on the security's relationship to benchmark quoted prices. Uncategorized investments do not fall under the fair value hierarchy as there is no active market for the investments.

**NOTE 3 – CASH AND INVESTMENTS (continued)**

F. Investments

Investments for the City are summarized below:

<b>Investments</b>	<u>Fair Value</u>	<u>Percent of Portfolio</u>
U.S. Government Obligations	\$ 13,443,543	24%
Supranational Securities	3,632,030	7%
Municipal Securities	2,134,226	4%
Certificates of Deposit	14,055,974	25%
Broker Money Market	48,686	0%
Local Agency Investment Fund (LAIF)	22,502,234	40%
Total Investments Managed by City	<u>\$ 55,816,693</u>	<u>100%</u>

**Investments Held by Fiscal Agents**

United States Treasury Money Fund	<u>\$ 2,278,300</u>	<u>100%</u>
Total Investments Held by Fiscal Agents	<u>\$ 2,278,300</u>	<u>100%</u>

<b>Investments</b>	<u>Fair Value</u>	<u>On Demand</u>	<u>Within One Month</u>	<u>One Month to One Year</u>	<u>One to Five Years</u>
U.S. Government Obligations	\$ 13,443,543	\$ -	\$ -	\$ 3,035,575	\$ 10,407,968
Supranational Securities	3,632,030	-	-	-	3,632,030
Municipal Securities	2,134,226	-	-	-	2,134,226
Certificates of Deposit	14,055,974	-	-	2,378,320	11,677,654 *
Broker Money Market	48,686	-	48,686	-	-
Local Agency Investment Fund (LAIF)	22,502,234	22,502,234	-	-	-
Investments Held by Fiscal Agents	2,278,300	2,278,300 **	-	-	-
Total Investments Managed by City	<u>\$ 58,094,993</u>	<u>\$ 24,780,534</u>	<u>\$ 48,686</u>	<u>\$ 5,413,895</u>	<u>\$ 27,851,878</u>
Percentage of Portfolio	100%	43%	0%	9%	48%

\* \$85,473 in certificates of deposit with a local bank, serving as collateral for the Local Road Improvement Loan Program, approved by Council on June 14, 2005.

\*\* Held by fiscal agents for the 2010 Lease Revenue Bonds and the 2004 Tax Allocation Bonds

**NOTE 3 – CASH AND INVESTMENTS (continued)**

F. Investments (continued)

*Interest Rate Risk.* This is the risk that the market value of securities in the portfolio will fall, due to changes in general interest rates. In accordance with its Investment Policy, the City mitigates interest rate risk by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pool.

*Credit Risk.* This is the risk of loss due to the failure of the security issuer or backer. The City mitigates credit risk by:

- Limiting investments to the safest types of securities.
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by Nationally Recognized Statistical Rating Organizations (NRSROs). It is the City's policy to limit its investments in these investment types to the top rating issued by NRSROs. The City does not hold any commercial paper or corporate bonds. U. S. Government Obligations held by the City are rated AAA, the top rating issued by NRSROs. The City's investment in the State LAIF pool is unrated, as are the investments in Certificates of Deposit.

	Fair Value	Rating as of June 30, 2021	
		AAA	Not Rated
<b>Investments</b>			
U. S. Government Obligations	\$ 13,443,543	\$ 13,443,543	\$ -
Supranational Securities	3,632,030	3,632,030	-
Municipal Securities	2,134,226	-	2,134,226
Certificates of Deposit	14,055,974	-	14,055,974
Broker Money Market	48,686	-	48,686
Local Agency Investment Fund (LAIF)	22,502,234	-	22,502,234
Investments Held by Fiscal Agents	2,278,300	-	2,278,300
Total Investments Managed by City	<u>\$ 58,094,993</u>	<u>\$ 17,075,573</u>	<u>\$ 41,019,420</u>

*Custodial Credit Risk.* Custodial credit risk is the risk that in the event of failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investments in government securities are held in trust by Union Bank and are exposed to custodial credit risk because these investments are uninsured and collateralized with securities held by the Union Bank's trust department or agency, but not in the City's name. The amounts held under this custodial arrangement are not limited by the City's Investment Policy.

**NOTE 3 – CASH AND INVESTMENTS (continued)**

F. Investments (continued)

*Concentration Credit Risk.* The City's Investment Policy provides 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. The City's Investment Policy outlines the following criteria related to portfolio diversification:

- No more than thirty percent (30%) of the City's portfolio shall be invested in California and California local agency municipal obligations, and other state municipal obligations.
- Up to forty percent (40%) of the City's portfolio may be invested in bankers' acceptances that are defined as bills of exchange or time drafts, drawn on and accepted by a commercial bank, which are eligible for purchase by the Federal Reserve System, although no more than thirty percent (30%) of the portfolio may be invested in bankers' acceptances with any one commercial bank. Additionally, the maturity periods cannot exceed 180 days.
- A maximum of twenty-five percent (25%) of the City's portfolio may be invested in highest tier (e.g., A-1, P-1, F-1 or D-1 or higher) commercial paper as rated by Moody's or Standard and Poor's rating service. Issuing corporations must be organized and operating in the United States, have \$500 million total assets, and have at least an "A" rating (by Moody's or Standard and Poor's) on debt other than commercial paper. The maturity period cannot exceed 270 days. Purchases of eligible commercial paper may not exceed 10% of the outstanding paper of an issuing corporation.
- A maximum of thirty percent (30%) of the City's portfolio may be deposited in certificates of deposit or passbook savings accounts. The minimum requirements for certificate of deposit investments shall be:
  - Investments and accrued interest shall never exceed the FDIC insurance limit in any one institution.
  - Qualified institutions must have a minimum equity ratio of 6% and a minimum capitalization of \$10,000,000.
- Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec 80a-l et seq.) shall not exceed twenty percent (20%) of the agency's surplus money that may be invested pursuant to the City's Investment Policy.
- Up to thirty percent (30%) of the City's portfolio may be invested in United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this paragraph shall be rated in a rating category of "AA" or its equivalent or better by a nationally recognized statistical rating organization. No more than 10% of the City's portfolio shall be invested in obligations of any one bank.

G. Funds with Fiscal Agents

The City had \$1,404,765 in cash and investments as of June 30, 2021, held by fiscal agents pledged for the payment or security of the 2010 Lease Revenue Bonds. There was an additional \$873,535 held by fiscal agents for the 2004 Redevelopment Agency Tax Allocation Bonds in the Successor Agency to the Community Redevelopment Agency of Atascadero Private Purpose Trust Fund. The California Government Code provides that these monies, in the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, may be invested in accordance with the ordinance, resolutions, or indentures specifying the types of investments its fiscal agents may make.

**NOTE 4 – ADVANCES RECEIVABLE – SUCCESSOR AGENCY**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
2010 Bond Debt Service Fund	Successor Agency General Fund	\$ 14,370,000
Total		<u>\$ 14,370,000</u>

Advances receivable of \$14,370,000 consists of a reimbursement agreement with the City for bond debt service. In September of 2010, the City issued bonds on behalf of the former Redevelopment Agency and entered into a reimbursement agreement at that time whereby the City advanced the former Agency the proceeds of the bond and the former Agency was required to make annual payments to the City in the amount of the debt service on the bonds. With the dissolution of redevelopment, this is now a debt of the Successor Agency and the Successor Agency will continue to make the required payments. See Note 15D – Successor Agency Trust for Assets of Former Redevelopment Agency, Bond Reimbursement Agreement Payable, for additional information. This arrangement meets the criteria of ABX1 26, Section 34171(d)(G)(2):

- Written agreement entered into:
  - At the time of issuance, but no later than December 31, 2010, of indebtedness obligations
  - Solely for the purpose of securing or repaying those indebtedness obligations
- Section 34171(e) defines “indebtedness obligation”: bonds, notes, certificates of participation, or other evidence of indebtedness, issued or delivered by the redevelopment agency, or by a joint exercise of powers authority created by the redevelopment agency, to third-party investors or bondholders to finance or refinance redevelopment projects undertaken by the redevelopment agency in compliance with the Community Redevelopment Law.

**NOTE 5 – NOTES RECEIVABLE**

Notes Receivable in the amount of \$4,557,430 is outstanding in the In Lieu Low/Moderate Income Housing Fund. Developments meeting certain criteria must either pay an In-Lieu fee into the fund or provide “affordably” priced homes for sale to income qualified buyers. These homes are sold by developers at prices below fair market value and the City records notes receivable against the titles in the amounts equal to the difference between the reduced sales prices and the fair market values. The loans are either paid back on a pro-rata share of equity at the time the homes sell, or are forgiven after a period of 30 years of ownership by the same homeowner. The Notes Receivable amount includes loans for 22 homes in the Very Low Income category and 10 homes in the Low/Moderate Income category.

**NOTE 6 – CAPITAL ASSETS**

A. Capital Assets Additions and Retirements

Capital assets activity in the Governmental Activities for the fiscal year ended June 30, 2021, was as follows:

	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers Between Assets</u>	<u>Balance June 30, 2021</u>
<b>Governmental Activities</b>					
Non-Depreciable Capital Assets					
Land	\$ 41,586,578	\$ 1,519	\$ -	\$ -	\$ 41,588,097
Construction in progress	8,213,095	5,075,512	-	(7,738,884)	5,549,723
Total non-depreciable capital assets	<u>49,799,673</u>	<u>5,077,031</u>	<u>-</u>	<u>(7,738,884)</u>	<u>47,137,820</u>
Depreciable Capital Assets					
Vehicles and equipment	12,620,842	452,193	(58,628)	112,724	13,127,131
Structures and improvements	54,291,867	-	-	837,257	55,129,124
Infrastructure	69,668,498	-	(2,447,896)	6,788,903	74,009,505
Total depreciable capital assets	136,581,207	452,193	(2,506,524)	7,738,884	142,265,760
Less Accumulated Depreciation	<u>(50,461,053)</u>	<u>(3,691,990)</u>	<u>1,910,450</u>	<u>-</u>	<u>(52,242,593)</u>
Net depreciable capital assets	<u>86,120,154</u>	<u>(3,239,797)</u>	<u>(596,074)</u>	<u>7,738,884</u>	<u>90,023,167</u>
Net governmental capital assets	<u>\$ 135,919,827</u>	<u>\$ 1,837,234</u>	<u>\$ (596,074)</u>	<u>\$ -</u>	<u>\$ 137,160,987</u>

**NOTE 6 – CAPITAL ASSETS (continued)**

A. Capital Assets Additions and Retirements (continued)

Capital assets activity in the Business-Type Activities for the fiscal year ended June 30, 2021, was as follows:

	<u>Balance</u> <u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2021</u>
<b>Business-Type Activities</b>				
Non-Depreciable Capital Assets				
Land	\$ 547,738	\$ -	\$ -	\$ 547,738
Construction in progress	368,097	1,423,398	-	1,791,495
Total non-depreciable capital assets	<u>915,835</u>	<u>1,423,398</u>	<u>-</u>	<u>2,339,233</u>
Depreciable Capital Assets				
Vehicles and equipment	1,319,645	36,781	(124,177)	1,232,249
Structures and improvements	29,405,855	-	-	29,405,855
Total depreciable capital assets	30,725,500	36,781	(124,177)	30,638,104
Less Accumulated Depreciation	<u>(17,793,255)</u>	<u>(815,040)</u>	<u>124,177</u>	<u>(18,484,118)</u>
Net depreciable capital assets	<u>12,932,245</u>	<u>(778,259)</u>	<u>-</u>	<u>12,153,986</u>
Net business-type capital assets	<u>\$ 13,848,080</u>	<u>\$ 645,139</u>	<u>\$ -</u>	<u>\$ 14,493,219</u>

**NOTE 6 – CAPITAL ASSETS (continued)**

B. Depreciation Allocations

Depreciation expense was charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program were as follows:

**Governmental Activities:**

General government	\$ 347,956
Public safety	693,646
Community development	226,059
Community, recreation & zoo services	369,082
Parks & open space	262,719
Public works	<u>1,792,528</u>

Total Depreciation Expense- Governmental Activities \$ 3,691,990

**Business-Type Activities:**

Sewer	\$ 698,429
Transit	<u>116,611</u>

Total Depreciation Expense- Business-Type Activities \$ 815,040

**NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

A. Interfund Receivables and Payables

Due to/due from other funds consist of short-term interfund loans made for the purposes of cash flows. They are expected to be repaid by the borrowing fund within one year. The composition of due to/due from balances at June 30, 2021, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 206,779
General Fund	Transit Fund	7,841
Nonmajor Governmental Funds	Fire Aerial Vehicle Impact Fees Fund	739,841
Total		<u>\$ 954,461</u>

B. Interfund Transfers

Interfund transfers were made as follows:

Interfund Transfers  
 June 30, 2021

<u>Actual Amount</u>	<u>Description</u>
\$ 250,000	Transfer from the General Fund to the Technology Fund for equipment replacement for Chamber technology upgrades
645,010	Transfer from the General Fund to the Vehicle and Equipment Replacement Fund for equipment replacement
47,000	Transfer from the General Fund to the Vehicle and Equipment Replacement Fund for backhoe tractor
158,120	Transfer from the General Fund to the Vehicle and Equipment Replacement Fund for reserve fund deficit
27,400	Transfer from the General Fund to the Technology Fund for equipment replacement for laserfiche licenses
698,950	Transfer from the Community Facilities District Fund to the General Fund for fire, police and park services
251,817	Transfer from the General Fund to the Gas Tax Fund for the cost of Streets Department operations
98,588	Transfer from the Gas Tax Fund to the Local Transportation Fund for the El Camino Real South Rehabilitation Project
1,850	Transfer from the General Fund to the Las Lomas Landscape & Lighting Fund for open space maintenance
1,400	Transfer from the General Fund to the De Anza Landscape & Lighting Fund for open space maintenance
<u>\$ 2,180,135</u>	

**NOTE 8 – LONG-TERM LIABILITIES**

A. Compensated Absences

City employees accumulate earned but unused vacation and certain other leave pay benefits which can be converted to cash at termination of employment. In the statement of activities, the expenditure is allocated to each function based on usage. The vested benefits payable in accordance with various collective bargaining agreements at June 30, 2021, total \$1,511,206 for governmental activities and \$35,285 for business-type activities.

B. 2010 Lease Revenue Bonds

On September 1, 2010, the City of Atascadero issued \$16,010,000 in Lease Revenue Bonds for the former Community Redevelopment Agency of Atascadero. The bonds were issued by the City in order to achieve an overall lower interest rate on the bonds. The bond proceeds were transferred to the former Redevelopment Agency for use on the Historic City Hall Project and other redevelopment blight elimination projects. These bonds mature between fiscal years 2015 and 2041, at interest rates ranging from 3.0% to 5.0%. The Successor Agency makes payments, from tax increment revenues, to the City in amounts equal to the annual debt service payments on the bonds. The bonds will then be repaid by the City using these revenues.

The following is a summary of principal and interest payments to be made in future fiscal years:

Fiscal Year Ending June 30,	2010 Lease Revenue Bonds	
	Principal	Interest
2022	\$ 270,000	\$ 702,012
2023	275,000	689,737
2024	295,000	676,963
2025	305,000	664,581
2026	315,000	651,800
2027-2031	1,830,000	3,007,750
2032-2036	3,180,000	2,469,500
2037-2041	7,900,000	1,026,250
	<u>\$ 14,370,000</u>	<u>\$ 9,888,593</u>

**NOTE 8 – LONG-TERM LIABILITIES (continued)**

C. Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Additions	Payments	Balance June 30, 2021	Due Within One Year
Governmental Activities:					
Bonds Payable:					
2010 Lease Revenue Bonds	\$ 14,630,000	\$ -	\$ (260,000)	\$ 14,370,000	\$ 270,000
Compensated Absences	1,715,273	990,690	(1,194,757)	1,511,206	-
Premium on 2010 Lease Revenue Bonds	60,440	-	(2,982)	57,458	2,982
Workers' Compensation estimated claims liability in excess of deposits	139,672	5,867	(193,447)	(47,908)	-
Net Pension Liability	27,652,620	5,387,716	(3,263,475)	29,776,861	-
Other Post Employment Benefits Liability	215,480	14,543	(6,726)	223,297	-
Total Governmental Activities	<u>\$ 44,413,485</u>	<u>\$ 6,398,816</u>	<u>\$ (4,921,387)</u>	<u>\$ 45,890,914</u>	<u>\$ 272,982</u>
Business-type Activities:					
Compensated Absences	\$ 32,290	\$ 39,139	\$ (36,194)	\$ 35,235	\$ -
Net Pension Liability	784,689	167,572	(103,061)	849,200	-
Total Business-type Activity	<u>\$ 816,979</u>	<u>\$ 206,711</u>	<u>\$ (139,255)</u>	<u>\$ 884,435</u>	<u>\$ -</u>

**NOTE 9 – EMPLOYEE RETIREMENT BENEFITS**

A. Public Employees' Retirement System

Summary of Significant Accounting Policies-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 of Atascadero'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.

**NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)**

A. Public Employees’ Retirement System (continued)

Plan Descriptions

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 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 of Atascadero sponsors six rate plans (three miscellaneous and three safety.) Benefit provisions under the Plan are established by State statute and City of Atascadero resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

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 services, equal to a fixed percentage of their highest annual salary formula as determined by the benefit program they participate in. 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.

The rate plan provisions and benefits in effect at June 30, 2021, are summarized as follows:

	<b>Miscellaneous Plan</b>		
	<i>Tier 1</i>	<i>Tier 2</i>	<i>Tier 3</i>
Hire date	Prior to July 1, 2012	On or after July 1, 2012	On or after January 1, 2013
Benefit formula	2.5% @ 55	2.0% @ 55	2.0% @ 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% to 2.5%	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8.00%	7.00%	6.50%
Required employer contribution rates	13.15%	11.20%	7.87%

**NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)**

A. Public Employees’ Retirement System (continued)

Benefits Provided (continued)

	<b>Safety Plan</b>		
	<i>Tier 1</i>	<i>Tier 2</i>	<i>Tier 3</i>
	Prior to July 1, 2012	On or after July 1, 2012	On or after January 1, 2013
Hire date			
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50-55	50-57
Monthly benefits, as a % of eligible compensation	3.0%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	9.00%	9.00%	12.00%
Required employer contribution rates	23.67%	20.59%	13.04%

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 is 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 the employees.

The City’s contributions to the Plan for the fiscal year ended June 30, 2021, were \$3,742,162.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund. The dollar amount was paid at the beginning of the fiscal year. The City of Atascadero’s required contribution for the unfunded liability and side fund was \$2,279,885 in fiscal year 2021.

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

As of June 30, 2021, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$30,626,061.

The City’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to other projected contributions of all participating employers, actuarially determined.

**NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)**

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

The City's proportionate share of the net pension liability for the Plan as of measurement dates June 30, 2020, and 2019, was as follows:

**Proportionate Percentage Share of Net Pension Liability**

	Percentage share of Plan		Change: Increase/ (Decrease)
	June 30, 2021	June 30, 2020	
Measurement Date	6/30/2020	6/30/2019	
Percentage of Plan (PERF C) Net Pension Liability	0.28148%	0.27752%	0.00396%

For the fiscal year ended June 30, 2021, the City recognized pension expense of \$5,204,109. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	All Plans	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,037,231	\$ -
Changes of assumptions	-	(151,363)
Net differences between projected and actual earnings on plan investments	769,123	-
Change in employer's proportion	390,945	(40,444)
Differences between the employer's contributions and the employer's proportionate share of contributions	-	(484,629)
Pension contributions subsequent to measurement date	3,742,162	-
Total	\$ 6,939,461	\$ (676,436)

**NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)**

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

\$3,742,162 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 fiscal year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Deferred Outflows / (Inflows) of Resources
2022	\$ 452,375
2023	974,591
2024	716,787
2025	377,110

Actuarial Assumptions – For the measurement period ended June 30, 2020, the total pension liabilities were determined by rolling forward the June 30, 2019, total pension liability. The June 30, 2020, total pension liabilities were based on the following actuarial methods and assumptions:

	<u>Plan</u>
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Post Retirement Benefit Increase	Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies
Mortality	Derived using CalPERS' Membership Data for all Funds. The mortality rates include 15 years of projected on-going mortality improvements using 90% of Scale MP 2016 published by the Society of Actuaries.

**NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)**

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

Actuarial Assumptions (continued)

The mortality table used was developed based on CalPERS' specific data. This table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more detail on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 7.15%. 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.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

**NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)**

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

The following table reflects long-term expected real rate of return by asset class. The rates of return were calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	Assumed Asset Allocation <sup>1</sup>	Real Return Years 1-10 <sup>2</sup>	Real Return Years 11+ <sup>3</sup>
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100.0%		

(1) In the CalPERS ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(2) An expected inflation of 2.00% used for this period.

(3) An expected inflation of 2.92% used for this period.

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

The following presents the City's proportionate share of the net pension 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 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate		
	6.15% (1% Decrease)	7.15% (Current Rate)	8.15% (1% Increase)
Measurement Date	6/30/2020		
Fiscal Year End	6/30/2021		
Net Pension Liability	\$ 45,310,054	\$ 30,626,061	\$ 18,539,720

**NOTE 9 – EMPLOYEE RETIREMENT BENEFITS (continued)**

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

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net positions is available in separately issued CalPERS financial reports.

C. Payable to the Pension Plan

The City paid 100% of the required actuarially determined contributions for the fiscal year ending June 30, 2021, and therefore recorded no payables to the pension plan for the same period.

D. Defined Contribution Plan

The City offers a defined contribution plan, Nationwide Retirement Solutions, for those employees that are excluded from CalPERS membership due to part-time or elected status. The plan is approved as a FICA substitute. Members contribute 5% and the City contributes 2.5%. Total employee contributions for the year were \$7,360, and total contributions from the City were \$3,680. Nationwide Retirement Solutions is the public employee plan subsidiary of Nationwide Financial Services, Inc. (NYSE: NFS).

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS**

Plan Description

In addition to the CalPERS pension benefits described above, the City provides post-retirement health benefits for Executive Management (City Council, City Manager, Deputy City Managers, and Department Heads). The City agreed to reimburse the retiree for retiree and/or retiree's dependent health (medical/dental/vision) insurance premiums, disability insurance, long-term health care or life insurance premiums up to a maximum of \$200 per month. The benefit is available upon retirement from CalPERS or other similar retirement program after age 50, and the employee must have served for eight years with the City. The benefit extends between the date of retirement and age 65. Currently, there are five people that received benefits in fiscal year 2020/2021, and thirteen other people that may become eligible for benefits under this program. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Contributions

The City accounts for this benefit on a pay-as-you-go basis. Post employment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay for benefits and administrative costs. These expenditures are paid as they come due. In fiscal year ended June 30, 2021, the City's total contributions were \$6,726.

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (continued)**

Employees Covered

As of June 30, 2021, the following current and former employees were covered by the benefit under the plan.

Active members	13
Inactive members	3
Beneficiaries	5
Total	<u>21</u>

Total OPEB Liability

The City has elected to calculate the OPEB liability and related information using the alternative measurement method permitted by GASB Statement 75 for employers in plans with fewer than one hundred total plan members. The City's OPEB liability was measured as of June 30, 2021, and the total OPEB used to calculate the OPEB liability was from the City's valuation as of June 30, 2021.

Changes in the OPEB Liability

	Total OPEB Liability
Balance at June 30, 2020 (valuation date June 30, 2020)	<u>\$ 215,480</u>
Changes recognized for the measurement period:	
Service cost	8,079
Interest	6,464
Benefit payments	<u>(6,726)</u>
Net changes	<u>7,817</u>
Balance at June 30, 2021 (valuation date June 30, 2021)	<u>\$ 223,297</u>

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (continued)**

Sensitivity of the OPEB Liability to Changes in the Discount Rate

The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.00%) or 1-percentage point higher (4.00%) than the current discount rate.

	Discount Rate		
	1% Decrease 2.00%	Current 3.00%	1% Increase 4.00%
OPEB Liability	\$ 224,376	\$ 223,297	\$ 222,368

Sensitivity of the OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the OPEB liability, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower (2.00%) or 1-percentage point higher (4.00%) than the current Healthcare Trend Rate of 3.0%.

	Healthcare Trend Rate 3%		
	1% Decrease 2.00%	Current 3.00%	1% Increase 4.00%
OPEB Liability	\$ 222,368	\$ 223,297	\$ 224,376

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

*Retirement age for active employees* – Based on the historical average retirement age for the covered group, public safety active plan members were assumed to retire at age 50, or at the first subsequent year in which the member would qualify for benefits and other active plan members were assumed to retire at age 55, or at the first subsequent year in which the member would qualify for benefits.

*Mortality* – All active and inactive plan members were expected to live through age 65 (the age that benefits terminate).

*Turnover* – All active members were expected to remain employed until the assumed retirement/age.

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (continued)**

Actuarial Methods and Assumptions (continued)

*Discount Rate* – Based on the historical and expected returns of the City’s short-term investment portfolio, a discount rate of 3.0 percent was used. In addition, a simplified version of the projected unit credit and level cost method was used. The remaining amortization period at June 30, 2021, was twenty-three years.

**NOTE 11 – REVENUE LIMITATIONS IMPOSED BY CALIFORNIA PROPOSITION 218**

Proposition 218, which was approved by voters in November 1996, regulates the City’s ability to impose, increase and extend taxes, assessments, and fees. Any new, increase, or extended taxes, assessments, and fees subject to the provisions of Proposition 218, require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments, and fees are subject to the voter initiative process and may be rescinded in the future years by the voters.

**NOTE 12 – RISK MANAGEMENT**

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Atascadero is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 123 California public entities and is organized under a joint powers’ agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B. Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

**NOTE 12 – RISK MANAGEMENT (continued)**

B. Primary Self-Insurance Programs of the Authority (continued)

Primary Liability Program (continued)

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses also have \$50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: <https://cjpia.org/coverage/risk-sharing-pools/>.

Primary Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2020-21 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

C. Purchased Insurance

Pollution Legal Liability Insurance

The City of Atascadero participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Atascadero. Coverage is on a claims-made basis. There is a \$250,000 deductible. The Authority has an aggregate limit of \$20 million.

Property Insurance

The City of Atascadero participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Atascadero property is currently insured according to a schedule of covered property submitted by the City of Atascadero to the Authority. City of Atascadero property currently has all-risk property insurance protection in the amount of \$88,590,546. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Crime Insurance

The City of Atascadero purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

**NOTE 12 – RISK MANAGEMENT (continued)**

C. Purchased Insurance (continued)

Special Event Tenant User Liability Insurance

The City of Atascadero further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City of Atascadero according to a schedule. The City of Atascadero then pays for the insurance. The insurance is facilitated by the Authority.

D. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in fiscal year 2020-21.

E. Unemployment

The City is fully self-insured for unemployment claims.

**NOTE 12 – RISK MANAGEMENT (continued)**

F. Self Insurance

The City retains the risk for losses incurred prior to joining the Authority. Several member agencies of the now dissolved Central Coast Cities Self-Insurance Fund continue to participate in a non-risk sharing arrangement for claims management and the purchase of excess insurance for claims prior to joining the Authority. Losses are debited and investment income is credited to specific member accounts. The City has not incurred any losses in excess of insurance coverage.

Self-insurance activity as of and for the year ended June 30, 2021, is summarized as follows:

	<b><u>Workers'</u></b>
	<b><u>Compensation</u></b>
Interest earnings and other income	\$ 72
Claims expense	5,867
Estimated liability for reported claims and settlement expenses	112,717
Assets on deposit	<u>160,625</u>
Assets in excess of (less than) liabilities	<u>\$ 47,908</u>

Changes in the balances of claim liabilities during the past two fiscal years are as follows:

	<b><u>Workers'</u></b>
	<b><u>Compensation</u></b>
Deposits (unpaid claims liability) June 30, 2019	\$ (132,302)
Claim payments and related expenditures	(59,402)
Decrease in estimated claims liability June 30, 2020	51,627
Deposits and interest earnings	<u>405</u>
Deposits (unpaid claims liability) June 30, 2020	(139,672)
Claim payments and related expenditures	(5,867)
Decrease in estimated claims liability June 30, 2021	36,375
Deposits and interest earnings	<u>157,072</u>
Deposits (unpaid claims liability) June 30, 2021	<u>\$ 47,908</u>

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**NOTE 13 – CONTINGENCIES AND COMMITMENTS**

The City had received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

According to the City Attorney, there are two potentially significant issues pending.

Andrew Sunderland V. City of Atascadero, San Luis Obispo Superior Court Case No. 21 CVP-0074

On March 24, 2021, Andrew J. Sutherland, Trustee of the Andrew J. Sutherland Trust dated April 26, 2016 (“Sutherland”) filed a Petition for Writ of Mandate and Complaint for Procedural and Substantive Taking of Property (“Petition”) which includes the following allegations. Sunderland owns property located at 6020 Conejo Road in the City of Atascadero and the property has a billboard which was erected in 1953 pursuant to a permit issued by the State of California (“Original Billboard”). On January 22, 2017, a large windstorm blew down the Original Billboard and Outfront Media erected a new billboard by March 7, 2017 (“Outfront Billboard”). Outfront removed its billboard following a demand for removal by the City. In August 2019, Sunderland constructed a new billboard (“Reconstructed Original Billboard”). The Petition alleges that the Original Billboard became vested as a lawful use by virtue of the 1953 State permit and Business and Professions Code Section 5412. The Petition prays for a writ of mandate directing the City to accept the application from Sunderland to permit the Reconstructed Billboard and an award of damages of no less than \$600,000 for the taking of the billboard. The City has filed an Answer to the Petition denying the material allegations of the Petition. The City’s Municipal Code does not permit off site signs, including billboards, and the City has not issued a permit for either the Outfront Billboard or the so called Reconstructed Original Billboard.

In addition to the pleadings described above, there has been written discovery conducted in this case. On December 9, 2021, there was a mediation of the case but there was no resolution to the issue. There is a Case Management Conference set for March 28, 2022. At that time, the Court may set this case for trial. An evaluation of the likelihood of an unfavorable outcome and the amount or range of potential loss is premature at this time due to a number of factors including the scope of the pleadings as may be determined by pre-trial motions and the completion of additional written discovery and depositions of lay and expert witnesses.

Scott Newton V. City of Atascadero, San Luis Obispo Superior Court Case No. 21 CVP-0168

On June 25, 2021, Scott Newton (“Newton”) filed a Petition for Writ of Mandate; Complaint for Damages (“Petition”) against the City of Atascadero and City Council Members Heather Newsom and Susan Funk. The Petition challenges the City’s action in not approving a proposed self-storage project and the City’s not processing a proposed General Plan Amendment for housing. The Petition also alleges violation of Substantive Due Process and Equal Protection (42 USC 1983). The Petition prays for a preliminary injunction, writ of mandate and for “monetary damages according to proof”. The City sent a letter to the attorney for Scott Newton citing a number of defects in the Petition and then Newton agreed to file a First Amended Petition and Complaint which was filed on or about September 20, 2021 (“FAC”). The FAC only names the City as a defendant. The FAC include the same basis allegations and the same Prayer. The City sent another letter to the attorney for Newton stating that the FAC did not cure the defects. However, Newton did not file another amended Petition so the City has filed a Demurrer and Motion to Strike as responsive pleadings to the FAC which is set for hearing on January 18, 2022, in San Luis Obispo Superior Court.

In addition to the pleadings described above, there has been discovery conducted to date. An evaluation of the likelihood of an unfavorable outcome and the amount or range of potential loss is premature at this time due to a number of factors including the scope of the pleadings as may be determined by pre-trial motions including the City’s Demurrer and Motion to Strike and the completion of written discovery and depositions of lay and expert witnesses.

**NOTE 13 – CONTINGENCIES AND COMMITMENTS (continued)**

Construction and other significant commitments as of June 30, 2021, including encumbrances outstanding at fiscal year-end, are as follows:

**Capital Commitments**  
**Fiscal Year 2020/2021**

100 General Fund	\$ 3,073,029
201 Community Facilities District Fund	2,206
202 Apple Valley Street & Storm Drain Assessment District Fund	1,625
203 Apple Valley Landscape & Lighting Assessment District Fund	2,103
204 Las Lomas Street & Storm Drain Assessment District Fund	1,625
205 Las Lomas Landscape & Lighting Assessment District Fund	2,103
206 De Anza Street & Storm Drain Assessment District Fund	1,625
207 De Anza Landscape & Lighting Assessment District Fund	2,103
240 CDBG	52,118
265 Local Transportation Fund	1,459,446
281 Circulation System Fees Fund	313,446
287 Parkland Facilities Fees Fund	176,643
527 Wastewater Fund	4,121,058
680 Vehicle and Equipment Replacement Fund	7,813
690 Technology Fund	61,725
Total	<u>\$ 9,278,668</u>

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**NOTE 14 – NET POSITION**

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

Net Position

Net Position is the excess of all the City's assets over all its liabilities, regardless of fund. Net Position is divided into three captions under GASB Statement No. 34. These captions apply only to Net Position, which is determined only at the government-wide level, and are described below:

Net Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include fees received for use on economic development, capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income purposes. Restricted Net Position includes \$36,864,632 restricted by enabling legislation.

Unrestricted describes the portion of Net Position which is not restricted as to use.

**NOTE 15 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY**

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1x 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Atascadero, which had previously reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that, upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City Resolution Number 2012-002.

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**NOTE 15 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (continued)**

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of the oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies are only allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill. Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011), all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

The assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private purpose trust fund) in the financial statements of the City.

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012), from governmental funds of the City to fiduciary funds, was reported in the governmental funds as an extraordinary loss in the governmental fund financial statements in fiscal year 2011-2012. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private purpose trust fund as an extraordinary gain in the fiscal year 2011-2012.

The Successor Agency received a Finding of Completion (FOC) from the State Department of Finance on March 8, 2013. In order to be eligible for the FOC, the Successor Agency had to meet the following requirements:

- pay the housing fund balance as determined by Due Diligence Review;
- pay the non-housing fund balance as determined by Due Diligence Review; and
- pay the balance of any outstanding pass-through obligations and residual payments.

**NOTE 15 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (continued)**

A. Notes Receivable

The Housing Successor Agency is holding \$200,000 in Notes Receivable as part of the Downtown Stimulus Program. The former Redevelopment Agency used the Downtown Stimulus Program as a tool to encourage investors to provide affordable housing in the downtown area. Neither the principal nor interest shall be payable under the Note for the term of 55 years; or until such time as the Program Participant sells or otherwise transfers the site. The Notes will be forgiven in full after the period of 55 years.

B. Capital Assets

The remainder of the capital assets of the Successor Agency were disposed of during fiscal year 2017-2018. No capital asset activity was recorded in the Private Purpose Trust Funds for the fiscal year ended June 30, 2021.

C. Loans Payable Written-Off

The City General Fund loaned three separate advances to the former Redevelopment Agency. The total of these three loans, \$1,375,175, was a liability of the Successor Agency through fiscal year 2019-2020. AB 1484 sets forth the criteria for repayment of these loans:

- California Department of Finance must issue the Successor Agency a Finding of Completion
- Oversight Board must find that the loans were for legitimate redevelopment purposes
- Repayment is subject to certain restrictions, including a reduction of the interest rate to the LAIF rate, restrictions on the timing and amount of annual repayments, and a requirement that 20% of the repayment amount must be deposited into a restricted housing set-aside fund
- Loan repayments shall not be made prior to the 2013-14 fiscal year.

On September 22, 2015, Governor Brown signed Senate Bill 107, a budget bill including, among other things, a modification to Health and Safety Code Section 34191.4(b), concerning the manner in which interest on the loans is to be calculated and limitations on annual loan payment amounts:

- All outstanding interest as of the date of dissolution is to be recalculated from the date of origination of the loan as approved by the Redevelopment Agency on a quarterly basis, at a simple interest rate of 3 percent.
- The amount of property tax available to fund loan repayments is one-half of the difference between the Redevelopment Property Tax Trust Fund (RPTTF) funds available in the current fiscal year and the RPTTF payments to the affected taxing entities in fiscal year 2012-13.

Loan repayment was requested on the Required Obligation Payment Schedule 2019-20. The State Department of Finance denied the request to begin repayment of the loans. These loans were written-off as uncollectable during the current fiscal year, 2020-2021.

D. Bond Reimbursement Agreement Payable

In September of 2010, the City issued \$16,010,000 in bonds on behalf of the Redevelopment Agency in order for the Agency to achieve an overall lower debt service cost. At the time of the bond issuance, a reimbursement agreement was entered into whereby the City advanced the Agency the proceeds of the bond and the Agency is required to make annual payments to the City in the amount of the debt service on the bonds. Annual principal payments on the advance are required between fiscal years 2015 and 2041, at interest rates ranging from 3.0% to 5.0%. See Note 8B – Long Term Debt, 2010 Lease Revenue Bonds, for additional information.

**NOTE 15 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (continued)**

E. 2004 Redevelopment Agency Tax Allocation Bonds

The former Atascadero Community Redevelopment Agency (Agency) issued \$12,490,000 in Tax Allocation bonds for improvements to the downtown core. These bonds mature between fiscal years 2011 and 2035, at interest rates ranging from 3.00% to 5.00%. Since the Agency was dissolved effective February 1, 2012, the bonds are now a liability of the Successor Agency. The liability is now reflected on the private purpose trust financial statements of the Successor Agency and is no longer found on the financial statements of the City and its component unit. The bonds will be repaid with the Successor Agency’s Tax Allocation Revenues.

The following is a summary of principal and interest payments to be made in future fiscal years:

Fiscal Year Ending June 30,	2004 Redevelopment Agency Tax Allocation Bonds	
	Principal	Interest
2022	\$ 435,000	\$ 403,930
2023	455,000	383,677
2024	475,000	361,634
2025	500,000	337,869
2026	525,000	312,884
2027-2031	3,030,000	1,143,688
2032-2035	3,015,000	310,625
	<u>\$ 8,435,000</u>	<u>\$ 3,254,307</u>

**NOTE 16 – SUBSEQUENT EVENTS**

In early 2021, an outbreak of the novel strain of coronavirus (COVID-19) emerged globally. As a result, there have been mandates from federal, state and local authorities resulting in an overall decline in economic activity. The ultimate impact of COVID-19 on the City’s financial performance is not reasonably estimable at this time.

**NOTE 17 – EXTRAORDINARY ITEMS**

The City General Fund loaned three separate advances to the former Redevelopment Agency. The total of these three loans was \$1,375,175. Through the Dissolution of Redevelopment, new law became effective that challenged the repayment of these loans by the Redevelopment Agency to the City. The City worked diligently to satisfy the requirements for repayment, but ultimately was unsuccessful. These loans were written-off as uncollectable during the current fiscal year, 2020-2021, and are listed as an Extraordinary Loss on the financial statements.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF ATASCADERO**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SUMMARY**  
**BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Secured and unsecured property taxes	\$ 10,987,520	\$ 10,987,520	\$ 10,792,509	\$ (195,011)
Taxes based on sales and use	6,610,020	7,895,020	8,976,357	1,081,337
Franchise tax	1,130,330	1,130,330	1,232,615	102,285
Other taxes	1,961,090	1,991,340	1,819,618	(171,722)
Licenses and permits	640,460	640,460	754,420	113,960
Intergovernmental revenues:				
Motor vehicle in-lieu and related payments	15,400	15,400	22,045	6,645
Grants	153,330	224,210	155,648	(68,562)
Other governmental revenues	155,950	403,360	535,247	131,887
Charges for services:				
Public safety	443,670	1,118,280	1,676,188	557,908
Development	635,170	635,170	689,401	54,231
Recreation, parks, pavilion, and zoo	866,370	895,400	790,255	(105,145)
Other services	56,310	56,310	65,619	9,309
Fines and forfeitures	80,330	80,330	49,312	(31,018)
Use of money and property	84,690	84,690	106,561	21,871
Other revenues	1,268,040	1,273,110	1,384,715	111,605
<b>Total revenues</b>	<b>25,088,680</b>	<b>27,430,930</b>	<b>29,050,510</b>	<b>1,619,580</b>
<b>Expenditures:</b>				
Employee services	17,267,100	17,720,540	16,722,868	997,672
Operating supplies and services	5,909,950	6,120,320	5,592,895	527,425
Special purchases, projects, and community funding	520,320	1,506,020	975,754	530,266
Capital outlay	4,679,290	5,802,050	3,747,912	2,054,138
<b>Total expenditures</b>	<b>28,376,660</b>	<b>31,148,930</b>	<b>27,039,429</b>	<b>4,109,501</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(3,287,980)</b>	<b>(3,718,000)</b>	<b>2,011,081</b>	<b>5,729,081</b>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SUMMARY (continued)

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources (Uses):</b>				
Transfers in	\$ 698,950	\$ 698,950	\$ 698,950	\$ -
Transfers out	(203,490)	(255,070)	(255,067)	3
Total other financing sources and uses	495,460	443,880	443,883	3
Net changes in fund balance prior to extraordinary item	(2,792,520)	(3,274,120)	2,454,964	5,729,084
Extraordinary gains/(losses)- Write-off of Redevelopment Loans	-	-	(1,375,175)	(1,375,175)
Net change in fund balance	\$ (2,792,520)	\$ (3,274,120)	1,079,789	\$ 4,353,909
Fund balance - June 30, 2020			16,256,364	
Fund balance - June 30, 2021			\$ 17,336,153	

**CITY OF ATASCADERO**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL**  
**BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes:				
Property taxes:				
Secured property tax	\$ 6,939,730	\$ 6,939,730	\$ 6,693,256	\$ (246,474)
Property tax in lieu of VLF	3,192,070	3,192,070	3,163,757	(28,313)
Unsecured property taxes	162,350	162,350	275,023	112,673
Supplemental property taxes	180,220	180,220	142,452	(37,768)
Redevelopment Agency Dissolution-residual distribution	518,400	518,400	527,383	8,983
Prior year secured and unsecured	(5,000)	(5,000)	(9,053)	(4,053)
Property tax penalties and interest	(250)	(250)	(309)	(59)
Taxes based on sales:				
Sales and use taxes	4,226,020	4,226,020	4,728,862	502,842
Measure D-20 sales tax	-	1,285,000	1,415,443	130,443
Measure F-14 sales tax	2,384,000	2,384,000	2,832,052	448,052
Transient occupancy tax	1,633,840	1,633,840	1,385,896	(247,944)
Franchise taxes:				
Cable television franchise fees	245,540	245,540	248,690	3,150
Electricity franchise fees	266,680	266,680	289,817	23,137
Garbage disposal franchise fees	453,820	453,820	521,870	68,050
Landfill franchise fees	14,400	14,400	18,261	3,861
Recycling franchise fees	20,250	20,250	9,804	(10,446)
Gas franchise fees	73,150	73,150	88,373	15,223
Wastewater franchise fees	56,490	56,490	55,800	(690)
Business licenses	175,390	175,390	170,544	(4,846)
Property transfer tax	151,860	151,860	214,195	62,335
Cannabis business tax	-	30,250	48,983	18,733
<b>Total Taxes</b>	<b>20,688,960</b>	<b>22,004,210</b>	<b>22,821,099</b>	<b>816,889</b>
Licenses and Permits:				
Construction permits	545,870	545,870	638,264	92,394
Grading and drainage permits	40,340	40,340	55,195	14,855
Encroachment permits	43,020	43,020	52,958	9,938
Tree application fees	8,000	8,000	7,318	(682)
Planning Inspections	3,230	3,230	685	(2,545)
<b>Total Licenses and Permits</b>	<b>640,460</b>	<b>640,460</b>	<b>754,420</b>	<b>113,960</b>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021

ITEM NUMBER:

C-1

DATE:

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues (continued):</b>				
Intergovernmental Revenues:				
Motor vehicle in-lieu (VLF)	\$ 15,400	\$ 15,400	\$ 22,045	\$ 6,645
Federal CARES Act Funds- COVID-19	-	247,410	247,412	2
Homeowners' tax relief	45,950	45,950	44,678	(1,272)
State mandated costs	5,000	5,000	13,051	8,051
P.O.S.T. reimbursement	25,000	25,000	4,706	(20,294)
Other County reimbursements	-	-	1,717	1,717
County COVID-19 Vaccine Assistance	-	-	52,692	52,692
School Resources Officer	80,000	80,000	80,000	-
Settlement agreement- SB 1090 Essential Services Mitigation Funds (PG&E DCP)	-	-	90,991	90,991
Grants:				
SAFER Federal Fire Grant	48,390	48,390	44,696	(3,694)
Assistance to Fire Fighters Grant	-	10,880	9,785	(1,095)
Fire Safe Council - 2021 Fuel Management	-	12,130	30,116	17,986
Office of Traffic Safety-2021 Traffic Police Grant	-	10,770	10,763	(7)
Office of Traffic Safety-2021 DUI Police Grant	-	8,230	8,222	(8)
Cal OES 2017 Storms Grants	-	-	(53)	(53)
Cal OES Nuclear Power Preparation Grant	-	5,500	5,500	-
Board of State and Community Corrections- Police Grant	-	1,850	1,842	(8)
HCD- Housing Element & Inclusionary Policy	104,940	104,940	23,268	(81,672)
HCD- LEAP Mixed Use Develop Standards	-	10,060	10,058	(2)
HCD- REAP Jurisdictional -Zoning Grant	-	960	959	(1)
HCD- REAP Regional ADU's	-	5,620	5,616	(4)
Cal Fire- Joint Apprenticeship Committee	-	4,880	4,876	(4)
<b>Total Intergovernmental Revenues</b>	<b>324,680</b>	<b>642,970</b>	<b>712,940</b>	<b>69,970</b>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
 ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues (continued):</b>				
Charges for Services:				
Public safety:				
First response charges	\$ 116,680	\$ 116,680	\$ 126,660	\$ 9,980
Weed abatement services	37,780	37,780	63,026	25,246
Mutual Aid	250,000	924,610	1,442,644	518,034
Police/Fire false alarms	5,000	5,000	2,586	(2,414)
Castlerock Communication Site Lease	3,430	3,430	15,644	12,214
Fingerprints	8,120	8,120	805	(7,315)
Vehicle release fees	18,270	18,270	17,287	(983)
Other public safety services	4,390	4,390	7,536	3,146
Development:				
Zoning fees	43,650	43,650	60,940	17,290
Subdivision fees- Planning	32,500	32,500	43,224	10,724
Subdivision fees- Public Works	13,090	13,090	4,521	(8,569)
General and specific plans	-	-	16,382	16,382
Appeals	1,230	1,230	2,905	1,675
Assessment district formations/annexations	-	-	21,339	21,339
Planning review	41,960	41,960	46,315	4,355
Building plan check fees	311,920	311,920	300,750	(11,170)
Public Works plan check fees and inspections	128,510	128,510	140,335	11,825
Fire plan check and inspection fees	59,380	59,380	46,040	(13,340)
Record Compilation Service	-	-	3,197	3,197
Other planning fees	2,930	2,930	3,453	523
Recreation:				
Advertising	5,200	5,200	-	(5,200)
Adult sports	37,780	37,780	160	(37,620)
Youth sports	59,300	59,300	34,695	(24,605)
Classes	125,000	125,000	13,835	(111,165)
Special events	62,600	62,600	28,581	(34,019)
Teen Center membership	1,960	1,960	715	(1,245)

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021

ITEM NUMBER:

C-1

DATE:

01/25/22

ATTACHMENT:

1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues (continued):</b>				
Charges for Services (continued):				
Rentals and concessions:				
Pavilion facility rentals	\$ 121,870	\$ 121,870	\$ 19,990	\$ (101,880)
Other Pavilion rents and concessions	6,740	6,740	1	(6,739)
Colony Park Community Center rentals	21,360	21,360	-	(21,360)
Park charges	36,090	36,090	9,860	(26,230)
Zoo:				
Zoo admissions	236,980	236,980	439,413	202,433
Zoo educational programs	12,810	12,810	20,130	7,320
Zoo gift shop	108,680	137,710	185,028	47,318
Special events- Zoo	30,000	30,000	36,616	6,616
Other Zoo revenues	-	-	1,231	1,231
Administrative:				
Copy and mailing fees	4,890	4,890	10,801	5,911
Document imaging fee	18,400	18,400	20,572	2,172
Business license application fees	33,020	33,020	34,246	1,226
<b>Total Charges for Services</b>	<b>2,001,520</b>	<b>2,705,160</b>	<b>3,221,463</b>	<b>516,303</b>
Fines and Forfeitures:				
Motor vehicle fines	50,000	50,000	31,328	(18,672)
Misdemeanor and other minor fines	6,040	6,040	2,140	(3,900)
Parking fines	4,000	4,000	316	(3,684)
Code enforcement and fire fines	11,930	11,930	2,250	(9,680)
Business license penalties	7,960	7,960	10,997	3,037
Other penalties	400	400	2,281	1,881
<b>Total Fines and Forfeitures</b>	<b>80,330</b>	<b>80,330</b>	<b>49,312</b>	<b>(31,018)</b>
Use of Money and Property:				
Interest	56,000	56,000	198,779	142,779
Adjustment to Fair Value-GASB 31	-	-	(103,654)	(103,654)
Interest on Measure F-14 Funds	28,690	28,690	55,851	27,161
Measure F-14 Funds Adjustment to Fair Value	-	-	(44,415)	(44,415)
<b>Total Use of Money and Property</b>	<b>84,690</b>	<b>84,690</b>	<b>106,561</b>	<b>21,871</b>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021

ITEM NUMBER:

C-1

DATE:

01/25/22

ATTACHMENT:

1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues (continued):</b>				
Other Revenues:				
Interfund administrative charges				
General overhead charges	\$ 446,880	\$ 446,880	\$ 446,880	\$ -
Staffing charges for other funds	502,850	502,850	491,458	(11,392)
Staffing charges for capital projects	132,980	132,980	214,630	81,650
Staffing charges for CDBG administration	-	-	9,900	9,900
Administrative charges- Third Parties	3,370	3,370	5,003	1,633
Administrative charges- Successor Agency	132,940	132,940	47,020	(85,920)
Workers' compensation reimbursement	6,260	6,260	40,205	33,945
Miscellaneous revenue	18,340	18,340	74,547	56,207
Donations:				
Police	-	-	65	65
Recreation	-	-	1,494	1,494
Other donations	-	5,070	5,173	103
Friends of Zoo Donations:				
Memberships	22,800	22,800	47,093	24,293
Other Zoo donations	1,620	1,620	1,247	(373)
Total Other Revenues	<u>1,268,040</u>	<u>1,273,110</u>	<u>1,384,715</u>	<u>111,605</u>
<b>Total Revenues</b>	<u>25,088,680</u>	<u>27,430,930</u>	<u>29,050,510</u>	<u>1,619,580</u>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
City Council:				
Salaries and benefits	\$ 62,240	\$ 70,050	\$ 69,910	\$ 140
Office expense	250	470	468	2
Advertising	700	-	-	-
Computer maintenance and replacement	12,200	12,200	12,200	-
Occupancy	55,290	55,290	55,290	-
Communications	400	440	433	7
Operating supplies	3,710	1,020	1,012	8
Vehicle and equipment operating costs	200	-	-	-
Contract services	36,500	37,000	36,000	1,000
Professional development	23,450	33,630	33,623	7
Community outreach	52,100	37,370	37,369	1
Chamber of Commerce	134,300	133,870	100,814	33,056
Business development	21,260	21,260	5,000	16,260
LAFCO contribution	19,000	19,000	15,805	3,195
Special projects and community funding:				
Promotions	230,990	230,990	122,422	108,568
Capital outlay:				
Cash Contribution to Technology Fund for Equipment Replacement for Chamber technology upgrades	-	250,000	250,000	-
<b>Total City Council</b>	<b>652,590</b>	<b>902,590</b>	<b>740,346</b>	<b>162,244</b>
City Clerk:				
Office expense	640	640	607	33
Advertising	5,300	5,300	2,060	3,240
Contract services	6,100	6,100	1,690	4,410
Professional development	6,270	6,270	491	5,779
Municipal election	40,660	52,860	37,215	15,645
<b>Total City Clerk</b>	<b>58,970</b>	<b>71,170</b>	<b>42,063</b>	<b>29,107</b>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (continued):</b>				
City Treasurer:				
Salaries and benefits	\$ 5,720	\$ 6,080	\$ 6,072	\$ 8
Contract services	11,040	11,890	11,889	1
Professional development	80	-	-	-
Total City Treasurer	<u>16,840</u>	<u>17,970</u>	<u>17,961</u>	<u>9</u>
City Attorney:				
Office expense	80	20	20	-
Communications	80	80	79	1
Contract services	285,000	280,060	280,056	4
Special projects and community funding:				
Castlerock litigation costs	-	10,500	10,490	10
Total City Attorney	<u>285,160</u>	<u>290,660</u>	<u>290,645</u>	<u>15</u>
City Manager:				
Salaries and benefits	1,097,750	1,100,480	988,461	112,019
Office expense	7,730	7,730	5,385	2,345
Computer maintenance and replacement	62,870	69,720	69,718	2
Insurance	17,570	17,570	15,878	1,692
Occupancy	37,910	37,910	37,910	-
Communications	2,180	2,380	2,374	6
Operating supplies	10,010	9,250	8,540	710
Vehicle and equipment operating costs	6,340	6,340	6,000	340
Contract services	35,020	33,260	6,872	26,388
Professional development	22,270	14,290	6,679	7,611
Citywide training	7,000	7,000	158	6,842
Recruitment	500	1,220	1,215	5
Employee development	1,650	1,650	450	1,200
Contingency	100,000	37,340	-	37,340
Special projects and community funding:				
Grant assesement and writing	-	5,000	-	5,000
Total City Manager	<u>1,408,800</u>	<u>1,351,140</u>	<u>1,149,640</u>	<u>201,500</u>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (continued):</b>				
Administrative Services:				
Salaries and benefits	\$ 872,420	\$ 872,420	\$ 819,288	\$ 53,132
Office expense	14,460	11,580	11,573	7
Advertising	300	300	158	142
Computer maintenance and replacement	85,090	85,090	84,856	234
Insurance	20,040	20,040	18,331	1,709
Occupancy	46,490	54,130	54,122	8
Communications	960	960	889	71
Operating supplies	300	300	-	300
Vehicle and equipment operating costs	3,600	3,600	3,600	-
Contract services	182,960	177,070	161,612	15,458
Professional development	6,580	6,580	612	5,968
Contingency	5,000	5,000	-	5,000
Special purchases, projects, and studies:				
Cost Allocation Study Update	30,220	30,220	14,000	16,220
Development Impact Fee Study	7,000	7,000	7,000	-
CCCSIF Supplemental Insurance Payment	-	157,380	157,000	380
<b>Total Administrative Services</b>	<b>1,275,420</b>	<b>1,431,670</b>	<b>1,333,041</b>	<b>98,629</b>
Police:				
Salaries and benefits	6,453,540	6,432,160	6,013,850	418,310
Office expense	13,700	15,910	15,906	4
Computer maintenance and replacement	400,800	416,910	416,902	8
Insurance	414,810	335,820	335,817	3
Occupancy	40,330	48,790	48,787	3
Utilities	37,100	44,190	44,183	7
Communications	36,550	36,810	36,804	6
Operating supplies	22,100	32,050	32,047	3
Vehicle and equipment operating costs	305,980	291,370	291,369	1
Contract services	512,100	583,930	583,923	7
Professional development	14,300	6,250	6,247	3
Recruitment	10,200	13,760	13,754	6
Contingency	10,000	10,000	-	10,000

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (continued):</b>				
Police (continued):				
Special purchases, projects, and studies:				
Table set and chairs	\$ -	\$ 320	\$ 310	\$ 10
Scanner	-	1,330	1,330	-
Blinds and drapes	-	440	430	10
	<u>8,271,510</u>	<u>8,270,040</u>	<u>7,841,659</u>	<u>428,381</u>
Police Grants:				
Salaries and benefits	-	10,320	10,299	21
Operating supplies	1,800	3,920	3,909	11
Contract services	2,320	1,260	1,254	6
Professional development	34,380	37,970	20,427	17,543
Capital Outlay:				
Vehicle replacement	-	7,350	7,351	(1)
	<u>38,500</u>	<u>60,820</u>	<u>43,240</u>	<u>17,580</u>
Total Police	<u>8,310,010</u>	<u>8,330,860</u>	<u>7,884,899</u>	<u>445,961</u>
Fire:				
Salaries and benefits	4,126,990	4,074,860	3,978,828	96,032
Office expense	3,300	3,300	2,971	329
Advertising	-	490	488	2
Computer maintenance and replacement	195,830	198,660	198,653	7
Insurance	93,640	85,560	85,555	5
Occupancy	28,350	29,630	29,625	5
Utilities	23,500	26,070	26,062	8
Communications	16,050	20,710	15,209	5,501
Operating supplies	45,550	52,760	47,250	5,510
Vehicle and equipment operating costs	130,000	148,690	148,688	2
Contract services	20,350	11,030	11,026	4
Professional development	24,900	24,360	23,632	728
Recruitment	2,800	16,810	16,808	2
Contingency	10,000	10,000	-	10,000

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (continued):</b>				
Fire (continued):				
Special purchases, projects, and studies:				
Washing Machine/Dryer	\$ -	\$ 810	\$ 803	\$ 7
Dishwasher	-	380	378	2
Fire field equipment- replace chain saws	-	4,910	-	4,910
Replace radios	61,970	61,970	61,966	4
EKG machines	-	4,850	4,840	10
Ice Machine	-	3,360	3,355	5
Roofing Projects	-	4,000	-	4,000
Water Heater	-	690	690	-
Comprehensive Evacuation Plan	62,450	72,450	49,932	22,518
Capital outlay:				
Cash Contribution to Vehicle and Equipment Replacement Fund for Equipment Replacement	-	645,010	645,010	-
	<u>4,845,680</u>	<u>5,501,360</u>	<u>5,351,769</u>	<u>149,591</u>
Mutual Aid Program:				
Salaries and benefits	138,730	781,820	775,480	6,340
Operating supplies	15,000	44,290	44,283	7
Vehicle and equipment operating costs	4,000	5,330	5,246	84
Contract services	-	900	900	-
	<u>157,730</u>	<u>832,340</u>	<u>825,909</u>	<u>6,431</u>
Weed Abatement and Other Fire Programs:				
Salaries and benefits	113,620	112,670	112,633	37
Office expense	1,400	1,960	1,952	8
Advertising	400	-	-	-
Operating supplies	1,000	-	-	-
Vehicle and equipment operating costs	2,000	-	-	-
Contract services	71,000	99,960	99,955	5
Special purchases, projects, and studies:				
COVID-19 Emergency protective measures	-	10,880	10,872	8
Replace radios	-	5,500	5,500	-
Capital outlay:				
EMS training equipment (maniken)	-	4,880	4,876	4
	<u>189,420</u>	<u>235,850</u>	<u>235,788</u>	<u>62</u>
Total Fire	<u>5,192,830</u>	<u>6,569,550</u>	<u>6,413,466</u>	<u>156,084</u>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (continued):</b>				
Community Development:				
Salaries and benefits	\$ 1,429,460	\$ 1,352,000	\$ 1,333,115	\$ 18,885
Office expense	11,700	19,880	19,874	6
Advertising	3,500	6,410	6,406	4
Computer maintenance and replacement	147,120	149,320	149,310	10
Insurance	26,450	26,450	23,906	2,544
Occupancy	60,600	60,600	60,600	-
Communications	2,900	4,750	4,743	7
Operating supplies	750	1,140	1,136	4
Vehicle and equipment operating costs	15,550	15,550	13,775	1,775
Contract services	92,000	141,030	141,030	-
Professional development	15,700	15,700	10,013	5,687
Recruitment	700	700	425	275
Contingency	5,000	5,000	-	5,000
Special purchases, projects, and studies:				
Del Rio Specific Plan	-	1,660	1,658	2
Housing Element & Inclusionary Policy	104,940	104,940	23,268	81,672
Mixed use development standards	-	10,060	9,490	570
Zoning/Subdivision ordinance update	-	960	107	853
REAP Regional Grant-ADU Access & Design	-	5,620	-	5,620
<b>Total Community Development</b>	<b>1,916,370</b>	<b>1,921,770</b>	<b>1,798,856</b>	<b>122,914</b>
Central Reception:				
Salaries and benefits	54,940	54,940	32,694	22,246
Office expense	1,170	1,170	217	953
Computer maintenance and replacement	7,950	7,950	7,950	-
Insurance	1,540	1,540	1,397	143
Occupancy	44,240	44,240	44,241	(1)
Communications	350	390	385	5
Operating supplies	70	30	-	30
Vehicle and equipment operating costs	50	50	-	50
Professional development	250	30	-	30
Recruitment	120	120	-	120
Special purchases, projects, and studies:				
Small printers	-	220	215	5
<b>Total Central Reception</b>	<b>110,680</b>	<b>110,680</b>	<b>87,099</b>	<b>23,581</b>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (continued):</b>				
Economic and Business Development:				
Salaries and benefits	\$ -	\$ 26,240	\$ 24,059	\$ 2,181
Special purchases, projects, and studies:				
Other office furniture	-	8,300	4,235	4,065
Emergency small business micro grant program	-	260,610	260,610	-
SB1090- Bridgeworks expansion project	-	125,000	125,000	-
Total Economic and Business Development	-	420,150	413,904	6,246
Recreation:				
Salaries and benefits	356,740	357,490	306,408	51,082
Office expense	5,520	3,130	2,101	1,029
Advertising	26,490	26,490	431	26,059
Computer maintenance and replacement	26,410	26,410	25,330	1,080
Insurance	11,780	21,670	20,535	1,135
Occupancy	37,210	37,030	32,720	4,310
Utilities	4,350	3,100	3,095	5
Communications	850	1,080	1,070	10
Operating supplies	34,830	28,890	10,954	17,936
Vehicle and equipment operating costs	3,600	3,600	3,023	577
Contract services	148,810	144,700	18,164	126,536
Professional development	3,700	3,700	1,774	1,926
Recruitment	650	1,270	1,269	1
Contingency	2,500	2,500	-	2,500
Special purchases, projects and studies:				
Youth scholarships	-	2,380	2,371	9
Total Recreation	663,440	663,440	429,245	234,195

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

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	Budget		Actual Amounts	Variance with Final
	Original	Final		Budget Positive (Negative)
<b>Expenditures (continued):</b>				
Community Center:				
Salaries and benefits	\$ 43,550	\$ 43,550	\$ 6,012	\$ 37,538
Office expense	1,380	1,000	996	4
Advertising	400	80	72	8
Computer maintenance and replacement	9,360	9,360	9,360	-
Insurance	15,570	17,180	17,176	4
Occupancy	102,220	102,220	102,220	-
Utilities	45,970	44,360	30,623	13,737
Communications	2,000	2,800	2,353	447
Operating supplies	12,620	13,220	5,414	7,806
Vehicle and equipment operating costs	1,150	1,280	302	978
Contract services	17,880	16,880	12,171	4,709
Professional development	1,150	-	-	-
Recruitment	510	100	-	100
Special purchases, projects and studies:				
Tables	-	1,730	1,722	8
Shade sail replacement	-	25,000	331	24,669
Total Community Center	<u>253,760</u>	<u>278,760</u>	<u>188,752</u>	<u>90,008</u>
Pavilion:				
Salaries and benefits	152,430	152,430	118,890	33,540
Office expense	1,340	1,210	226	984
Advertising	4,740	4,350	3,006	1,344
Computer maintenance and replacement	10,610	10,610	10,610	-
Insurance	7,390	7,470	7,465	5
Occupancy	38,300	38,300	38,300	-
Utilities	24,730	24,730	16,326	8,404
Communications	2,010	2,010	1,871	139
Operating supplies	9,250	9,250	3,954	5,296
Vehicle and equipment operating costs	1,270	1,270	6	1,264
Contract services	23,080	23,080	4,116	18,964
Professional development	400	400	-	400
Recruitment	310	310	123	187
Business Development	-	440	435	5
Special purchases, projects, and studies:				
Chairs	-	1,540	1,497	43
Folding wall replacement	-	7,280	7,279	1
Minor painting projects	-	6,400	6,400	-
Total Pavilion	<u>275,860</u>	<u>291,080</u>	<u>220,504</u>	<u>70,576</u>

**CITY OF ATASCADERO**

GENERAL FUND

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (continued):</b>				
Zoo:				
Salaries and benefits	\$ 772,490	\$ 738,520	\$ 738,349	\$ 171
Office expense	1,780	1,450	1,339	111
Advertising	500	-	-	-
Computer maintenance and replacement	45,530	46,630	46,630	-
Insurance	19,180	18,050	18,044	6
Occupancy	40,850	40,880	40,872	8
Utilities	43,500	57,780	57,770	10
Communications	1,390	2,900	2,892	8
Operating supplies	95,930	105,080	103,571	1,509
Vehicle and equipment operating costs	6,170	7,120	7,118	2
Contract services	58,500	63,020	63,013	7
Professional development	10,000	9,650	9,649	1
Recruitment	100	640	631	9
Gift shop retail	35,000	65,050	65,041	9
Special purchases, projects, and studies:				
Animal acquisition	-	3,180	3,176	4
Capital outlay:				
Zoo electrical upgrade	-	30,000	-	30,000
<b>Total Zoo</b>	<b>1,130,920</b>	<b>1,189,950</b>	<b>1,158,095</b>	<b>31,855</b>

**CITY OF ATASCADERO**  
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 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (continued):</b>				
Public Works Administration:				
Salaries and benefits	\$ 940,700	\$ 940,160	\$ 845,729	\$ 94,431
Office expense	5,000	4,780	4,774	6
Advertising	-	490	490	-
Computer maintenance and replacement	63,810	66,180	66,177	3
Insurance	14,840	13,420	13,415	5
Occupancy charges	24,840	24,840	24,840	-
Communications	3,000	2,790	2,788	2
Operating supplies	17,000	15,540	15,531	9
Vehicle and equipment operating costs	10,250	10,950	10,945	5
Contract services	25,000	29,280	29,279	1
Professional development	12,900	8,200	8,190	10
Recruitment	340	1,050	1,046	4
Contingency	7,000	7,000	-	7,000
Special purchases, projects, and studies:				
Lake dam inundation mapping study	-	25,000	20,958	4,042
<b>Total Public Works Administration</b>	<b>1,124,680</b>	<b>1,149,680</b>	<b>1,044,162</b>	<b>105,518</b>
Public Works Operations:				
Salaries and benefits	223,640	217,410	177,754	39,656
Office expense	2,150	2,150	886	1,264
Computer maintenance and replacement	12,470	12,470	12,470	-
Insurance	6,220	6,220	6,077	143
Occupancy charges	12,360	16,370	16,367	3
Utilities	8,500	9,600	9,593	7
Communications	1,600	1,600	1,350	250
Operating supplies	1,280	1,600	1,591	9
Vehicle and equipment operating costs	1,710	1,710	1,328	382
Contract Services	500	500	450	50
Professional development	1,200	1,200	1,000	200
Recruitment	-	800	791	9
Special purchases, projects, and studies:				
Corporate yard building minor remodel	-	10,000	-	10,000
California Conservation Corp Projects	22,750	22,750	11,297	11,453
Downtown street tree renewal program	-	75,000	5,550	69,450
Computers- new	-	1,100	-	1,100
Towable boom lift	-	30,000	-	30,000
Skid steer loader	-	50,000	-	50,000
<b>Total Public Works Operations</b>	<b>294,380</b>	<b>460,480</b>	<b>246,504</b>	<b>213,976</b>

**CITY OF ATASCADERO**

GENERAL FUND

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	Original	Final		
<b>Expenditures (continued):</b>				
Parks:				
Salaries and benefits	\$ 422,140	\$ 376,940	\$ 365,037	\$ 11,903
Computer maintenance and replacement	9,220	9,220	9,220	-
Insurance	12,450	12,450	11,969	481
Occupancy	25,490	25,490	25,490	-
Utilities	149,000	168,100	168,096	4
Communications	2,000	2,000	1,361	639
Operating supplies	43,120	43,120	42,280	840
Vehicle and equipment operating costs	28,640	32,240	32,231	9
Contract services	30,150	44,200	44,197	3
Professional development	3,500	3,500	120	3,380
Recruitment	950	950	299	651
Special purchases, projects, and studies:				
Barbeque grills	-	570	562	8
Park lights	-	7,150	7,142	8
Creek maintenance projects	-	730	725	5
Turf mower	-	75,000	-	75,000
Capital outlay:				
Cash contribution to Vehicle and Equipment Fund for purchase of a backhoe tractor	47,000	47,000	47,000	-
<b>Total Parks</b>	<b>773,660</b>	<b>848,660</b>	<b>755,729</b>	<b>92,931</b>
Measure F-14 Sales Tax:				
Capital outlay:				
2019 Pavement Rehabilitation Projects	53,340	53,340	3,636	49,704
2020 Pavement Rehabilitation Projects	2,620,860	2,620,860	2,375,316	245,544
2021 Pavement Resurfacing Projects	300,000	300,000	1,056	298,944
2021 Pavement Rehabilitation Projects	1,608,090	1,608,090	197,016	1,411,074
2022 Pavement Rehabilitation Projects	50,000	50,000	31,131	18,869
<b>Total Measure F-14 Sales Tax</b>	<b>4,632,290</b>	<b>4,632,290</b>	<b>2,608,155</b>	<b>2,024,135</b>

**CITY OF ATASCADERO**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DETAIL (continued)

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures (continued):</b>				
Non-Departmental:				
Special purchases, projects, and studies:				
Groundwater sustainability plan	\$ -	\$ 2,350	\$ 2,341	\$ 9
COVID-19 Emergency protective measures	-	28,510	28,502	8
Capital outlay:				
Cash contribution to Vehicle and Equipment Fund for reserve fund deficit	-	158,120	158,120	-
Cash contribution to Technology Replacement Fund for Laserfiche licenses	-	27,400	27,400	-
Total Non-Departmental	-	216,380	216,363	17
<b>Total expenditures</b>	<b>28,376,660</b>	<b>31,148,930</b>	<b>27,039,429</b>	<b>4,109,501</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(3,287,980)</b>	<b>(3,718,000)</b>	<b>2,011,081</b>	<b>5,729,081</b>
<b>Other Financing Sources (Uses):</b>				
Transfer from Community Facilities District Fund	698,950	698,950	698,950	-
Transfer to Gas Tax Fund for streets maintenance	(200,240)	(251,820)	(251,817)	3
Transfer to Las Lomas Landscape and Lighting District for open space maintenance	(1,850)	(1,850)	(1,850)	-
Transfer to De Anza Landscape and Lighting District for open space maintenance	(1,400)	(1,400)	(1,400)	-
Total other financing sources and uses	495,460	443,880	443,883	3
Net changes in fund balance prior to extraordinary item	(2,792,520)	(3,274,120)	2,454,964	5,729,084
Extraordinary gains/(losses)- Write-off of Redevelopment Loans	-	-	(1,375,175)	(1,375,175)
Net change in fund balance	<u>\$ (2,792,520)</u>	<u>\$ (3,274,120)</u>	1,079,789	<u>\$ 4,353,909</u>
Fund balance - June 30, 2020			<u>16,256,364</u>	
Fund balance - June 30, 2021			<u>\$ 17,336,153</u>	

**CITY OF ATASCADERO**  
 IN LIEU LOW/MODERATE INCOME HOUSING FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Affordable Housing In Lieu Fees	\$ -	\$ -	\$ 175,389	\$ 175,389
Interest income	7,410	7,410	4,819	(2,591)
Total revenues	7,410	7,410	180,208	172,798
<b>Expenditures:</b>				
Contract services	5,000	5,000	-	5,000
Administrative charges	45,400	45,400	45,400	-
Special projects:				
PSHHC Del Rio Ridge Affordable Housing Project	400,000	400,000	-	400,000
Total expenditures	450,400	450,400	45,400	405,000
Net change in fund balance	\$ (442,990)	\$ (442,990)	134,808	\$ 577,798
Fund balance, June 30, 2020			5,739,866	
Fund balance, June 30, 2021			\$ 5,874,674	

**CITY OF ATASCADERO**  
**CIRCULATION SYSTEM FEES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 794,850	\$ 794,850	\$ 238,790	\$ (556,060)
USHA Grant-Downtown Infrastructure Enhancement Program	80,190	80,190	24,335	(55,855)
Interest income	37,800	37,800	10,906	(26,894)
Total revenues	<u>912,840</u>	<u>912,840</u>	<u>274,031</u>	<u>(638,809)</u>
<b>Expenditures:</b>				
Capital outlay:				
101 @ Del Rio Interchange Project	1,061,480	1,061,480	115,444	946,036
Downtown Infrastructure Enhancement Program	93,170	93,170	24,335	68,835
Total expenditures	<u>1,154,650</u>	<u>1,154,650</u>	<u>139,779</u>	<u>1,014,871</u>
Net change in fund balance	<u>\$ (241,810)</u>	<u>\$ (241,810)</u>	<u>134,252</u>	<u>\$ 376,062</u>
Fund balance, June 30, 2020			<u>2,715,750</u>	
Fund balance, June 30, 2021			<u>\$ 2,850,002</u>	

**CITY OF ATASCADERO**  
**FIRE AERIAL VEHICLE IMPACT FEES FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 30,300	\$ 30,300	\$ 1,741	\$ (28,559)
Total revenues	30,300	30,300	1,741	(28,559)
Net change in fund balance	\$ 30,300	\$ 30,300	1,741	\$ (28,559)
Fund balance, June 30, 2020			(741,582)	
Fund balance, June 30, 2021			\$ (739,841)	

**CITY OF ATASCADERO**  
**SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS**  
 Last 10 Years\*  
 For the Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
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The following table provides required supplementary information regarding the City's postemployment healthcare benefits.

Measurement Period	2021	2020	2019	2018
<b>Total OPEB Liability</b>				
Service Cost	\$ 8,079	\$ 9,582	\$ 13,252	\$ 7,820
Interest on total OPEB liability	6,464	6,190	5,763	5,583
Benefit payments	(6,726)	(6,610)	(4,800)	(7,400)
<b>Net change in total OPEB liability</b>	7,817	9,162	14,215	6,003
OPEB liability, beginning of year	215,480	206,318	192,103	186,100
<b>OPEB liability, end of year</b>	<u>\$ 223,297</u>	<u>\$ 215,480</u>	<u>\$ 206,318</u>	<u>\$ 192,103</u>
Covered payroll	\$ 1,200,858	\$ 1,200,858	\$ 1,200,858	\$ 1,126,865
Total OPEB liability as a percentage of covered payroll	18.59%	17.94%	17.18%	17.05%

**Notes to Schedule:**

There were no changes in assumptions reflected above.

\* Fiscal year 2018 was the first year of implementation, therefore, only four years are shown.

**CITY OF ATASCADERO**  
SCHEDULE OF OPEB CONTRIBUTIONS  
Last 10 Years  
As of June 30, 2021

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ITEM NUMBER: C-1  
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As of June 30, 2021, the plan is not administered through a qualified trust. Therefore, there is no Actuarially Determined contribution (ADC). Benefit payments of \$6,726 were made on a pay-as-you-go basis for the fiscal year ended June 30, 2021. Benefit payments of \$6,610 were made on a pay-as-you-go basis for the fiscal year ended June 30, 2020. Benefits payments of \$4,800 were made on a pay-as-you-go basis for the fiscal year ended June 30, 2019. Benefit payments of \$7,400 were made on a pay-as-you-go basis for the fiscal year ended June 30, 2018.

**CITY OF ATASCADERO**  
**SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**Cost-Sharing Multiple-Employer Defined Pension Plan - Last 10 Years\***  
**As of June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
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	Fiscal Year End						
	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
City's proportion of the net pension liability	0.281480%	0.277520%	0.275210%	0.270324%	0.272255%	0.278260%	0.260250%
City's proportionate share of the net pension liability	\$ 30,626,061	\$ 28,437,309	\$ 26,519,899	\$ 26,808,749	\$ 23,558,492	\$ 19,099,492	\$ 16,193,941
City's covered payroll **	\$ 10,024,682	\$ 9,541,259	\$ 9,337,993	\$ 10,102,742	\$ 8,658,607	\$ 8,348,164	\$ 8,181,272
City's proportionate share of the net pension liability as percentage of covered payroll	305.51%	298.05%	284.00%	265.36%	272.08%	228.79%	197.94%
Plan's total pension liability	\$ 43,702,930,887	\$ 41,426,453,489	\$ 38,944,855,364	\$ 37,161,348,332	\$ 33,358,627,624	\$ 31,771,217,402	\$ 30,829,966,631
Plan's fiduciary net position	\$ 32,822,501,335	\$ 31,179,414,067	\$ 29,308,589,559	\$ 27,244,095,376	\$ 24,705,532,291	\$ 24,907,305,871	\$ 24,607,502,515
Plan's fiduciary net position as a percentage of the plan's total pension liability	75.10%	75.26%	75.26%	73.31%	74.06%	78.40%	79.82%

\* Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.

\*\* For the year ending on the measurement date.

**CITY OF ATASCADERO**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
 Cost-Sharing Multiple-Employer Defined Pension Plan - Last 10 Years\*  
 As of June 30, 2021

ITEM NUMBER: C-1  
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Contributions for the fiscal year ending:	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Contractually required contribution (actuarially determined), \$	3,742,162	\$ 3,366,536	\$ 2,982,660	\$ 2,685,953	\$ 2,489,485	\$ 2,255,947	\$ 2,227,093
Contributions in relation to the actuarially determined contr	(3,742,162)	(3,366,536)	(2,982,660)	(2,685,953)	(2,489,485)	(2,255,947)	(2,227,093)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll **	\$ 9,943,967	\$ 10,024,682	\$ 9,541,259	\$ 9,337,993	\$ 10,102,742	\$ 8,658,607	\$ 8,348,164
Contributions as a percentage of covered payroll	37.63%	33.58%	31.26%	28.76%	24.64%	26.05%	26.68%

**Notes to Schedule**

Valuation Date	06/30/18	06/30/17	06/30/16	06/30/15	06/30/14	06/30/13	06/30/12
Methods and assumptions used to determine contribution rates:							
Actuarial cost method	Entry age						
Asset valuation method	5-year smoothed market						
Amortization method	Level percentage of payroll, closed						
Discount rate	7.150%	7.150%	7.375%	7.650%	7.650%	7.500%	7.500%
Price inflation	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%
Salary increases	Varies by entry age and service						
Mortality	Derived using CalPERS' Membership data for all funds						
Post retirement benefit	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies						

\* Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.

\*\* For the fiscal year ending on the date shown.

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## **OTHER SUPPLEMENTARY INFORMATION**

**CITY OF ATASCADERO**  
 2010 BOND DEBT SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Interest income- cash and investments	\$ 5,000	\$ 5,000	\$ (1,194)	\$ (6,194)
Interest income- 2010 reimbursement agreement with the Successor Agency to the RDA	712,290	712,290	639,583	(72,707)
Other 2010 Lease Revenue from Successor Agency	2,600	2,600	-	(2,600)
Total revenues	<u>719,890</u>	<u>719,890</u>	<u>638,389</u>	<u>(81,501)</u>
<b>Expenditures:</b>				
Insurance	-	-	3,350	(3,350)
Contract services	2,600	2,600	1,925	675
Principal	260,000	260,000	260,000	-
Interest	712,290	712,290	712,288	2
Total expenditures	<u>974,890</u>	<u>974,890</u>	<u>977,563</u>	<u>(2,673)</u>
Net change in fund balance	<u>\$ (255,000)</u>	<u>\$ (255,000)</u>	<u>(339,174)</u>	<u>\$ (84,174)</u>
Fund balance, June 30, 2020			<u>16,113,939</u>	
Fund balance, June 30, 2021			<u>\$ 15,774,765</u>	

The City has established the following special revenue funds in order to account for the proceeds from revenue sources that are restricted to expenditures for specified purposes:

**Supplemental Law Enforcement Services Fund**

This fund is used for Supplemental Law Enforcement Services grant monies received and to account for the allowed expenditures of these funds.

**Downtown Business Improvement Area Fund**

The City established a Downtown Business Improvement Area (BIA) in 1986 for the purpose of acquisition, construction, and/or maintenance of parking facilities, decoration of public places, promotion of public events, and the general promotion of business activities in the downtown area. An annual assessment is placed on all businesses in the downtown area, and this fund accounts for the revenues and expenses associated with these BIA monies. The assessment was reduced to \$0.00 in 2010 at the behest of downtown landlords as part of a program to encourage downtown business. In January 2018, the Atascadero Colony District Committee requested that the assessment be reinstated. The assessment was reinstated effective January 2019.

**Atascadero Tourism Business Improvement District Fund**

The City established the Atascadero Tourism Business Improvement District (ATBID) effective June 1, 2013, for the purpose of funding tourism promotion and increasing stays at the lodging businesses in Atascadero. A two percent (2%) assessment is placed on the nightly rent of all occupied rooms or spaces for all transient occupancies in Atascadero.

**Community Development Block Grant Fund**

This fund is used for Community Development Block Grant monies received from the federal government. These funds must be used for low or moderate income projects, or to eliminate blight in the community. The City receives an annual allocation from the federal government, based on the number of qualified persons in the City. The City holds an annual hearing to determine how this money is to be spent.

**Tree Plant Fund**

This fund accounts for Tree Mitigation Fees and the expenditure thereof. A fee may be paid by a developer in lieu of planting a tree on improved property. These funds are then used for the preservation and planting of the City's native trees.

**Gas Tax Fund**

This fund accounts for gas tax monies received from the State, which are expended to maintain various streets within the City.

**Local Transportation Fund**

This fund accounts for Local Transportation funds that can be used for streets projects. Local Transportation Funds (LTF) must first be spent to meet any reasonable community transit need. The City uses LTF monies to run the City's bus system and to contribute to San Luis Obispo Regional Transit Authority. Any remaining funds are accounted for in this fund and must be used for bikepath projects and streets projects.

**Street Assessment Fund**

This fund accounts for assessments collected to maintain various streets within the City.

**General Government Facilities Fees Fund**

General Facilities are those limited to office or work buildings and equipment used by City staff to undertake their daily duties. As the City increases in both population and new businesses, City Hall and the City maintenance yard will increasingly become overcrowded with growing staff. New facilities and equipment are necessary to extend the current level of service to these new residents and businesses. Because the need for these new facilities and additional equipment is directly related to new construction, a *General Government Facilities Fee* is charged on all new development. These fees are deposited into this fund and then used for expanded/new facilities and equipment as listed in the *Atascadero Master Facilities Plan*, updated February 2006.

**Storm Drainage Facilities Fees Fund**

As vacant land is developed and bare dirt or turf is replaced with impervious rooftop, parking lots, driveways, pools and sidewalks, water runoff increases; the cumulative effects of this additional runoff is managed by constructing the appropriate capital facilities. Because the need for these capital facilities is directly related to new construction, a *Storm Drainage Facilities Fee* is charged on all new development. These fees are deposited into this fund and then used for the construction of the new/increased/improved capital facilities as listed in the *Atascadero Master Facilities Plan*, updated February 2006.

**Law Enforcement Facilities Fees Fund**

Residents and businesses benefit from both direct (response to a call for service) and indirect (crime prevention programs, patrol, etc.) law enforcement services. The addition of new residential units and new businesses necessarily increase the demand upon the law enforcement service level by creating more direct calls for service, more area requiring preventive patrol, and in general, more opportunities for crimes to be committed. If law enforcement capabilities are not expanded, then the increasing number of calls for service will reduce the amount of time available for preventive patrol. Because the need for additional police officers, as well as the need for these officers to be equipped and housed, is directly related to new construction, a *Law Enforcement Facilities Fee* is charged on all new development. These fees are deposited into this fund and then used for the purchase/construction of equipment/stations for these additional officers as listed in the *Atascadero Master Facilities Plan*, updated February 2006.

**Fire Facilities Fees Fund**

In addition to providing fire prevention programs, the Fire Department responds to calls for fire and medical services from two existing fire stations. Each new residential and business development creates more calls for service, increasing the likelihood of simultaneous (and thus competing) calls for service. Additionally, as development spreads further from the existing stations, response times will necessarily increase, taking the existing engine companies out of service for greater periods of time. These developments create the need for additional facilities and equipment. Because the need for these new facilities and additional equipment is directly related to new construction, a *Fire Facilities Fee* is charged on all new development. These fees are deposited into this fund and then used for the relocation/construction of fire stations, as well as the purchase of additional equipment, as listed in the *Atascadero Master Facilities Plan*, updated February 2006.

**Open Space Acquisition Fees Fund**

Future residential development, by increasing the City's population, will by definition impact the City's available land and decrease open space. Without open space acquisition, the City's remaining available land will be developed and the City will lose much of its historic charm that is so valuable to residents. Because the need for land acquisition is directly related to new construction, an *Open Space Acquisition Fee* is charged on all new development. These fees are deposited into this fund and then used for land acquisitions as listed in the *Atascadero Master Facilities Plan*, updated February 2006.

**Parkland Facilities Fees Fund**

Residential development, by increasing the City's population, necessarily impacts the City's park system. Without future parkland and continued development of currently owned, but underutilized parkland, the City's parks become overcrowded and overused with the ultimate result becoming a negative experience for park users. Because the need for new facilities and land acquisitions is directly related to new construction, a *Parkland Facilities Fee* is charged on all new development. These fees are deposited into this fund and then used for expanded/new facilities and land acquisitions as listed in the *Atascadero Master Facilities Plan*, updated February 2006.

**Public Facilities Fees Fund**

The City currently has existing community use facilities, such as the Pavilion on the Lake and the Colony Park Community Center. Future additional residential units will increase the City's population, placing ever greater demands on existing community use facilities, and new or expanded community center space will be necessary to extend the current level of service to new residents. Because the need for these new facilities is directly related to new construction, a *Public Facilities Fee* is charged on all new residential development. These fees are deposited into this fund and then used for expanded/new community use facilities as listed in the *Atascadero Master Facilities Plan*, updated February 2006.

**Library Expansion Facilities Fees Fund**

The County Public Library System currently owns and maintains a library facility within the City limits. While the City is not the library service provider, the City's residents and businesses have an interest in maintaining the library service levels. Additional development within the City will increase the demand for a larger sized library and for more volumes within the library. Because the need for expanded library services is directly related to new construction, a *Library Facilities Fee* is charged on all new development. These fees are deposited into this fund and then are used for the expansion of the amount of library facility space and the expansion of the library collection as listed in the *Atascadero Master Facilities Plan*, updated February 2006. In December 2010, the County purchased a new library facility at 6555 Capistrano Avenue. The City contributed a total of \$315,180 toward the library expansion during the period spanning December 2010 through June 2014. This amount was a combination of impact fees and other funds that had been set aside for library expansion.

**Community Facilities District Fund**

This fund is used to account for fees assessed in the Community Facilities District. This district was established in 2005 in order to provide funding for expansion of police, fire, and parks services as the City's population increases. Developments that must obtain Planning Commission approval are subject to annexation into the city-wide district.

**Apple Valley Street & Storm Drain Assessment District Fund**

This fund is used to account for fees assessed in a development known as The Colony at Apple Valley. This assessment district was established in 2005 in order to maintain the street and storm drain related improvements in the development.

**Apple Valley Landscape & Lighting Assessment District Fund**

This fund is used to account for fees assessed in a development known as The Colony at Apple Valley. This assessment district was established in 2005 in order to maintain the landscape and lighting related improvements in the development.

**CITY OF ATASCADERO**

NONMAJOR GOVERNMENTAL FUNDS OVERVIEW (continued)  
SPECIAL REVENUE FUNDS (continued) AND CAPITAL PROJECTS FUNDS

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**Las Lomas Street & Storm Drain Assessment District Fund**

This fund is used to account for fees assessed in a development known as Las Lomas. This assessment district was established in 2005 in order to maintain the street and storm drain related improvements in the development.

**Las Lomas Landscape & Lighting Assessment District Fund**

This fund is used to account for fees assessed in a development known as Las Lomas. This assessment district was established in 2005 in order to maintain the landscape and lighting related improvements in the development.

**De Anza Street & Storm Drain Assessment District Fund**

This fund is used to account for fees assessed in a development known as De Anza Estates. This assessment district was established in 2005 in order to maintain the street and storm drain related improvements in the development.

**De Anza Landscape & Lighting Assessment District Fund**

This fund is used to account for fees assessed in a development known as De Anza Estates. This assessment district was established in 2005 in order to maintain the landscape and lighting related improvements in the development.

**The City has established the following capital projects funds in order to account for expenditures for specific capital project purposes:**

**Capital Projects Fund**

This fund is typically used to account for the financial resources used in the construction or acquisition of major capital facilities or equipment obtained by special funding such as grants or dedicated reimbursements. It is also used as a type of clearinghouse for projects with many different sources of funding.

**2010 Bond Proceeds Master Agreement Fund**

On September 1, 2010, the City issued \$16,010,000 in lease revenue bonds to be used for various redevelopment public improvement projects within the downtown area. As part of June 2011 state legislation, all redevelopment agencies throughout the State were dissolved. At that time, the Redevelopment Agency was in the process of expending the 2010 bond proceeds in accordance with the bond covenants which require the funds to be spent on the Historic City Hall Rehabilitation Project with the remaining funds to be spent on other eligible redevelopment projects. The Historic City Hall Rehabilitation Project has been completed, leaving remaining 2010 bond proceeds. In accordance with redevelopment dissolution law, in August of 2014, the City and the Successor Agency entered into a Master Agreement, transferring all remaining bond proceeds to the City to be spent on projects for which the bonds were originally sold. This fund accounts for the expenditure of those 2010 bond funds transferred to the City under the Master Agreement.

**Youth Center Construction Fund**

This fund accounts for funds received for and expended on the construction of the Colony Park Community Center.

**CITY OF ATASCADERO**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
 June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
 ATTACHMENT: 1

	<b>Special Revenue Funds</b>					
	<b>Supplemental Law Enforcement Services Fund</b>	<b>Downtown Business Improvement Area Fund</b>	<b>Atascadero Tourism Business Improvement District Fund</b>	<b>Community Development Block Grant Fund</b>	<b>Tree Plant Fund</b>	<b>Gas Tax Fund</b>
<b>ASSETS</b>						
Cash and investments	\$ 156,397	\$ 14,545	\$ 321,741	\$ -	\$ 195,657	\$ 1,007,910
Receivables:						
Federal distributions due	-	-	-	350,050	-	-
Due from State of California	-	-	-	-	-	101,540
Due from County of San Luis Obispo	-	-	-	-	-	-
Accrued interest	363	36	792	-	523	2,042
Other receivables	-	-	100,778	362	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	730
<b>Total assets</b>	<b>\$ 156,760</b>	<b>\$ 14,581</b>	<b>\$ 423,311</b>	<b>\$ 350,412</b>	<b>\$ 196,180</b>	<b>\$ 1,112,222</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable	\$ 30,643	\$ -	\$ 22,442	\$ 143,633	\$ 1,351	\$ 57,307
Accrued salaries and benefits	2,294	-	-	-	-	11,865
Due to other funds	-	-	-	206,779	-	-
Unearned revenue	118,141	-	99	-	-	-
<b>Total liabilities</b>	<b>151,078</b>	<b>-</b>	<b>22,541</b>	<b>350,412</b>	<b>1,351</b>	<b>69,172</b>
Fund Balances:						
Nonspendable	-	-	-	-	-	730
Restricted	5,682	14,581	400,770	-	194,829	1,042,320
Assigned for road projects	-	-	-	-	-	-
<b>Total fund balances</b>	<b>5,682</b>	<b>14,581</b>	<b>400,770</b>	<b>-</b>	<b>194,829</b>	<b>1,043,050</b>
<b>Total liabilities and fund balances</b>	<b>\$ 156,760</b>	<b>\$ 14,581</b>	<b>\$ 423,311</b>	<b>\$ 350,412</b>	<b>\$ 196,180</b>	<b>\$ 1,112,222</b>

**CITY OF ATASCADERO**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET (continued)**  
 June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
 ATTACHMENT: 1

	<b>Special Revenue Funds</b>					
	<b>Local Transportation Fund</b>	<b>Street Assessment Fund</b>	<b>General Government Facilities Fees Fund</b>	<b>Storm Drainage Facilities Fees Fund</b>	<b>Law Enforcement Facilities Fees Fund</b>	<b>Fire Facilities Fees Fund</b>
<b>ASSETS</b>						
Cash and investments	\$ 3,188,828	\$ 86,992	\$ 220,583	\$ 438,112	\$ 352,503	\$ 645,550
Receivables:						
Federal distributions due	229,820	-	-	-	-	-
Due from State of California	15,871	-	-	-	-	-
Due from County of San Luis Obispo	528	33	-	-	-	-
Accrued interest	7,588	221	524	1,048	868	1,571
Other receivables	-	-	-	-	-	387
Due from other funds	-	-	-	-	-	739,841
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 3,442,635</u>	<u>\$ 87,246</u>	<u>\$ 221,107</u>	<u>\$ 439,160</u>	<u>\$ 353,371</u>	<u>\$ 1,387,349</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable	\$ 107,524	\$ -	\$ -	\$ -	\$ -	\$ 29
Accrued salaries and benefits	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>107,524</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	3,335,111	87,246	221,107	439,160	353,371	1,387,320
Assigned for road projects	-	-	-	-	-	-
Total fund balances	<u>3,335,111</u>	<u>87,246</u>	<u>221,107</u>	<u>439,160</u>	<u>353,371</u>	<u>1,387,320</u>
Total liabilities and fund balances	<u>\$ 3,442,635</u>	<u>\$ 87,246</u>	<u>\$ 221,107</u>	<u>\$ 439,160</u>	<u>\$ 353,371</u>	<u>\$ 1,387,349</u>

**CITY OF ATASCADERO**  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (continued)  
June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	<b>Special Revenue Funds</b>					
	<b>Open Space Acquisition Fees Fund</b>	<b>Parkland Facilities Fees Fund</b>	<b>Public Facilities Fees Fund</b>	<b>Library Expansion Facilities Fees Fund</b>	<b>Community Facilities District Fund</b>	<b>Apple Valley Street &amp; Storm Drain Assessment District Fund</b>
<b>ASSETS</b>						
Cash and investments	\$ 793,009	\$ 509,280	\$ 6,144	\$ 233,761	\$ 50,436	\$ 488,592
Receivables:						
Federal distributions due	-	-	-	-	-	-
Due from State of California	-	-	-	-	-	-
Due from County of San Luis Obispo	-	-	-	-	6,210	276
Accrued interest	1,972	1,942	543	580	186	1,217
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 794,981</u>	<u>\$ 511,222</u>	<u>\$ 6,687</u>	<u>\$ 234,341</u>	<u>\$ 56,832</u>	<u>\$ 490,085</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable	\$ -	\$ 51,089	\$ 2,006	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>51,089</u>	<u>2,006</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	794,981	460,133	4,681	234,341	56,832	490,085
Assigned for road projects	-	-	-	-	-	-
Total fund balances	<u>794,981</u>	<u>460,133</u>	<u>4,681</u>	<u>234,341</u>	<u>56,832</u>	<u>490,085</u>
Total liabilities and fund balances	<u>\$ 794,981</u>	<u>\$ 511,222</u>	<u>\$ 6,687</u>	<u>\$ 234,341</u>	<u>\$ 56,832</u>	<u>\$ 490,085</u>

**CITY OF ATASCADERO**  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (continued)  
June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	Special Revenue Funds					Capital Projects Funds
	Apple Valley Landscape & Lighting Assessment District Fund	Las Lomas Street & Storm Drain Assessment District Fund	Las Lomas Landscape & Lighting Assessment District Fund	De Anza Street & Storm Drain Assessment District Fund	De Anza Landscape & Lighting Assessment District Fund	Capital Projects Fund
<b>ASSETS</b>						
Cash and investments	\$ 244,054	\$ 635,282	\$ 190,310	\$ 479,174	\$ 131,126	\$ 364,371
Receivables:						
Federal distributions due	-	-	-	-	-	-
Due from State of California	-	-	-	-	-	-
Due from County of San Luis Obispo	451	706	503	216	158	-
Accrued interest	618	1,533	482	1,206	336	951
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 245,123</u>	<u>\$ 637,521</u>	<u>\$ 191,295</u>	<u>\$ 480,596</u>	<u>\$ 131,620</u>	<u>\$ 365,322</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Accounts payable	\$ 11,401	\$ -	\$ 4,259	\$ -	\$ 500	\$ -
Accrued salaries and benefits	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned revenue	50,770	-	-	-	-	-
Total liabilities	<u>62,171</u>	<u>-</u>	<u>4,259</u>	<u>-</u>	<u>500</u>	<u>-</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	182,952	637,521	187,036	480,596	131,120	134,497
Assigned for road projects	-	-	-	-	-	230,825
Total fund balances	<u>182,952</u>	<u>637,521</u>	<u>187,036</u>	<u>480,596</u>	<u>131,120</u>	<u>365,322</u>
Total liabilities and fund balances	<u>\$ 245,123</u>	<u>\$ 637,521</u>	<u>\$ 191,295</u>	<u>\$ 480,596</u>	<u>\$ 131,620</u>	<u>\$ 365,322</u>

**Capital Projects Funds**

	<b>2010 Bond Proceeds Master Agreement Fund</b>	<b>Youth Center Construction Fund</b>	<b>TOTALS</b>
<b>ASSETS</b>			
Cash and investments	\$ 302,020	\$ 4,217	\$ 11,060,594
Receivables:			
Federal distributions due	-	-	579,870
Due from State of California	-	-	117,411
Due from County of San Luis Obispo	-	-	9,081
Accrued interest	778	11	27,931
Other receivables	-	-	101,527
Due from other funds	-	-	739,841
Prepaid items	-	-	730
Total assets	<u>\$ 302,798</u>	<u>\$ 4,228</u>	<u>\$ 12,636,985</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Accounts payable	\$ -	\$ -	\$ 432,184
Accrued salaries and benefits	-	-	14,159
Due to other funds	-	-	206,779
Unearned revenue	-	1,213	170,223
Total liabilities	<u>-</u>	<u>1,213</u>	<u>823,345</u>
Fund Balances:			
Nonspendable	-	-	730
Restricted	302,798	3,015	11,582,085
Assigned for road projects	-	-	230,825
Total fund balances	<u>302,798</u>	<u>3,015</u>	<u>11,813,640</u>
Total liabilities and fund balances	<u>\$ 302,798</u>	<u>\$ 4,228</u>	<u>\$ 12,636,985</u>

**CITY OF ATASCADERO**  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
For Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	<b>Special Revenue Funds</b>					
	<b>Supplemental Law Enforcement Services Fund</b>	<b>Downtown Business Improvement Area Fund</b>	<b>Atascadero Tourism Business Improvement District Fund</b>	<b>Community Development Block Grant Fund</b>	<b>Tree Plant Fund</b>	<b>Gas Tax Fund</b>
<b>Revenues:</b>						
Taxes and assessments	\$ -	\$ 12,971	\$ 277,287	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	15,800	-
Intergovernmental revenues	139,125	-	-	348,937	-	1,240,022
Use of money and property	1,369	21	2,027	-	(19)	10,962
Other revenues	-	-	-	-	-	34,987
<b>Total revenues</b>	<b>140,494</b>	<b>12,992</b>	<b>279,314</b>	<b>348,937</b>	<b>15,781</b>	<b>1,285,971</b>
<b>Expenditures:</b>						
Salaries and benefits	64,427	-	-	-	-	406,101
Supplies and services	20,421	11,750	152,211	10,299	34,903	542,996
Special projects and studies	6,800	-	-	-	-	620
Capital outlay	47,477	-	-	338,638	-	-
<b>Total expenditures</b>	<b>139,125</b>	<b>11,750</b>	<b>152,211</b>	<b>348,937</b>	<b>34,903</b>	<b>949,717</b>
Excess of revenues over (under) expenditures	1,369	1,242	127,103	-	(19,122)	336,254
<b>Other Financing Sources (Uses):</b>						
Transfers in	-	-	-	-	-	251,817
Transfers out	-	-	-	-	-	(98,588)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>153,229</b>
<b>Net change in fund balances</b>	<b>1,369</b>	<b>1,242</b>	<b>127,103</b>	<b>-</b>	<b>(19,122)</b>	<b>489,483</b>
Fund balances, June 30, 2020	4,313	13,339	273,667	-	213,951	553,567
Fund balances, June 30, 2021	<b>\$ 5,682</b>	<b>\$ 14,581</b>	<b>\$ 400,770</b>	<b>\$ -</b>	<b>\$ 194,829</b>	<b>\$ 1,043,050</b>

**CITY OF ATASCADERO**

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)

For Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
 ATTACHMENT: 1

**Special Revenue Funds**

	<b>Local Transportation Fund</b>	<b>Street Assessment Fund</b>	<b>General Government Facilities Fees Fund</b>	<b>Storm Drainage Facilities Fees Fund</b>	<b>Law Enforcement Facilities Fees Fund</b>	<b>Fire Facilities Fees Fund</b>
<b>Revenues:</b>						
Taxes and assessments	\$ -	\$ 2,160	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	41,074	37,320	22,993	36,954
Intergovernmental revenues	1,133,242	-	-	-	-	-
Use of money and property	27,413	197	1,172	1,506	1,075	12,915
Other revenues	-	-	-	-	-	-
<b>Total revenues</b>	<b>1,160,655</b>	<b>2,357</b>	<b>42,246</b>	<b>38,826</b>	<b>24,068</b>	<b>49,869</b>
<b>Expenditures:</b>						
Salaries and benefits	-	-	-	-	-	-
Supplies and services	-	-	-	-	-	-
Special projects and studies	54,613	-	-	-	-	-
Capital outlay	710,357	-	-	-	-	-
<b>Total expenditures</b>	<b>764,970</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess of revenues over (under) expenditures	395,685	2,357	42,246	38,826	24,068	49,869
<b>Other Financing Sources (Uses):</b>						
Transfers in	98,588	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>98,588</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>494,273</b>	<b>2,357</b>	<b>42,246</b>	<b>38,826</b>	<b>24,068</b>	<b>49,869</b>
Fund balances, June 30, 2020	2,840,838	84,889	178,861	400,334	329,303	1,337,451
Fund balances, June 30, 2021	\$ 3,335,111	\$ 87,246	\$ 221,107	\$ 439,160	\$ 353,371	\$ 1,387,320

**CITY OF ATASCADERO**

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)

For Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
 ATTACHMENT: 1

	<b>Special Revenue Funds</b>					
	<b>Open Space Acquisition Fees Fund</b>	<b>Parkland Facilities Fees Fund</b>	<b>Public Facilities Fees Fund</b>	<b>Library Expansion Facilities Fees Fund</b>	<b>Community Facilities District Fund</b>	<b>Apple Valley Street &amp; Storm Drain Assessment District Fund</b>
<b>Revenues:</b>						
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ 625,724	\$ 38,500
Licenses and permits	62,252	180,302	40,372	20,395	-	-
Intergovernmental revenues	-	-	-	-	-	-
Use of money and property	2,612	(8,427)	(5,044)	805	(2,444)	1,418
Other revenues	-	-	-	-	-	-
Total revenues	<u>64,864</u>	<u>171,875</u>	<u>35,328</u>	<u>21,200</u>	<u>623,280</u>	<u>39,918</u>
<b>Expenditures:</b>						
Salaries and benefits	-	-	-	-	-	-
Supplies and services	-	-	-	-	5,150	5,987
Special projects and studies	-	-	-	-	-	-
Capital outlay	-	938,263	85,498	-	-	-
Total expenditures	<u>-</u>	<u>938,263</u>	<u>85,498</u>	<u>-</u>	<u>5,150</u>	<u>5,987</u>
Excess of revenues over (under) expenditures	<u>64,864</u>	<u>(766,388)</u>	<u>(50,170)</u>	<u>21,200</u>	<u>618,130</u>	<u>33,931</u>
<b>Other Financing Sources (Uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(698,950)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(698,950)</u>	<u>-</u>
Net change in fund balances	<u>64,864</u>	<u>(766,388)</u>	<u>(50,170)</u>	<u>21,200</u>	<u>(80,820)</u>	<u>33,931</u>
Fund balances, June 30, 2020	<u>730,117</u>	<u>1,226,521</u>	<u>54,851</u>	<u>213,141</u>	<u>137,652</u>	<u>456,154</u>
Fund balances, June 30, 2021	<u>\$ 794,981</u>	<u>\$ 460,133</u>	<u>\$ 4,681</u>	<u>\$ 234,341</u>	<u>\$ 56,832</u>	<u>\$ 490,085</u>

**CITY OF ATASCADERO**  
**NONMAJOR GOVERNMENTAL FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)**  
 For Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
 DATE: 01/25/22  
 ATTACHMENT: 1

	Special Revenue Funds					Capital Projects Funds
	Apple Valley Landscape & Lighting Assessment District Fund	Las Lomas Street & Storm Drain Assessment District Fund	Las Lomas Landscape & Lighting Assessment District Fund	De Anza Street & Storm Drain Assessment District Fund	De Anza Landscape & Lighting Assessment District Fund	Capital Projects Fund
<b>Revenues:</b>						
Taxes and assessments	\$ 63,000	\$ 92,933	\$ 66,048	\$ 30,561	\$ 15,874	\$ -
Licenses and permits	9,900	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	(716)
Use of money and property	239	2,559	314	1,280	242	383
Other revenues	-	-	-	-	-	-
Total revenues	73,139	95,492	66,362	31,841	16,116	(333)
<b>Expenditures:</b>						
Salaries and benefits	-	-	-	-	-	-
Supplies and services	72,665	6,119	62,105	5,971	15,914	-
Special projects and studies	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	72,665	6,119	62,105	5,971	15,914	-
Excess of revenues over (under) expenditures	474	89,373	4,257	25,870	202	(333)
<b>Other Financing Sources (Uses):</b>						
Transfers in	-	-	1,850	-	1,400	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	1,850	-	1,400	-
Net change in fund balances	474	89,373	6,107	25,870	1,602	(333)
Fund balances, June 30, 2020	182,478	548,148	180,929	454,726	129,518	365,655
Fund balances, June 30, 2021	\$ 182,952	\$ 637,521	\$ 187,036	\$ 480,596	\$ 131,120	\$ 365,322

**CITY OF ATASCADERO**  
 NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (continued)  
 For Fiscal Year Ended June 30, 2021

	<u>Capital Projects Funds</u>		
	<u>2010 Bond Proceeds Master Agreement Fund</u>	<u>Youth Center Construction Fund</u>	<u>TOTALS</u>
<b>Revenues:</b>			
Taxes and assessments	\$ -	\$ -	\$ 1,225,058
Licenses and permits	-	-	467,362
Intergovernmental revenues	-	-	2,860,610
Use of money and property	527	8	53,110
Other revenues	-	-	34,987
Total revenues	<u>527</u>	<u>8</u>	<u>4,641,127</u>
<b>Expenditures:</b>			
Salaries and benefits	-	-	470,528
Supplies and services	-	-	946,491
Special projects and studies	-	-	62,033
Capital outlay	1,519	-	2,121,752
Total expenditures	<u>1,519</u>	<u>-</u>	<u>3,600,804</u>
Excess of revenues over (under) expenditures	<u>(992)</u>	<u>8</u>	<u>1,040,323</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	353,655
Transfers out	-	-	(797,538)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(443,883)</u>
Net change in fund balances	(992)	8	596,440
Fund balances, June 30, 2020	<u>303,790</u>	<u>3,007</u>	<u>11,217,200</u>
Fund balances, June 30, 2021	<u>\$ 302,798</u>	<u>\$ 3,015</u>	<u>\$ 11,813,640</u>

**CITY OF ATASCADERO**  
 SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
S.L.E.S.F. Grant	\$ 70,930	\$ 139,130	\$ 139,125	\$ (5)
Interest income	-	-	1,369	1,369
Total revenues	<u>70,930</u>	<u>139,130</u>	<u>140,494</u>	<u>1,364</u>
<b>Expenditures:</b>				
Employee services	35,640	64,430	64,427	3
Computer maintenance & replacement	-	7,800	7,800	-
Operating supplies	-	3,780	3,778	2
Contract services	1,290	6,840	6,843	(3)
Professional development	-	2,000	2,000	-
Special projects and purchases:				
Personal Protective Vests	-	6,800	6,800	-
Capital outlay:				
Radio Repeater Project	-	47,480	47,477	3
Cash Contribution to Vehicle and Equipment Replacement Fund for Vehicle Purchase	34,000	-	-	-
Total expenditures	<u>70,930</u>	<u>139,130</u>	<u>139,125</u>	<u>5</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,369	<u>\$ 1,369</u>
Fund balance, June 30, 2020			<u>4,313</u>	
Fund balance, June 30, 2021			<u>\$ 5,682</u>	

**CITY OF ATASCADERO**  
 DOWNTOWN BUSINESS IMPROVEMENT AREA FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Tourism assessments	\$ 10,600	\$ 11,550	\$ 12,971	\$ 1,421
Interest income	190	190	21	(169)
Total revenues	<u>10,790</u>	<u>11,740</u>	<u>12,992</u>	<u>1,252</u>
<b>Expenditures:</b>				
Main Street Administration	<u>10,800</u>	<u>11,750</u>	<u>11,750</u>	<u>-</u>
Total expenditures	<u>10,800</u>	<u>11,750</u>	<u>11,750</u>	<u>-</u>
Net change in fund balance	<u>\$ (10)</u>	<u>\$ (10)</u>	1,242	<u>\$ 1,252</u>
Fund balance, June 30, 2020			<u>13,339</u>	
Fund balance, June 30, 2021			<u>\$ 14,581</u>	

**CITY OF ATASCADERO**  
 ATASCADERO TOURISM BUSINESS IMPROVEMENT DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Tourism assessments	\$ 326,770	\$ 326,770	\$ 277,287	\$ (49,483)
Interest income	4,670	4,670	2,027	(2,643)
Total revenues	<u>331,440</u>	<u>331,440</u>	<u>279,314</u>	<u>(52,126)</u>
<b>Expenditures:</b>				
Office expense	1,000	1,000	-	1,000
Advertising	160,000	160,000	43,142	116,858
Operating Supplies	500	500	-	500
Contract services	151,250	151,250	106,295	44,955
Professional Development	430	430	-	430
Administration	3,270	3,270	2,774	496
Total expenditures	<u>316,450</u>	<u>316,450</u>	<u>152,211</u>	<u>164,239</u>
Net change in fund balance	<u>\$ 14,990</u>	<u>\$ 14,990</u>	<u>127,103</u>	<u>\$ 112,113</u>
Fund balance, June 30, 2020			<u>273,667</u>	
Fund balance, June 30, 2021			<u>\$ 400,770</u>	

**CITY OF ATASCADERO**  
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Community Development Block Grant	\$ 303,590	\$ 477,260	\$ 348,937	\$ (128,323)
Total revenues	303,590	477,260	348,937	(128,323)
<b>Expenditures:</b>				
Administration:				
CDBG general administration	-	10,300	10,299	1
Special projects and studies:				
Youth Scholarships	-	12,500	-	12,500
Capital outlay:				
Traffic Way and El Camino Real Barrier Removal	303,590	334,190	334,186	4
Santa Rosa Barrier Removal	-	120,270	4,452	115,818
Total expenditures	303,590	477,260	348,937	128,323
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, June 30, 2020			-	
Fund balance, June 30, 2021			\$ -	

**CITY OF ATASCADERO**  
**TREE PLANT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2021**

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Permits and fees	\$ 10,000	\$ 10,000	\$ 15,800	\$ 5,800
Interest income	920	920	(19)	(939)
Total revenues	<u>10,920</u>	<u>10,920</u>	<u>15,781</u>	<u>4,861</u>
<b>Expenditures:</b>				
Office expense	100	100	-	100
Operating supplies	200	200	-	200
Contract services	19,000	19,000	17,473	1,527
Professional development	500	500	-	500
Administrative charges	17,430	17,430	17,430	-
Special projects and studies:				
Native Tree Replanting	9,000	9,000	-	9,000
Total expenditures	<u>46,230</u>	<u>46,230</u>	<u>34,903</u>	<u>11,327</u>
Net change in fund balance	<u>\$ (35,310)</u>	<u>\$ (35,310)</u>	<u>(19,122)</u>	<u>\$ 16,188</u>
Fund balance, June 30, 2020			<u>213,951</u>	
Fund balance, June 30, 2021			<u>\$ 194,829</u>	

**CITY OF ATASCADERO**  
 GAS TAX FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final
	Original	Final		Budget Positive (Negative)
<b>Revenues:</b>				
Section 2103 highway users tax	\$ 283,280	\$ 283,280	\$ 200,532	\$ (82,748)
Section 2105 highway users tax	184,220	184,220	153,130	(31,090)
Section 2106 highway users tax	138,220	138,220	116,363	(21,857)
Section 2107 highway users tax	240,620	240,620	207,211	(33,409)
Section 2107.5 highway users tax	6,000	6,000	6,000	-
SB1- Section 2031 Road Maintenance & Rehabilitation	568,200	568,200	557,213	(10,987)
FEMA Revenue- 2017 Storms	-	-	(427)	(427)
Other revenues	-	-	34,987	34,987
Interest income	3,620	3,620	10,962	7,342
<b>Total revenues</b>	<b>1,424,160</b>	<b>1,424,160</b>	<b>1,285,971</b>	<b>(138,189)</b>
<b>Expenditures:</b>				
Salaries and benefits	460,030	460,030	406,101	53,929
Computer maintenance & replacement	3,690	3,690	3,690	-
Insurance	17,850	17,850	16,511	1,339
Utilities	110,000	115,640	115,635	5
Communications	1,500	1,500	1,442	58
Operating supplies and equipment	45,000	46,740	20,318	26,422
Vehicle and equipment operations	51,570	51,570	42,135	9,435
Contract services	112,500	112,500	91,355	21,145
Professional development	3,450	3,450	1,500	1,950
Recruitment	200	200	-	200
Department service allocation	140,570	140,570	140,570	-
Administrative charges	109,840	109,840	109,840	-
Special projects				
Portable Generator	-	620	620	-
<b>Total expenditures</b>	<b>1,056,200</b>	<b>1,064,200</b>	<b>949,717</b>	<b>114,483</b>
<b>Excess of revenues over (under) expenditures</b>	<b>367,960</b>	<b>359,960</b>	<b>336,254</b>	<b>(23,706)</b>

**CITY OF ATASCADERO**  
 GAS TAX FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (continued)  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources (Uses):</b>				
Transfer from General Fund for street maintenance	\$ 200,240	\$ 208,240	\$ 251,817	\$ 43,577
Transfer out to Local Transportation Fund for El Camino Real Rehabilitation South (SB1)	(1,045,310)	(1,045,310)	(98,588)	946,722
Total other financing sources (uses)	(845,070)	(837,070)	153,229	990,299
Net change in fund balance	\$ (477,110)	\$ (477,110)	489,483	\$ 966,593
Fund balance, June 30, 2020			553,567	
Fund balance, June 30, 2021			\$ 1,043,050	

**CITY OF ATASCADERO**  
 LOCAL TRANSPORTATION FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final
	Original	Final		Budget Positive (Negative)
<b>Revenues:</b>				
Local Transportation Tax- Article 3 Bike Paths	\$ 28,860	\$ 28,860	\$ 22,448	\$ (6,412)
Local Transportation Tax- Article 8 Streets	882,480	882,480	701,851	(180,629)
HBRR Grant - Via Avenue Bridge	3,100,580	3,100,580	76,957	(3,023,623)
HBRR Grant - Santa Lucia Bridge	1,717,710	1,717,710	286,120	(1,431,590)
USHA- Traffic Way/Ardilla Ave Rehabilitation	285,270	285,270	528	(284,742)
Local Roadway Safety Plan	72,000	72,000	46,635	(25,365)
RSHA- Hwy 41 Complete Streets	118,510	118,510	-	(118,510)
OES Revenue- 2017 Storms	-	-	(1,297)	(1,297)
Interest income	37,660	37,660	27,413	(10,247)
Total revenues	<u>6,243,070</u>	<u>6,243,070</u>	<u>1,160,655</u>	<u>(5,082,415)</u>
<b>Expenditures:</b>				
Special projects:				
Pavement Crack Sealing Preservation Program	60,000	60,000	-	60,000
Hwy 41 Complete Streets	118,510	118,510	-	118,510
Citywide Pavement Condition Evaluation Update	7,160	7,160	508	6,652
Bridge Evaluations and Studies	25,000	25,000	-	25,000
Balboa Road Emergency Access Repairs	2,750	2,750	-	2,750
Local Roadway Safety Plan	85,820	85,820	54,105	31,715
Capital outlay:				
Viejo Camino Road Rehabilitation Project	33,040	33,040	-	33,040
Santa Lucia Road Rehabilitation Project	152,420	152,420	-	152,420
2019 Pavement Resurfacing Project- Multiple Roads	33,690	33,690	-	33,690
San Anselmo Rehabilitation Project- West	90,010	90,010	330	89,680
El Camino Real Rehabilitation Project- South	1,250,000	1,250,000	98,588	1,151,412
Traffic Way/Ardilla Avenue Rehabilitation	285,270	285,270	528	284,742
2020 Pavement Resurfacing - Multiple Roads	283,290	283,290	26,773	256,517
San Gabriel Road Rehabilitation	51,000	96,900	93,452	3,448
San Marcos Road Rehabilitation	44,000	84,200	70,802	13,398
San Marcos Road Embankment Subsidence Repair	275,000	275,000	1,675	273,325
Via Avenue Bridge Replacement	3,502,300	3,502,300	86,927	3,415,373
Santa Lucia Road Bridge Replacement	1,717,710	1,717,710	331,282	1,386,428
Total expenditures	<u>8,016,970</u>	<u>8,103,070</u>	<u>764,970</u>	<u>7,338,100</u>
Excess of revenues over (under) expenditures	<u>(1,773,900)</u>	<u>(1,860,000)</u>	<u>395,685</u>	<u>2,255,685</u>

**CITY OF ATASCADERO**  
 LOCAL TRANSPORTATION FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (continued)  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources (Uses):</b>				
Transfer from Gas Tax Fund for El Camino Real Rehabilitation Project South (SB1)	\$ 1,045,310	\$ 1,045,310	\$ 98,588	\$ (946,722)
Total other financing sources (uses)	1,045,310	1,045,310	98,588	(946,722)
Net change in fund balance	\$ (728,590)	\$ (814,690)	494,273	\$ 1,308,963
Fund balance, June 30, 2020			2,840,838	
Fund balance, June 30, 2021			\$ 3,335,111	

**CITY OF ATASCADERO**  
 STREET ASSESSMENT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and special assessments- Lobos Lane	\$ 280	\$ 280	\$ 280	\$ -
Taxes and special assessments- Sonora / Pinal	380	380	380	-
Taxes and special assessments- Maleza	180	180	180	-
Taxes and special assessments- San Fernando	580	580	580	-
Taxes and special assessments- Aguila	100	100	100	-
Taxes and special assessments- Pinal / Escarpa	180	180	180	-
Taxes and special assessments- Cayucos	220	220	220	-
Taxes and special assessments- Falda	240	240	240	-
Interest income	590	590	197	(393)
Total revenues	<u>2,750</u>	<u>2,750</u>	<u>2,357</u>	<u>(393)</u>
Net change in fund balance	<u>2,750</u>	<u>2,750</u>	2,357	<u>(393)</u>
Fund balance, June 30, 2020			<u>84,889</u>	
Fund balance, June 30, 2021			<u>\$ 87,246</u>	

**CITY OF ATASCADERO**  
 GENERAL GOVERNMENT FACILITIES FEES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 127,270	\$ 127,270	\$ 41,074	\$ (86,196)
Interest income	5,020	5,020	1,172	(3,848)
Total revenues	<u>132,290</u>	<u>132,290</u>	<u>42,246</u>	<u>(90,044)</u>
Net change in fund balance	<u>\$ 132,290</u>	<u>\$ 132,290</u>	42,246	<u>\$ (90,044)</u>
Fund balance, June 30, 2020			<u>178,861</u>	
Fund balance, June 30, 2021			<u>\$ 221,107</u>	

**CITY OF ATASCADERO**  
 STORM DRAINAGE FACILITIES FEES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 63,450	\$ 63,450	\$ 37,320	\$ (26,130)
Interest income	810	810	1,506	696
Total revenues	<u>64,260</u>	<u>64,260</u>	<u>38,826</u>	<u>(25,434)</u>
<b>Expenditures:</b>				
Special projects and studies:				
Drainage Improvement Program	50,000	50,000	-	50,000
Capital projects:				
Culvert Replacement & Inlet Improvement Program	185,500	185,500	-	185,500
Total expenditures	<u>235,500</u>	<u>235,500</u>	<u>-</u>	<u>235,500</u>
Net change in fund balance	<u>\$ (171,240)</u>	<u>\$ (171,240)</u>	38,826	<u>\$ 210,066</u>
Fund balance, June 30, 2020			<u>400,334</u>	
Fund balance, June 30, 2021			<u>\$ 439,160</u>	

**CITY OF ATASCADERO**  
 LAW ENFORCEMENT FACILITIES FEES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 61,740	\$ 61,740	\$ 22,993	\$ (38,747)
Interest income	6,740	6,740	1,075	(5,665)
Total revenues	<u>68,480</u>	<u>68,480</u>	<u>24,068</u>	<u>(44,412)</u>
Net change in fund balance	<u>\$ 68,480</u>	<u>\$ 68,480</u>	24,068	<u>\$ (44,412)</u>
Fund balance, June 30, 2020			<u>329,303</u>	
Fund balance, June 30, 2021			<u>\$ 353,371</u>	

**CITY OF ATASCADERO**  
 FIRE FACILITIES FEES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 89,740	\$ 89,740	\$ 36,954	\$ (52,786)
Rental income	10,800	10,800	10,800	-
Interest income	10,960	10,960	2,115	(8,845)
Total revenues	<u>111,500</u>	<u>111,500</u>	<u>49,869</u>	<u>(61,631)</u>
Net change in fund balance	<u>\$ 111,500</u>	<u>\$ 111,500</u>	49,869	<u>\$ (61,631)</u>
Fund balance, June 30, 2020			<u>1,337,451</u>	
Fund balance, June 30, 2021			<u>\$ 1,387,320</u>	

**CITY OF ATASCADERO**  
 OPEN SPACE ACQUISITION FEES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 162,710	\$ 162,710	\$ 62,252	\$ (100,458)
Interest income	15,130	15,130	2,612	(12,518)
Total revenues	<u>177,840</u>	<u>177,840</u>	<u>64,864</u>	<u>(112,976)</u>
Net change in fund balance	<u>\$ 177,840</u>	<u>\$ 177,840</u>	64,864	<u>\$ (112,976)</u>
Fund balance, June 30, 2020			<u>730,117</u>	
Fund balance, June 30, 2021			<u>\$ 794,981</u>	

**CITY OF ATASCADERO**  
 PARKLAND FACILITIES FEES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 398,670	\$ 398,670	\$ 180,302	\$ (218,368)
Interest income	18,740	18,740	(8,427)	(27,167)
Total revenues	<u>417,410</u>	<u>417,410</u>	<u>171,875</u>	<u>(245,535)</u>
<b>Expenditures:</b>				
Capital Projects:				
Atascadero Lake Pipeline Repair	144,610	144,610	7,341	137,269
La Plaza Park Project	440,890	1,057,590	922,139	135,451
Pickleball Courts @ Colony Park	-	15,000	8,783	6,217
Total expenditures	<u>585,500</u>	<u>1,217,200</u>	<u>938,263</u>	<u>278,937</u>
Net change in fund balance	<u>\$ (168,090)</u>	<u>\$ (799,790)</u>	<u>(766,388)</u>	<u>\$ 33,402</u>
Fund balance, June 30, 2020			<u>1,226,521</u>	
Fund balance, June 30, 2021			<u>\$ 460,133</u>	

**CITY OF ATASCADERO**  
 PUBLIC FACILITIES FEES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 103,280	\$ 103,280	\$ 40,372	\$ (62,908)
Interest income	2,360	2,360	(5,044)	(7,404)
Total revenues	<u>105,640</u>	<u>105,640</u>	<u>35,328</u>	<u>(70,312)</u>
<b>Expenditures:</b>				
Capital projects:				
Zoo Garden Event Center	157,240	157,240	85,498	71,742
Total expenditures	<u>157,240</u>	<u>157,240</u>	<u>85,498</u>	<u>71,742</u>
Net change in fund balance	<u>\$ (51,600)</u>	<u>\$ (51,600)</u>	(50,170)	<u>\$ 1,430</u>
Fund balance, June 30, 2020			<u>54,851</u>	
Fund balance, June 30, 2021			<u>\$ 4,681</u>	

**CITY OF ATASCADERO**  
 LIBRARY EXPANSION FACILITIES FEES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Impact fees	\$ 56,930	\$ 56,930	\$ 20,395	\$ (36,535)
Interest income	4,550	4,550	805	(3,745)
Total revenues	<u>61,480</u>	<u>61,480</u>	<u>21,200</u>	<u>(40,280)</u>
Net change in fund balance	<u>\$ 61,480</u>	<u>\$ 61,480</u>	21,200	<u>\$ (40,280)</u>
Fund balance, June 30, 2020			<u>213,141</u>	
Fund balance, June 30, 2021			<u>\$ 234,341</u>	

**CITY OF ATASCADERO**  
 COMMUNITY FACILITIES DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and assessments	\$ 603,080	\$ 603,080	\$ 625,724	\$ 22,644
Interest income	1,580	1,580	(2,444)	(4,024)
Total revenues	<u>604,660</u>	<u>604,660</u>	<u>623,280</u>	<u>18,620</u>
<b>Expenditures:</b>				
Contract services	5,950	5,950	5,150	800
Total expenditures	<u>5,950</u>	<u>5,950</u>	<u>5,150</u>	<u>800</u>
Excess of revenues over (under) expenditures	<u>598,710</u>	<u>598,710</u>	<u>618,130</u>	<u>19,420</u>
<b>Other Financing Sources (Uses):</b>				
Transfer to the General Fund for police, fire and parks services	(698,950)	(698,950)	(698,950)	-
Total other financing sources (uses)	<u>(698,950)</u>	<u>(698,950)</u>	<u>(698,950)</u>	<u>-</u>
Net change in fund balance	<u>\$ (100,240)</u>	<u>\$ (100,240)</u>	<u>(80,820)</u>	<u>\$ 19,420</u>
Fund balance, June 30, 2020			<u>137,652</u>	
Fund balance, June 30, 2021			<u>\$ 56,832</u>	

**CITY OF ATASCADERO**

APPLE VALLEY STREET & STORM DRAIN ASSESSMENT DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and assessments	\$ 38,500	\$ 38,500	\$ 38,500	\$ -
Interest income	5,490	5,490	1,418	(4,072)
Total revenues	<u>43,990</u>	<u>43,990</u>	<u>39,918</u>	<u>(4,072)</u>
<b>Expenditures:</b>				
Advertising	300	300	99	201
Contract services	18,510	17,630	3,775	13,855
Administration	1,240	2,120	2,113	7
Total expenditures	<u>20,050</u>	<u>20,050</u>	<u>5,987</u>	<u>14,063</u>
Net change in fund balance	<u>\$ 23,940</u>	<u>\$ 23,940</u>	33,931	<u>\$ 9,991</u>
Fund balance, June 30, 2020			<u>456,154</u>	
Fund balance, June 30, 2021			<u>\$ 490,085</u>	

**CITY OF ATASCADERO**  
 APPLE VALLEY LANDSCAPE & LIGHTING ASSESSMENT DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and assessments	\$ 63,000	\$ 63,000	\$ 63,000	\$ -
Contributions from developer	9,900	9,900	9,900	-
Interest income	2,510	2,510	239	(2,271)
Total revenues	<u>75,410</u>	<u>75,410</u>	<u>73,139</u>	<u>(2,271)</u>
<b>Expenditures:</b>				
Advertising	500	500	323	177
Utilities	13,220	18,150	18,143	7
Operating supplies	2,500	2,500	96	2,404
Contract services	60,230	55,050	51,757	3,293
Administration	2,100	2,350	2,346	4
Total expenditures	<u>78,550</u>	<u>78,550</u>	<u>72,665</u>	<u>5,885</u>
Net change in fund balance	<u>\$ (3,140)</u>	<u>\$ (3,140)</u>	474	<u>\$ 3,614</u>
Fund balance, June 30, 2020			<u>182,478</u>	
Fund balance, June 30, 2021			<u>\$ 182,952</u>	

**CITY OF ATASCADERO**  
 LAS LOMAS STREET & STORM DRAIN ASSESSMENT DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and assessments	\$ 92,240	\$ 92,240	\$ 92,933	\$ 693
Interest income	6,180	6,180	2,559	(3,621)
Total revenues	<u>98,420</u>	<u>98,420</u>	<u>95,492</u>	<u>(2,928)</u>
<b>Expenditures:</b>				
Advertising	300	300	99	201
Contract services	17,830	17,380	3,775	13,605
Administration	1,800	2,250	2,245	5
Special projects and studies:				
Slurry Seal	394,000	394,000	-	394,000
Total expenditures	<u>413,930</u>	<u>413,930</u>	<u>6,119</u>	<u>407,811</u>
Net change in fund balance	<u>\$ (315,510)</u>	<u>\$ (315,510)</u>	<u>89,373</u>	<u>\$ 404,883</u>
Fund balance, June 30, 2020			<u>548,148</u>	
Fund balance, June 30, 2021			<u>\$ 637,521</u>	

**CITY OF ATASCADERO**  
 LAS LOMAS LANDSCAPE & LIGHTING ASSESSMENT DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and assessments	\$ 66,050	\$ 66,050	\$ 66,048	\$ (2)
Interest income	2,550	2,550	314	(2,236)
Total revenues	<u>68,600</u>	<u>68,600</u>	<u>66,362</u>	<u>(2,238)</u>
<b>Expenditures:</b>				
Advertising	500	500	323	177
Utilities	4,800	6,930	6,923	7
Operating supplies	1,080	1,080	123	957
Contract services	76,900	73,790	52,406	21,384
Administration	1,360	2,340	2,330	10
Special projects and studies:				
Planting and landscape project	4,000	4,000	-	4,000
Total expenditures	<u>88,640</u>	<u>88,640</u>	<u>62,105</u>	<u>26,535</u>
Excess of revenues over (under) expenditures	<u>(20,040)</u>	<u>(20,040)</u>	<u>4,257</u>	<u>24,297</u>
<b>Other Financing Sources (Uses):</b>				
Transfer from the General Fund for open space maintenance	<u>1,850</u>	<u>1,850</u>	<u>1,850</u>	<u>-</u>
Total other financing sources (uses)	<u>1,850</u>	<u>1,850</u>	<u>1,850</u>	<u>-</u>
Net change in fund balance	<u>\$ (18,190)</u>	<u>\$ (18,190)</u>	<u>6,107</u>	<u>\$ 24,297</u>
Fund balance, June 30, 2020			<u>180,929</u>	
Fund balance, June 30, 2021			<u>\$ 187,036</u>	

**CITY OF ATASCADERO**

DE ANZA STREET & STORM DRAIN ASSESSMENT DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and assessments	\$ 30,560	\$ 30,560	\$ 30,561	\$ 1
Interest income	6,500	6,500	1,280	(5,220)
Total revenues	<u>37,060</u>	<u>37,060</u>	<u>31,841</u>	<u>(5,219)</u>
<b>Expenditures:</b>				
Advertising	300	300	99	201
Contract services	19,100	18,680	3,856	14,824
Administration	1,600	2,020	2,016	4
Total expenditures	<u>21,000</u>	<u>21,000</u>	<u>5,971</u>	<u>15,029</u>
Net change in fund balance	<u>\$ 16,060</u>	<u>\$ 16,060</u>	25,870	<u>\$ 9,810</u>
Fund balance, June 30, 2020			<u>454,726</u>	
Fund balance, June 30, 2021			<u>\$ 480,596</u>	

**CITY OF ATASCADERO**  
 DE ANZA LANDSCAPE & LIGHTING ASSESSMENT DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and assessments	\$ 15,880	\$ 15,880	\$ 15,874	\$ (6)
Interest income	1,730	1,730	242	(1,488)
Total revenues	<u>17,610</u>	<u>17,610</u>	<u>16,116</u>	<u>(1,494)</u>
<b>Expenditures:</b>				
Advertising	500	500	323	177
Utilities	500	1,180	1,171	9
Operating supplies	840	840	96	744
Contract services	20,790	20,110	12,216	7,894
Administration	2,180	2,180	2,108	72
Special projects and studies:				
Landscape Improvements	5,200	5,200	-	5,200
Total expenditures	<u>30,010</u>	<u>30,010</u>	<u>15,914</u>	<u>14,096</u>
Excess of revenues over (under) expenditures	<u>(12,400)</u>	<u>(12,400)</u>	<u>202</u>	<u>12,602</u>
<b>Other Financing Sources (Uses):</b>				
Transfer from the General Fund for open space maintenance	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>	<u>-</u>
Total other financing sources (uses)	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>	<u>-</u>
Net change in fund balance	<u>\$ (11,000)</u>	<u>\$ (11,000)</u>	<u>1,602</u>	<u>\$ 12,602</u>
Fund balance, June 30, 2020			<u>129,518</u>	
Fund balance, June 30, 2021			<u>\$ 131,120</u>	

**CITY OF ATASCADERO**  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

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	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
OES Revenue- 2017 Storms	\$ -	\$ -	\$ (716)	\$ (716)
Interest income	6,450	6,450	383	(6,067)
Total revenues	<u>6,450</u>	<u>6,450</u>	<u>(333)</u>	<u>(6,783)</u>
Net change in fund balance	<u>\$ 6,450</u>	<u>\$ 6,450</u>	<u>(333)</u>	<u>\$ (6,783)</u>
Fund balance, June 30, 2020			<u>365,655</u>	
Fund balance, June 30, 2021			<u>\$ 365,322</u>	

**CITY OF ATASCADERO**  
 2010 BOND PROCEEDS MASTER AGREEMENT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Interest income	\$ -	\$ -	\$ 527	\$ 527
Total revenues	-	-	527	527
<b>Expenditures:</b>				
Capital outlay:				
Purchase East Mall Tax Default Properties	-	1,520	1,519	1
Centennial Bridge and Plaza Project	256,570	255,050	-	255,050
Maiden Statue Placement	15,000	15,000	-	15,000
Downtown Parking Wayfinding Signage	15,000	15,000	-	15,000
Total expenditures	286,570	286,570	1,519	285,051
Net change in fund balance	\$ (286,570)	\$ (286,570)	(992)	\$ 285,578
Fund balance, June 30, 2020			303,790	
Fund balance, June 30, 2021			\$ 302,798	

**CITY OF ATASCADERO**  
 YOUTH CENTER CONSTRUCTION FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2021

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Interest income	\$ -	\$ -	\$ 8	\$ 8
Total revenues	-	-	8	8
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	8	<u>\$ 8</u>
Fund balance, June 30, 2020			3,007	
Fund balance, June 30, 2021			<u>\$ 3,015</u>	

**CITY OF ATASCADERO**  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
June 30, 2021

ITEM NUMBER: C-1  
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	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
<b>ASSETS</b>				
Current Assets:				
Cash and investments	\$ 1,860,464	\$ 4,088,303	\$ 4,025,290	\$ 9,974,057
Receivables:				
Accrued interest	4,236	9,180	10,300	23,716
Prepaid expenses	13,699	-	-	13,699
Total current assets	<u>1,878,399</u>	<u>4,097,483</u>	<u>4,035,590</u>	<u>10,011,472</u>
Capital Assets:				
Non-depreciable:				
Construction in progress	544	154,258	1,415,312	1,570,114
Depreciable:				
Vehicles	-	5,378,795	-	5,378,795
Equipment	3,746,631	3,889,965	21,024	7,657,620
Structures and improvements	-	-	51,351,597	51,351,597
Accumulated depreciation	<u>(2,839,463)</u>	<u>(6,493,932)</u>	<u>(10,947,785)</u>	<u>(20,281,180)</u>
Net capital assets	<u>907,712</u>	<u>2,929,086</u>	<u>41,840,148</u>	<u>45,676,946</u>
Total assets	<u>2,786,111</u>	<u>7,026,569</u>	<u>45,875,738</u>	<u>55,688,418</u>
<b>DEFERRED OUTFLOWS</b>				
Deferred outflows related to pensions	<u>89,892</u>	<u>-</u>	<u>84,613</u>	<u>174,505</u>
Total deferred outflows	<u>89,892</u>	<u>-</u>	<u>84,613</u>	<u>174,505</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	52,035	37,351	18,195	107,581
Accrued salaries and benefits	15,297	-	8,912	24,209
Unearned revenue	-	-	700	700
Noncurrent Liabilities:				
Noncurrent liabilities	<u>597,308</u>	<u>-</u>	<u>505,734</u>	<u>1,103,042</u>
Total liabilities	<u>664,640</u>	<u>37,351</u>	<u>533,541</u>	<u>1,235,532</u>

CITY OF ATASCADERO  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION (continued)  
June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 1

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
<b>DEFERRED INFLOWS</b>				
Deferred inflows related to pensions	\$ 21,679	\$ -	\$ 22,282	\$ 43,961
Total deferred inflows	<u>21,679</u>	<u>-</u>	<u>22,282</u>	<u>43,961</u>
<b>NET POSITION</b>				
Net investment in capital assets	907,712	2,929,086	41,840,148	45,676,946
Unrestricted	<u>1,281,972</u>	<u>4,060,132</u>	<u>3,564,380</u>	<u>8,906,484</u>
<b>Total net position</b>	<u>\$ 2,189,684</u>	<u>\$ 6,989,218</u>	<u>\$ 45,404,528</u>	<u>\$ 54,583,430</u>

**CITY OF ATASCADERO**  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
For the Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
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	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
<b>Operating Revenues:</b>				
Charges for services	\$ 993,030	\$ 222,110	\$ 604,960	\$ 1,820,100
Total operating revenues	<u>993,030</u>	<u>222,110</u>	<u>604,960</u>	<u>1,820,100</u>
<b>Operating Expenses:</b>				
Salaries and benefits	545,945	-	295,020	840,965
Office expense	441	-	-	441
Computer maintenance, software and replacement	-	-	3,370	3,370
Insurance	-	-	68,679	68,679
Occupancy and rental costs	43,190	-	-	43,190
Utilities	-	-	90,338	90,338
Communications	69,132	-	2,406	71,538
Operating supplies and services	19,421	-	24,038	43,459
Vehicle and equipment operating costs	124	-	11,347	11,471
Contract services	108,045	-	39,559	147,604
Professional development	3,273	-	-	3,273
Administrative charges	21,770	-	52,080	73,850
Special projects:				
Monitors	1,409	-	-	1,409
Wireless networks	1,102	-	-	1,102
Depreciation	<u>226,407</u>	<u>572,183</u>	<u>1,151,447</u>	<u>1,950,037</u>
Total operating expenses	<u>1,040,259</u>	<u>572,183</u>	<u>1,738,284</u>	<u>3,350,726</u>
Operating income (loss)	<u>(47,229)</u>	<u>(350,073)</u>	<u>(1,133,324)</u>	<u>(1,530,626)</u>

**CITY OF ATASCADERO**  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (continued)  
For the Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
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	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
<b>Non-Operating Revenues (Expenses):</b>				
Interest income	\$ 7,515	\$ 14,611	\$ 7,299	\$ 29,425
Gain (loss) on sale of capital assets	-	5,940	-	5,940
Total non-operating revenues (expenses)	<u>7,515</u>	<u>20,551</u>	<u>7,299</u>	<u>35,365</u>
Change in net position prior to capital contributions	<u>(39,714)</u>	<u>(329,522)</u>	<u>(1,126,025)</u>	<u>(1,495,261)</u>
<b>Capital Contributions:</b>				
Cash contributions from other funds	277,400	850,130	-	1,127,530
Capital contributions from other funds	-	59,704	1,355,058	1,414,762
Total capital contributions	<u>277,400</u>	<u>909,834</u>	<u>1,355,058</u>	<u>2,542,292</u>
Change in net position	237,686	580,312	229,033	1,047,031
Total net position, June 30, 2020	<u>1,951,998</u>	<u>6,408,906</u>	<u>45,175,495</u>	<u>53,536,399</u>
Total net position, June 30, 2021	<u>\$ 2,189,684</u>	<u>\$ 6,989,218</u>	<u>\$ 45,404,528</u>	<u>\$ 54,583,430</u>

**CITY OF ATASCADERO**  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
For the Fiscal Year Ended June 30, 2021

	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
<b>Cash Flows From Operating Activities:</b>				
Internal activity - payments from other funds	\$ 993,030	\$ 222,110	\$ 604,960	\$ 1,820,100
Payments to suppliers of goods and services	(224,207)	35,884	(289,512)	(477,835)
Payments for employee services	(515,930)	-	(282,740)	(798,670)
Net cash provided by operating activities	<u>252,893</u>	<u>257,994</u>	<u>32,708</u>	<u>543,595</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>				
Acquisition of capital assets	(210,566)	(436,746)	-	(647,312)
Cash contributions received for capital purchases	277,400	850,130	-	1,127,530
Proceeds from sale of capital assets	-	5,940	-	5,940
Net cash provided by capital and related financing activities	<u>66,834</u>	<u>419,324</u>	<u>-</u>	<u>486,158</u>
<b>Cash Flows From Investing Activities:</b>				
Interest income	7,265	14,287	7,435	28,987
Net cash provided by investing activities	<u>7,265</u>	<u>14,287</u>	<u>7,435</u>	<u>28,987</u>
Net increase in cash and cash equivalents	326,992	691,605	40,143	1,058,740
Cash and cash equivalents - June 30, 2020	<u>1,533,472</u>	<u>3,396,698</u>	<u>3,985,147</u>	<u>8,915,317</u>
Cash and cash equivalents - June 30, 2021	<u>\$ 1,860,464</u>	<u>\$ 4,088,303</u>	<u>\$ 4,025,290</u>	<u>\$ 9,974,057</u>

**CITY OF ATASCADERO**  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS (continued)  
For the Fiscal Year Ended June 30, 2021

ITEM NUMBER: C-1  
DATE: 01/25/22  
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	<u>Technology Fund</u>	<u>Vehicle and Equipment Replacement Fund</u>	<u>Building Maintenance and Replacement Fund</u>	<u>Totals</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ (47,229)	\$ (350,073)	\$ (1,133,324)	\$ (1,530,626)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	226,407	572,183	1,151,447	1,950,037
Change in assets, deferred outflows, liabilities, and deferred inflows:				
Prepaid expenses	16,633	-	-	16,633
Accounts payable	27,067	37,351	2,305	66,723
Accrued salaries and benefits	1,385	(1,467)	(731)	(813)
Deferred outflows	(7,816)	-	(4,741)	(12,557)
Deferred inflows	(11,831)	-	(7,175)	(19,006)
Net pension liability	52,325	-	31,736	84,061
Compensated absences	(4,048)	-	(6,809)	(10,857)
Net cash provided by operating activities	<u>\$ 252,893</u>	<u>\$ 257,994</u>	<u>\$ 32,708</u>	<u>\$ 543,595</u>



Moss, Levy & Hartzheim LLP

Certified Public Accountants

ITEM NUMBER: C-1  
DATE: 01/25/22  
ATTACHMENT: 2

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

City Council  
City of Atascadero  
Atascadero, California

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Atascadero (the City), as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated November 30, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Moss, Levy & Hartzheim LLP*

Santa Maria, California  
November 30, 2021



## **Atascadero City Council**

### **Staff Report – Atascadero Fire & Emergency Services Department**

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#### **Staffing for Adequate Fire and Emergency Response (SAFER) Grant**

##### **RECOMMENDATION:**

Council authorize the Fire Chief to apply for and City Manager to execute a grant contract for a SAFER grant that would reimburse the City for the cost of three additional firefighters for three years.

##### **DISCUSSION:**

The Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) is responsible for the implementation and administration of the Staffing for Adequate Fire and Emergency Response (SAFER) Grants. SAFER is a competitive, discretionary grant program. It provides financial assistance to help fire departments hire new firefighters. The goal is to help departments improve staffing levels to ensure they have adequate personnel to respond and safely perform at incident scenes; providing protection from fire and fire-related hazards in their communities. This grant program provides three-year grants to assist fire departments by paying all salaries and benefits of the SAFER-funded positions. In Fiscal Year (FY) 2021, Congress appropriated a total of \$560 million to DHS for SAFER grants.

The City has applied and has been selected to receive SAFER grants in both 2011 and 2018. The 2018 grant was completed in 2021 and that firefighter position was then included in the 2021-2023 City Budget.

Grantees must maintain their staffing at the level that existed at the time of award as well as the SAFER-funded staffing for the three-year period of performance, unless the grantee has been afforded a waiver of this requirement. The layoff of firefighters during the three-year period of performance will result in the termination of the grant award.

If a SAFER grantee loses a firefighter for any reason (such as attrition or termination) during the three-year period of performance, the department must fill the position or lose funding for the position until the vacancy is filled. The only exception is for grantees that receive waivers from FEMA for the vacated positions that have been lost due to documentable economic hardship.

Currently, Atascadero Fire and Emergency Services has 18 full-time firefighters assigned to shift work and daily emergency response. They are divided into three shifts of six firefighters each. Each shift works 48 straight hours on duty, with three firefighters at each of the two fire stations. A daily staffing level of three fire personnel per engine helps to provide an effective, safe response for the majority of emergencies that may occur. Currently, to maintain this number of six firefighters per day, a significant amount of overtime money is relied on to cover absences from vacation, illness or training.

Staff is recommending that the City apply for three SAFER grant firefighters, which equals one additional firefighter per shift. Adding one additional fire personnel per shift increases on-duty staff per shift to seven from the current level of six firefighters. This additional firefighter will help maintain staffing levels of three per engine, while significantly reducing overtime expenditures.. The City currently budgets \$344,000 per year in overtime spending, which has historically been mostly used for shift coverage.

Adding one firefighter per shift to increase current staffing level will help to ensure that there are six personnel on duty every day, even during times of:

- Long Term injuries –Our workforce has experienced multiple back injuries, knees, shoulders and more. In 2021, a shoulder surgery kept a firefighter off duty for eight months.
- COVID illness or quarantining requirements.
- Vacations and holiday time.
- Lengthy training courses such as those required for Paramedic and Haz Mat Specialist.

Staff estimates adding three SAFER positions could cut the Fire Department's shift coverage overtime expenditures by 50 to 70%.

The National Fire Protection Association makes staffing recommendations that may be helpful to look at:

- NFPA 1710– Current standard establishes a minimum of four firefighters per engine. (5.2.3.1.1)
- NFPA 1710 – Current standard establishes initial first alarm as a minimum of 16 firefighters deployed in less than eight minutes to the fireground of a single-family structure fire. (5.2.4.1.1)
- NFPA – National average number of career firefighters per 1,000 population of a City our size is 1.62 for fire departments with similar work schedules. The Western region ratio is 0.97 career firefighters per 1,000. Atascadero is currently at 0.7 firefighters per 1,000.

While it is understood that industry standards and national averages are currently beyond our reach, it is also important to understand the underlying safety factors that drive these numbers. High performance CPR is far more effective when initiated by three trained personnel and equates to more lives saved after cardiac arrest. Additionally, a three-person engine company is able to perform a more aggressive fire attack during a structure fire which also saves lives and property. Staffing both engines with three personnel provides a more robust response to the community, increasing survivability of victims from a medical emergency or a fire.

Atascadero continues to grow with many housing and commercial projects in the building or development phase. With this growth comes an increased volume of calls for service. At some point in the future, Atascadero will need to address the increasing incidence of overlapping emergencies. To alleviate the incidence of stacked or overlapping calls and to continue to provide the level of service this City has come to expect, plans include adding a 2-person squad in the future to our response model. The 2-person squad could be utilized in lieu of the second engine for a dual response, maintaining availability of a fire engine in the City. With a squad responding to a portion of emergency calls, the fire engines would become more available, which will result in fewer overlapping calls and lower response times. If Atascadero is able to secure three SAFER positions, this would be half of the staffing necessary to add a squad to our response model.

While the grant would allow the City to add three new fire personnel at a minimal cost, thus improving service to the community, accepting the grant if awarded to the City has some potential down sides. What happens at the end of the three-year grant period, when there are no identified funds to pay the estimated \$530,000 in annual cost for the three fire positions? The SAFER grant does require the City to maintain staffing levels during the course of the grant, but does not require the City to keep the three positions at the conclusion of the grant. At the end of the grant period, the City will have to do one of the following:

- Find and prioritize funding in the City budget in order to use City General Funds to pay for one or more the fire personnel hired through the SAFER grant.
- Keep the three fire fighter positions by successfully obtaining another SAFER grant or other grant. (It is unlikely that the City will be competitive for additional grants to maintain the positions.)
- Consider laying off one or more of the three fire personnel hired through the SAFER grant, and reducing service levels back down to existing service levels.

Staff recommends that Council authorize applying for and, if awarded receiving, a SAFER grant to reimburse the City for adding three new firefighter positions for a period of three years. The addition of three firefighter positions could significantly reduce overtime costs and would generally improve community and fire personnel safety. The SAFER grant would require the City to maintain existing staffing levels (plus the additional SAFER positions) throughout the life of the grant or risk terminating the grant. The grant does not require the City to keep the three additional positions at the end of the grant period and there is currently no identified funding to maintain the positions when the grant expires.

### **FISCAL IMPACT:**

There is no fiscal impact in applying for the SAFER grant. If awarded the City would receive funding for three firefighters for three years at an estimated \$1.5 million.

### **ALTERNATIVES:**

The City Council may instruct staff to not apply for the grant.

### **ATTACHMENTS:**

None.